



**Results
of
„Strategy for the
Development of Investment
for the Light Industry of
Tyumen Oblast
until 2020“**



Content

- Overview
- Light Industry (LI)
- Company Profiles
- Additional Investment Projects
- Conclusions



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Overview

Tyumen Oblast



- Tyumen Oblast stretches out in the West of Siberia and extends from the border of Kazakhstan in the South to the polar region in the North
- Total surface: 1435000 sqkm
- Surface of southern part: 160000 sqkm
- Density of population: 8.2 people per sqkm
- Distance to Moscow: 2100 km



Overview

Tyumen Oblast

- **Tyumen Oblast is one of the most dynamic regions of Russia**
- **The main industry of Tyumen Oblast is oil and gas exploration (incl. northern autonomous regions)**
 - **Tyumen Oblast possesses the majority of gas (91%) and oil (67%) reserves of Russia**



Overview

Tyumen Oblast

- Tyumen Oblast South possesses a well developed network of roads.
- There are 2 important *airports* in Tyumen Oblast South from 8 in the whole Oblast. Most important is **Roschino** international airport, with direct flights to Kiev/Ukraine and Munich/Germany.
- There are some major rivers around and about Tyumen Oblast (Ob, Irtisch, Tura, Tobol, Ishim, etc.). On the shores of these rivers lie 5 harbours, 3 maintenance and repair companies and 2 shipbuilders.





Overview

Tyumen Oblast

- Tyumen Oblast is taking part in some important national logistic development projects

- International logistic projects

- “North-Transportation-Route”

- “Transportation Route Berlin-Moscow-Beijing”

- “North Sea Way”

- International transport project “Traseca”

- New Interstate road “Siberian Route” (Surgut, Novij Urengoj and Salekhard)

- Tyumen Oblast is very active in building additional roads. The ring road around the City of Tyumen is already completed.





Overview

Tyumen Oblast

- **Population of Tyumen Oblast South 1323000 in 2004**
 - 638900 of which (48.3%) were employed
 - Share of Light Industry: 2%

- **The population of Tyumen Oblast grew from 3218000 in 2000 to 3307500 (+ 3%) in 2005**

- **The population is young and this is probably not only the result of organic development from within, but also due to new arrivals from other regions**



Overview

Tyumen Oblast

- **Employment figures are growing (2001 – 2004)**
 - ***Textile and sewing industry*** from 4800 to 10000 (+**108%**)
 - **Exploration of natural resources** from 9300 to 17000 (+**83%**)
 - **Public administration; public security services, military; social security** from 24700 to 33900 (+ **37%**)
 - **Construction** from 42100 to 57300 (+ **36%**)
 - **Other community, social and personal** from 23800 to 32400 (+ **36%**)
 - **Financial services** from 7300 to 8900 (+ **22%**)



Overview

Tyumen Oblast

- **Average income of the population is among the highest in Russia**
- **Growth of income 2005 – 2006 was 10.2 %**

