

INNOVATION, PROSPERITY, QUALITY OF LIFE

26-28 MAY, 2011

NIZHNY NOVGOROD, RUSSIA



supported by the Nizhny Novgorod Regional Government



ICANN

International Community Association
of Nizhny Novgorod

Foreign companies in Russia: Practice Development

Transfer – Innovation - International
May 28, 2011



AGENDA

0. **Introduction ICANN** – *R. Van Gestel*
 1. **Innovations in Automotive Sector in Russia**
 2. **Intel – Global Company in Russia** – *V. Bogdanov*
 3. **Large-scale Enterprise Modernization** – *K. White*
 4. **Establishing and Managing an Austrian Industrial Enterprise Collini** – *G. Rakhmatova*
 5. **Interregional and International Cooperation in the Russian Reforms** – *O. Kolobov*
 6. **Roadmap: Knauf – University** – *D. Suchkov*
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Introduction ICANN

- * Established in 1997
 - * international companies and organizations in the Nizhny Novgorod region
 - * business, government and social contacts
 - * lobbies interests of its members
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ICANN

* 35 members, various industries:

- banking
 - high-tech
 - food & beverage
 - consulting, accounting
 - automotive & other manufacturing,
 - education
 - various service sectors
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ICANN Members

**Alliance Française de Nijni-
Novgorod
Ancor
Banca Intesa
Banque Societe Generale Vostok
Branoros
CCA Engineering
Collini
Flaig + Hommel
Freudenberg Politex
Hellmann East Europe
IKEA
Intel Corporation
International Institute of
Economics, Law and
Management NNGASU
Japan Center in Nizhny Novgorod
Kelly Services
Knorr-Bremse RUS**

**KPMG
Lear Corporation
LEONI
Liebherr-Nizhny Novgorod
Lufthansa German Airlines
Malojer Austro Engineering
Marchmont Capital Partners
MonsterRussia
Raiffeisenbank
Restaurant IL Porto
Rettenmaier RUS Produktion
RusVinyl
Schneider Electric
SCHOTT Pharmaceutical Packaging
Trosifol
Uhde
Unilin
Wartsila Ship Design Russia
Wolga Consult**

ICANN Members - automotive

- Branoros
 - Collini
 - Flaig + Hommel
 - Hellmann East Europe
 - Knorr-Bremse RUS
 - Lear Corporation
 - LEONI
 - Trosifol
-
-

