

SUV Sales Bright Spot on Sputtering Market

By [The Moscow Times](#)

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Sport utility vehicles are defying the slowdown in sales thanks to their ability to handle snow and bad roads. **Vladimir Filonov**

All-purpose sport utility vehicles, offering prestige as well as protection from snow and bad roads, are proving to be the bright spot in an otherwise ailing Russian car market, where overall car sales are down about 6 percent so far this year.

"I cannot get enough XC60 at this moment," said John Stech, president and CEO of Volvo Cars in Russia, referring to the Swedish firm's luxury compact sports utility vehicle, or SUV, which retails in Russia from 1.5 million rubles (\$45,600). Volvo is owned by China's Zhejiang Geely.

Once mainly a niche product for the wealthy, SUVs are proving popular across the price spectrum.

"In the past, the difference in price was too huge and jeeps were too high," said Sergei

Litvinenko, senior manager at accountancy firm PwC, who said producers have been trying to propose cheaper SUVs.

Sales of Renault's Duster, an entry-level crossover model which retails from 479,000 rubles (\$14,600), are up 86 percent this year, according to figures from the Association of European Businesses, or AEB. That makes it the fourth most popular car sold in Russia this year.

Toyota's compact RAV 4 model, which retails from 998,000 rubles (\$30,400), saw sales jump 47 percent.

Analysts say the carmakers that will thrive in the Russian market will be those offering the right product mix — which means a big selection of SUVs.

Ford Sollers, an alliance between Ford and Russian carmaker Sollers will add the Edge and EcoSport SUV models from 2014.

"More production [has] become locally available and more models have been tailored for more affordable levels of SUVs," said the joint venture's chief executive, Ted Cannis. "The county has natural reasons to buy SUVs — it is nice to have 4-wheel drive in the winter."

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