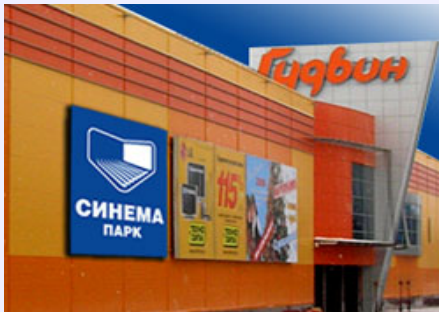


Overview

Tyumen Oblast



Premiere



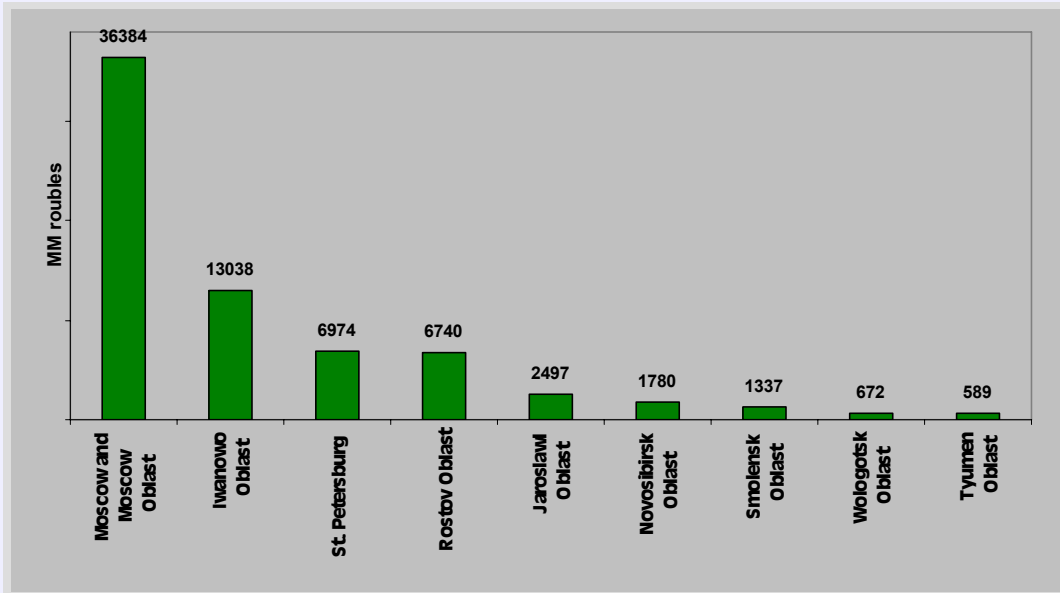
Goodwin

- Tyumen City next to its small and medium sized retailers is already hosting some bigger companies (METRO Cash and Carry, Megamart, Monetka, Mosmart, Lenta, Perekrestok)
- Shopping centers like Premiere and Goodwin already exist
- Tyumen City will welcome the first mega center in the fourth quarter of 2008. Its name will be “Planet Tyumen”
- Another shopping center similar to the likes of Premiere and Goodwin by the name „Solnitschnij“ is under construction.
Its first part (15000 sqm) was supposed to be opened by April 1, 2007.
Total surface of this new complex will be 41712 sqm



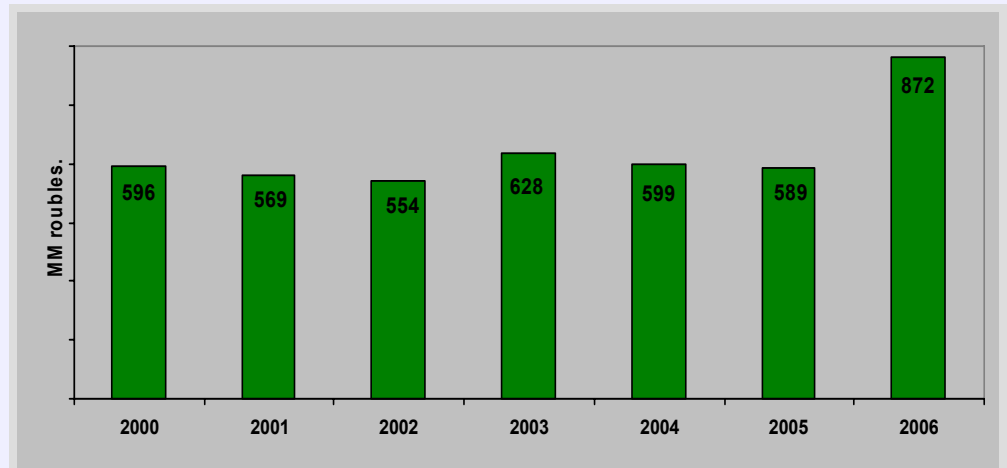
Overview

Light Industry (LI)



Production volume of selected regions in Russia (2005)

Production volume in Tyumen Oblast (2000 – 2006)





Overview

Light Industry (LI)

- **Development of a Strategy for the LI of Tyumen Oblast (2006-2007)**
 - **Analysis of industry segments**
 - **Identification of companies with growth potential**
 - **Cluster strategy**
 - **Presentation of information about companies for potential investors and third parties (Tyumen, Nürnberg, Moscow)**
 - **Leather** (1 company)
 - **Footwear** (3 companies)
 - Expansion of the light industry with the help of investors
 - **Sewing (home textiles, fur, clothing** (15 companies)
 - Settling of new companies
 - Developing Tyumen to become a center of the light industry in Russia
 - **Textile manufacturing**
(woollen cloth and yarn, 1 company)
 - **Carpets** (1 company)



