

CLAAS Aims to Modernise Russian Agriculture

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CLAAS, one of the world's leading manufacturers of agricultural machinery, is aiming to further modernise the Russian agricultural sector and has now put an additional plant into operation in the southern Russian city of Krasnodar. The company has invested around 120 million euros in the project.

"Currently Europe's most modern production facility for agricultural machinery, the Krasnodar plant was built in just 27 months. In our industry, no other company is investing to this extent in the Russian economy and bringing the latest manufacturing technologies to the country. We are doing this because the Russian agricultural sector has excellent prospects for the future", explains Lothar Kriszun, Spokesman of the CLAAS Executive Board.

The need to modernise and the demand for efficient harvesting technologies remain significant. Only 72 million hectares are currently used for agriculture in Russia, but a total of 122 million hectares are actually suitable for farming.

The new plant is employing people from many different regions of Russia, some of whom have travelled more than 2000 kilometres to take up a position at CLAAS in Krasnodar. Many of the occupations and technologies required by the plant didn't previously exist in the region and, in some cases, were very rare throughout the whole of Russia. Jobs in computer-controlled laser machining, which involves cutting metal parts with the utmost precision, or jobs in the automated painting facility are found nowhere else in the region. This technological specialisation combined with a level of vertical integration comparable to that of the CLAAS parent plant in Harsewinkel will allow the facility to also supply products and services to companies from outside the sector in future. The production facility in Krasnodar is around nine times bigger than the previous factory with a surface area of around 45,000 square metres. Accordingly, the production volume of the plant will increase to up to 2500 combine harvesters and tractors per year. Out of the eleven production plants operated by CLAAS, this plant is thus ranked in the top four by size.

The plant goes into operation in a challenging political and economic climate characterised by volatile exchange rates, difficulties in obtaining finance locally and the efforts of CLAAS to be recognised as a true Russian manufacturer.

"However, as a family-owned enterprise we have a long-term approach and think beyond the present day. The same applies to our 17 Russian service partners who are planning to invest around 40 million euros in their

dealer network over the coming three years", emphasises Kriszun.

CLAAS started operations in the country in 1992 with the export of used machinery and its first local dealers. This was followed by new machinery and the first Russian employees of the company, who took over responsibility for training and service. In 2005, CLAAS became the first foreign agricultural machinery company to set up its own production facilities in Russia, investing around 20 million euros at the time.

Source: CLAAS