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EVOLUTION OF INDUSTRIAL ASSEMBLY PRACTICES IS A PRECONDITION FOR MODERNIZATION AND DEVELOPMENT OF RUSSIAN AUTOMOTIVE INDUSTRY

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It is an open secret, that today domestic auto industry, producing cars, is not competitive, so more and more foreign producers, owing technologies necessary for the domestic industry, enter the Russian market. Due to this a question appears: how will the further expansion of foreign-made cars' assembly influence on domestic automobilia?

Our work puts forward arguments that development of assembly practices of foreign made cars can influence on domestic automobile industry, increasing its competitiveness and reducing the share of direct import of cars.

In Russia the receiving of foreign experience can be divided into 4 stages: Semi Knock-Down, license assembly, industrial assembly and strategic alliances. **Semi Knock-Down.** Big units and aggregates are imported to the territory of the assembling country (that's why the practice is named – Semi Knock-Down, SKD) and the cars are assembled from them as an erector set (“Avtotor”).

License assembly. Entirely disassembled vehicle sets are assembled (“TaGAZ” together with Hyundai).

Industrial assembly practice. Along with development of this practice the mail hopes for the development of domestic industry are connected, in fact industrial assembly practice provides localization of production process is signed as a term necessary for the work within territory of Russia. This precondition is an important difference between industrial assembly practice and license assembly.

Localization is the manufacturing process management (exactly manufacturing and not assembly) of details and components of different processing complexity at the plants of assembly country. Thus the producers of assembling country master production of this or those components according to the author's

technology and standards and after that apply the received experience while developing and producing their own analogue production.

In Russia 8 plants practice the industry assembly (Ford, Avtoframos, Toyota, Nissan, GM, VW, P&C, Hyundai).

Strategic alliances. In Russia already 2 alliances work - «AvtoVAZ»-Renault and Sollers-Ford – within these organizations Renault will transfer technologies and standards for the launch of cars with label Lada and plans to produce passenger cars and LCV Ford, engines and to conduct R&D together with Ford.

Thus we see that since 1997 year domestic automobile industry raised from “driving” assembly at the plant “Avtodor” to industrial assembly practice and strategic alliances which allow developing Russian models on the base of foreign technologies. Appearing of new Russian model of “C” class TAGAZ Vega is a prime example. The model was developed in design bureau Tagaz Korea, the partner of TAGAZ in developing its own model range. Launching of model Vega is result of cooperation Russian and foreign companies for the Russian automobile industry and the received experience is unique. Now ample grounds to believe that domestic producers are able to absorb technologies far beyond the Russian appeared.

As one assembly practice was changing to another a domestic vector of modernization was developed in Russia and development of automobile industry owing original elements which make it well-grounded in domestic conditions. The following basic aspects can be marked:

- 1) far-reaching way of development, which supposes the work of many representatives of foreign automobile industry in domestic industry. They will be able to give technologies of various technological level and prescriptio;

- 2) long-precondition cooperation;

- 3) already constructed final production plants in possible appearance of components’ producers Leningrad and Kaluga regions allow to consider these regions as future clusters;

4) profitable geographical location of Leningrad Region makes the possible export of foreign made cars assembled in Russia to the countries of Eastern Europe effective;

5) production of cars of the same class and price in one region which is being now observed in Leningrad Region forms conditions for development competition among producers. Such competition will stimulate the growth of production localization which allows the companies to save on transaction and transport costs. This will reduce risks of growth of prime costs more quickly than the rivals will be able to do.

Each of the reasons plays an important role and positively influences on automobile industry. If they are put into a system under quality management and responsible control it will allow modernizing domestic industry, although until recently it was hard to believe in it.