Overview

Light Industry (LI)

- **Factors which drive development of light industry**
 - **Financial resources for investment into existing companies**
 - **Investors to build new companies**
 - **International contacts and know how transfer**



Overview

LI Cluster

- **Supporting factors for a development of a cluster for the LI in Tyumen Oblast**
 - **Positive economic indicators and investment climate**
 - **Legislation encouraging investment**
 - **Very good infrastructure (telecommunication, transport)**
 - **Financial strength of Tyumen Oblast**
 - **Well educated staff**



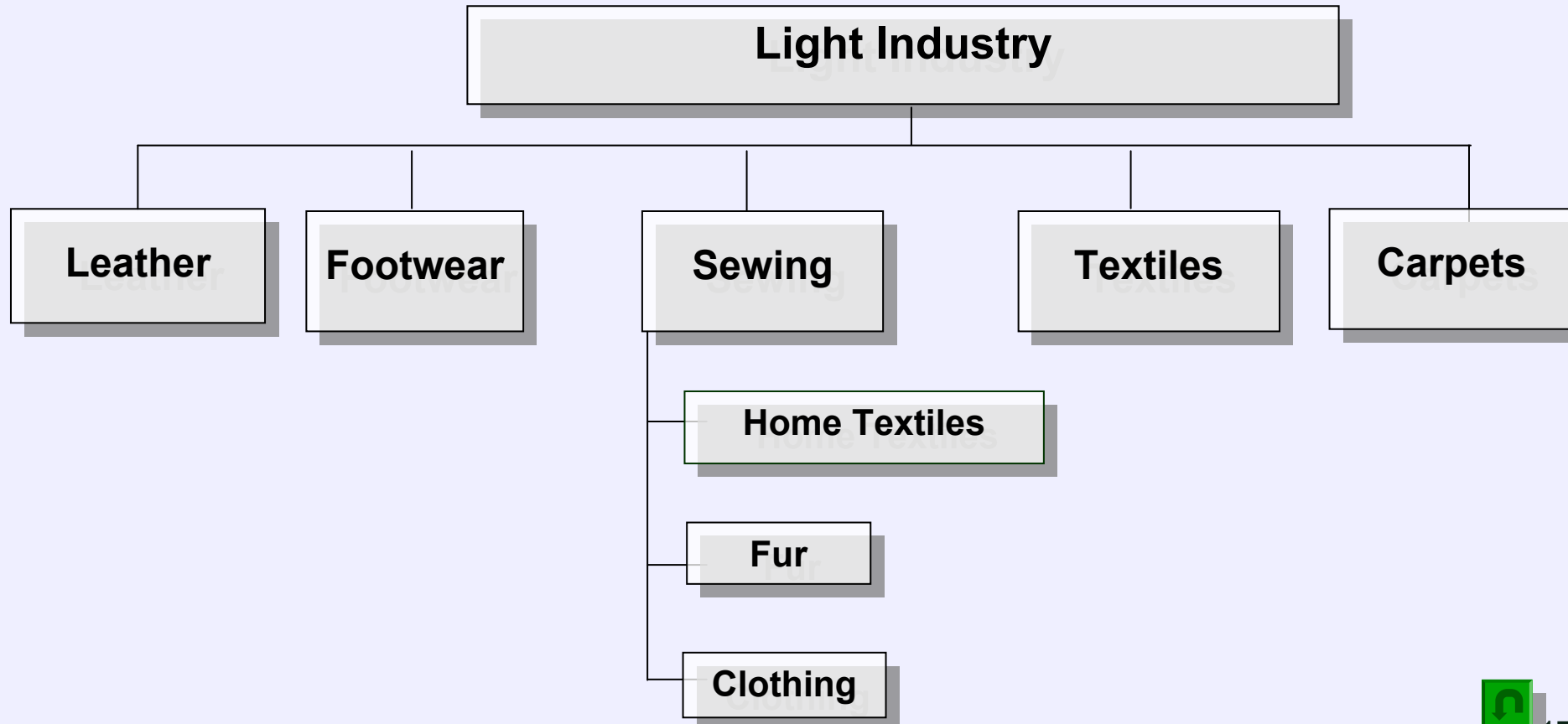
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Light Industry

