

Russian market sees huge value in Bell ADTs

Several years ago Bell Equipment saw the potential for its Articulated Dump Truck in the Russian market and appointed distributors in the region. Last year the company strengthened its position by establishing a business entity in Moscow, Russia – “Bell Equipment Rusland”.

In February a delegation of Russian customers from the Kuzbass region and representatives of Deutsche Leasing and dealer, Transib Kuzbass visited Bell Equipment’s Richards Bay factory with staff from Bell Equipment Rusland, headed by Herman Kowalenko, to learn more about the company and see the manufacturing process firsthand.

Mr Andrey Shick of UMS Kuzbass explained that his company constructs gravel roads and transport infrastructure, including railroads and bridges, for the region’s industrial coal producers. They bought four second-hand B40D Articulated Dump Trucks a year ago because they believed they were the most suitable trucks for the job. Their cost effectiveness, particularly fuel efficiency, together with the fact that they were manufactured in Bell Equipment’s German factory, also played a role in making their choice.

“Currently we are working on the earthworks for a refining factory in Novolipetsk. These trucks operate in difficult, harsh conditions. We have extreme temperatures and there is no existing infrastructure so 6x6 is a necessity due to the muddy conditions in Siberia. These trucks have been tested in -35°C and have proved themselves and our drivers are more than happy with the comfortable seat and ride.”

Of his visit to South Africa, Mr Shick said: “I have seen what I was hoping to see. Bell Equipment is a serious venture with major scale production. So far I have been very happy with our Bell ADTs and hope we can keep developing and growing together. When we look to expand we will acquire more Bell ADTs.”

Another customer, Mr Ruslan Talibov of Avtospetstroy, an open cast mining operation which mines granite, lead ore and zinc said they took delivery of five B40Ds in January 2008. The machines were bought second-hand and have an average of 60 000 hours on the clock – not surprising when one considers that Avtospetstroy is a 20-hour per day operation and each truck moves between 12 000 and 15 000m³ of material per month and travels between 240km and 300km per day.

The company acquired the Bell ADTs on the recommendation of an acquaintance and have been impressed by their ability to work in the harsh Siberian conditions as well as the powerful Mercedes Benz engine under the bonnet. “We are happy with the productivity and cost efficiency of our machines. The Bell ADT is a good machine all-round.”

Meanwhile Bell Equipment’s dealer, Mr Igor Nikulin of Transib Kuzbass, said his company jumped at the opportunity to become a Bell dealer in 2008 because ADTs were new to the Kuzbass region and were in high demand due to the need to develop the area. He recalls: “At that time there were only domestically produced rigid trucks available and three old Volvo ADTs but no one was selling ADTs.”

Transib exhibited their new product at a coal mining expo in Novokuznetsk later that year and made two direct sales. Since the expo the dealer has made continuous sales with the largest order being for 20 x B40Ds for Martek, a coal mining company. Today there are about 66 Bell ADTs in the Kuzbass region alone.

“Kuzbass is Russia’s largest coal producing region and Bell ADTs are used for infrastructure development at mines because of their 6x6 capability, high manoeuvrability and ability to work in our challenging weather conditions,” he said.

This year Bell Equipment and Transib will again be represented at the coal mining expo but now other major

players in the ADT market will also be in attendance. “Bell paved the way and showed the need for ADTs in this region but now there is high competition and we need to concentrate on further developing our service so that we can continue to dominate the market. We are getting serious support from Bell Rusland, which is playing a major role in attracting customers and keeping them happy. We are hoping to develop our support by further improving on our availability of spare parts.”

Mr Sergey Kleymonov of Deutsche Leasing in Russia said that the company is the largest and oldest financial leasing company in Europe and is a major financial partner to the Bell Equipment Group. Deutsche Leasing has 26 countries around the world including Russia, Australia and the United Kingdom, which are major markets for Bell ADTs.

He said: “Russia is a big country and has perhaps the highest demand for construction material in the world at present. The country is experiencing the most dynamic growth so it is quite natural that we are active in this country. We have five key accounts and during this trip we have agreed to offer finance for more than 10 units.”

According to the Managing Director of Bell Equipment Europe, Marc Schürmann, there is huge market potential in the Eastern European region, and in Russia in

particular, where the ADT market is currently doubling year-on-year. “Although this growth is from a low base, Russia has the potential to be one of the largest ADT markets in the world because it is rich in natural resources. Many of the mines are isolated and infrastructure is outdated so there is great scope for rail and road infrastructure to connect the various regions and towns that tend to boom on the back of rich mineral deposits in addition to oil and gas.”

Explains Schürmann: “Until recently Russians have been relying on rigid trucks; typically post World War ex-military machines with dated technology. Understandably the reliability and efficiency is not good, which creates a good opportunity for us.

“We saw that Russia offered us opportunities in a variety of industries and would best suit a multi-dealer approach. Currently we have seven major dealers with about 150 outlets across the country. We also saw the need to set up a business entity there to support these dealers and customers to our accustomed standards. The importation process is an extremely complicated one and as such we found it important to offer our dealers and customers the benefit of supplying spare parts ex-stock in the country, clear of customs and duties,” he said.

