**Horn founds branch in Russia**

A market with lots of potential

HORN RUS LLC has been operating in Russia with its own employees since the beginning of 2018. The HORN RUS headquarters in Moscow are the centre of its market activities. During the initial phase, the new company is concentrating on existing and well-known customers from the automotive, energy and aerospace industries, as well as their suppliers. There are no limitations to the range of products and services available. The Moscow office has a floor space of approximately 300 m² (3,229 sq ft) and houses the sales and administration departments, the storage area and facilities for delivering customer training. Despite the great distance between Moscow and Tübingen, the same short delivery times apply when placing orders for special tools in Russia. Through its systematic approach, HORN is replicating an important competitive advantage in Russia, which – together with quality and precision – represents a key criterion for success in the market within the Russian Federation.

Local team

The people in charge of HORN RUS LLC are Alexander Dick (Managing Director), Pavel Glazyrin (National Sales Manager) and Anastasia Dododnova (Operations Manager). Regarding the focus of HORN RUS, Alexander Dick has the following to say: “Russia is a growth market. Quality, ever increasing efficiency, speed and repeatability are the core requirements and these are perfectly accommodated by our product portfolio. In 2018, the Metalloobrabotka and Neftegaz exhibitions will offer the ideal platform for presenting our solutions and capabilities.”

Current market situation

In the first nine months of 2017, the German machine building industry exported around four billion euros worth of goods to Russia. That equates to a growth rate of approximately 23 percent. However, the export market is still lagging some way behind the level it was at prior to the economic crisis. By the end of the first nine months of 2012, a figure of six billion euros had been recorded for German exports. To get back to the 2012 level, it will take another two to two and a half years at the current percentage growth rate.

Agricultural technology continues to reign supreme in spot number 1. In building and construction, the upturn is mainly attributable to road construction projects, with the building sector remaining stuck at the previous year's level. One possible explanation for this is that the construction industry is experiencing a temporary boom in infrastructure because of the 2018 FIFA World Cup. Although machine tools are likewise seeing a small upturn, the decline in sales over previous years means they have even more catching up to do than the mechanical engineering sector as a whole if they are to return to pre-crisis levels. In addition to economic developments, sanctions also have a big part to play here. As far as cutting tools are concerned, the negative sales trend that started in 2013 has been reversed and is now heading in the positive direction (see graph).

Overall, almost all of the ten strongest export sectors in Russia have been growing. This suggests that the upturn is not simply being driven by a few major projects in particular sectors but is indicative of a general trend.

Source: VDMA Russian liaison office

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**Image captions:**



**Image 1:** The head office of HORN RUS LLC is located in the European Building in Moscow.



**Image 2:** The management team at HORN RUS LCC: Anastasia Dododnova, Alexander Dick and Pavel Glazyrin (from left to right).

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