Balakhna:
Rettenmaier

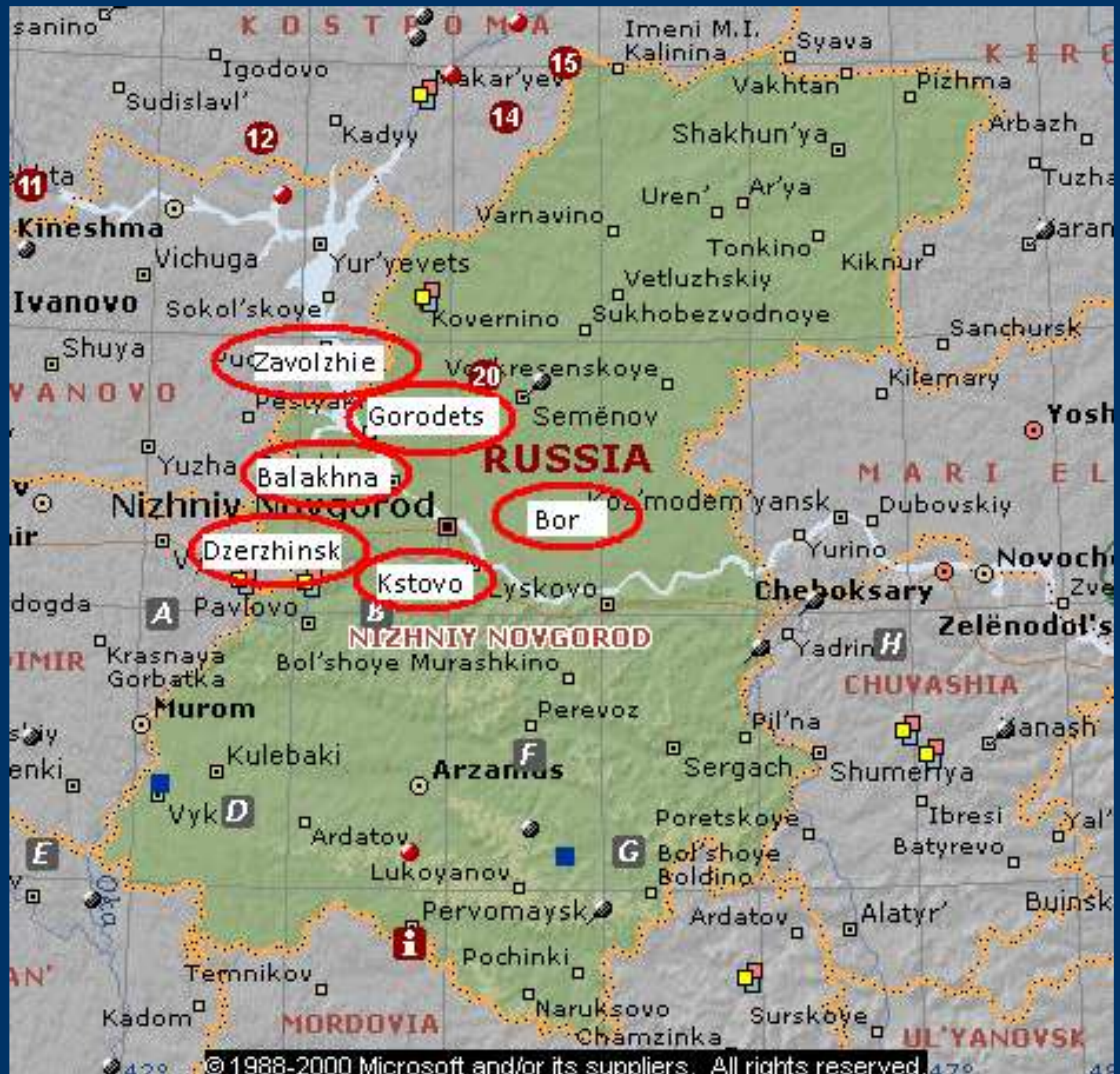
Bor:
Trosifol

Dzerzhinsk:
Liebherr
Malojer
Uhde

Gorodets:
LEONI

Kstovo:
Branoros
IKEA
RusVinyl

Zavolzhie:
Freudenberg
Politex
Schott



Investment Projects ICANN members

Investors: 15 members companies

Investment: \$3.2 bn

New Jobs: 6,300

Large Investors:

- Liebherr
 - Intel
 - Schott
 - Rettenmaier
 - RusVinyl
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*Innovations in the
Automotive Sector
in Russia*



Innovation: high-tech vs. down-to-earth

- High-tech:
 - Nano technology, “Skolkovo”
 - Down-to-earth:
 - Implementation of foreign technologies in Russia
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Automotive industry:

- High-tech:
 - Airbags
 - Catalytic converters
 - Hybrid cars
 - “Pedestrian scanners”
 - Down-to-earth:
 - More & more electronics
 - Better stamping, moulding
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Approaches to innovation

- Product (design) innovation
 - Process innovation
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Product innovation

- Functionality (what for, how to handle it)
 - Visual appeal (materials, colors)
 - Environmental / Health & Safety (materials)
 - Cheaper in price and/or usage
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Process innovation

- Production
 - choice of technology
 - relation equipment/labor
 - Logistics
 - order speed, availability
 - stock management, internal logistics
 - Environmental / Health & Safety
 - ergonomics
 - cleaner production
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Innovation Automotive Russia

- Product design
 - Dictated from abroad
 - Few R&D centers in Russia
 - Processes
 - Technology mostly driven by experiences from outside of Russia
BUT: cost considerations require original solutions
 - Most companies copy logistic methods/concepts from elsewhere
BUT: vast distances in RF require original approaches
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Conditions for product innovation

Money, so...

- Production volumes
 - Government stimulation
 - A strong environmental lobby
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Government role in Russian car industry

- “Industrial Assembly”
(low customs duties in exchange for localization)
 - Technoparks
 - Support to concentrate companies
 - Tax breaks
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Government role in Russian car industry

- What more can be done?
 - Education in the region
 - Infrastructure



Thank you for your attention



<http://www.icann-nn.ru>
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