

Carmakers Put Hopes for Russian Car Market on Hold

By [The Moscow Times](#)

March 05, 2014

The  Moscow Times

GENEVA — European automakers cast a wary eye toward Russia as the Geneva Auto Show kicked off this week, poised for a quick strategy rethink as the threat of sanctions hangs over the country because of its intervention in Ukraine.

Russia has been a key market for recession-battered European automakers that have looked to expand sales and find partners for lucrative joint ventures. But new uncertainty has been raised by growing tensions between Russia and the West over the Ukrainian peninsula of Crimea.

"There is always going to be a surprise out there. Ukraine is an example. You have to be flexible," CEO of Ford Europe, Stephen Odell, told journalists on the Geneva Auto Show's opening press day on Tuesday.

With three plants and annual sales volumes of about 120,000 units, Russia is important

to Ford Europe's goal of returning to profitability by 2015. Odell says the company is not giving forecasts for 2014 volumes in Russia "and frankly, given the volatility we have to wait and see." The key going ahead, Odell said, is to have a plan but not be so rigorous in the face of changing realities.

Toyota Europe chief Didier Leroy says he is in frequent touch with his team leader in Ukraine, where Toyota has 33 Toyota and five Lexus dealerships, and watching developments in Russia, where Toyota Europe sold 172,000 cars last year.

"Things are moving very quickly," Leroy said. "It is difficult for us to have any forecasts."

Leroy said that while the recovery in car sales in Europe had begun, it would be slow. "The competition will stay very, very severe."

Original url:

<https://www.themoscowtimes.com/2014/03/05/carmakers-put-hopes-for-russian-car-market-on-hold-a-32710>