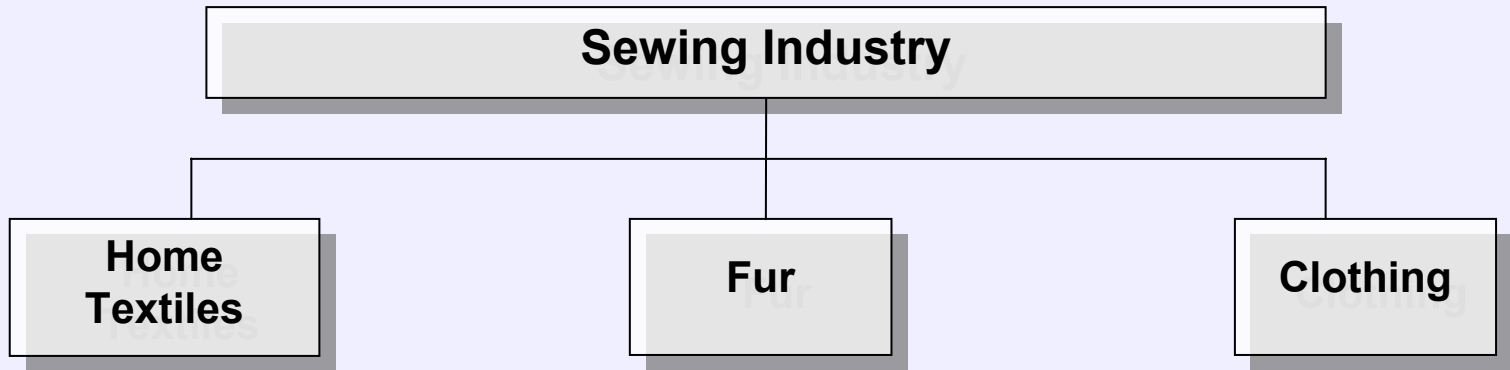
Structure





Light Industry

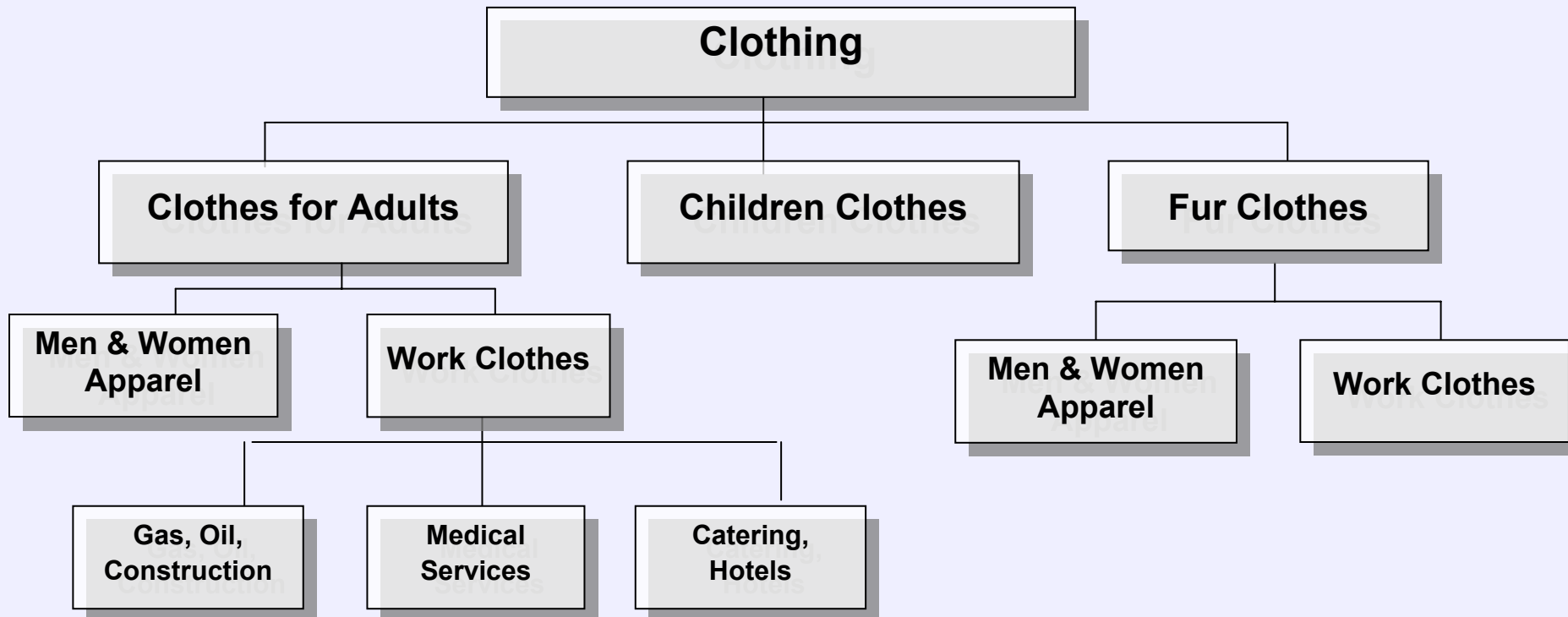
Sewing Industry





Light Industry

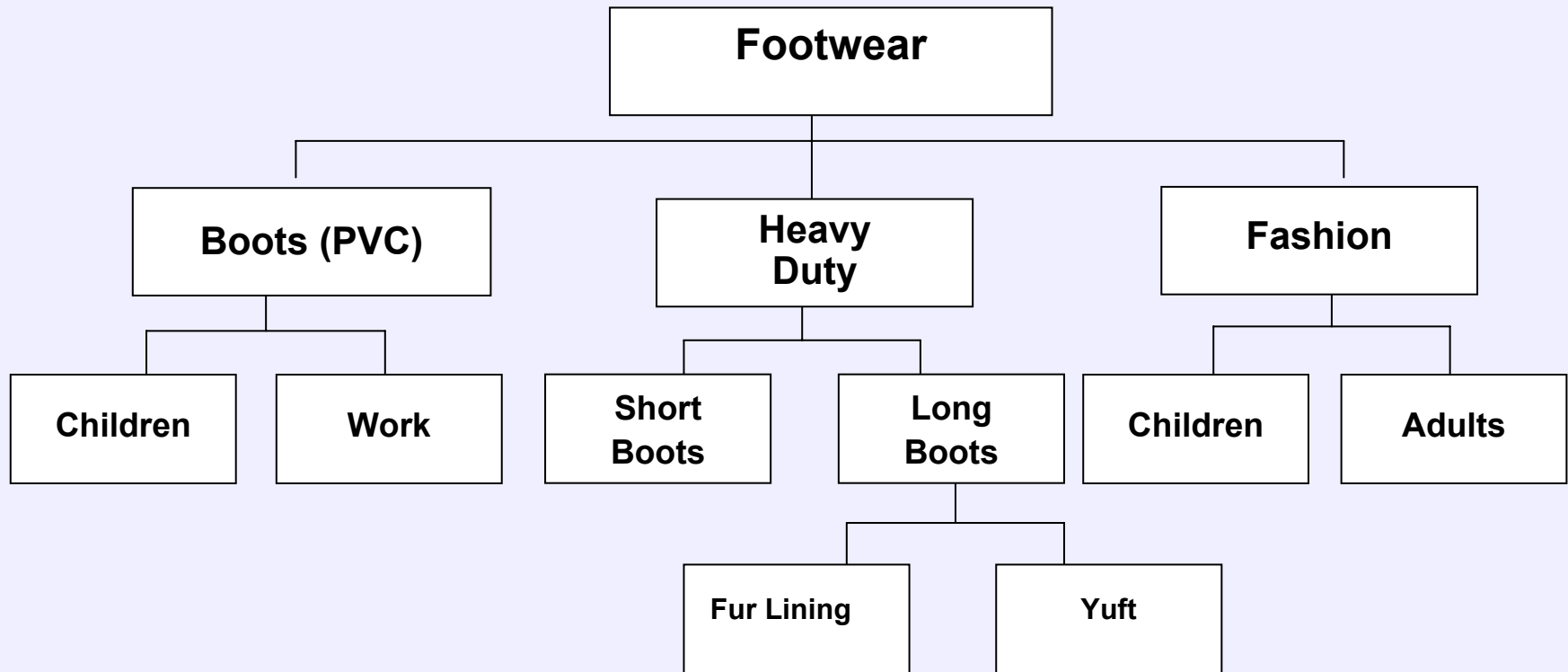
Clothing





Light Industry

Footwear



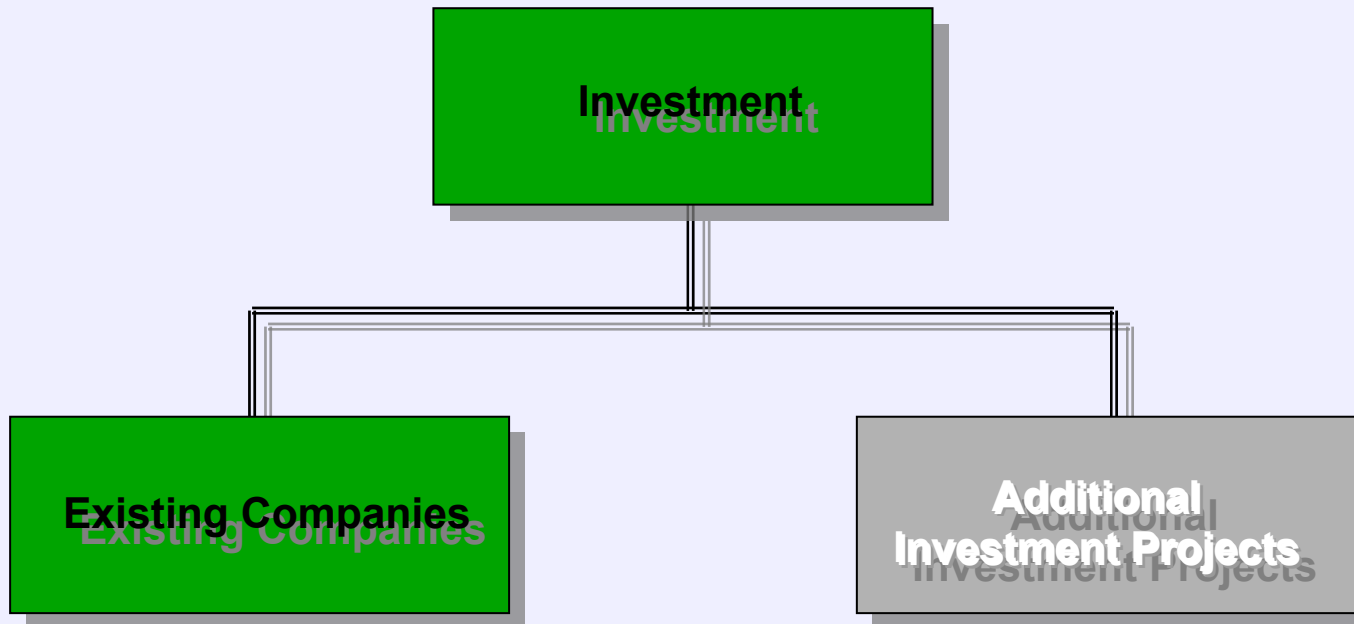


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Company Profiles





Company Profiles

Evrotexs

Name/Address	Closed Joint-Stock Company “Evrotexs” Tyumen, Sverdlova 5			
Management	Irina Anatoljevna Scherbitsch, CEO			
Sales <i>(Million roubles)</i>	2004	2005	2006	2007 (Plan)
	30	50	60	80
Staff 2006	42			
Product Programme	High class textiles (bed linen, curtains, upholstery furniture fabrics)			
Planned Investment <i>(Million roubles)</i>	Machinery and equipment:	2.8	(82000 €)	
	New building for production:	14	(412000 €)	
	New shop:	14	(412000 €)	
Intended Year of Investment	2007			
Type of Cooperation offered for Investors	Depends on negotiations			



Company Profiles

Plushevyj Raj

Name/Address	Open Company Plushevyj Raj Tyumen, Gastello 57			
Management	Tatjana Michajlovna Popruga, CEO			
Sales <i>(Million roubles)</i>	2004	2005	2006	2011 (Plan)
	6	14.5	18	50
Staff 2006	35 (2011, planned: 80)			
Product Programme	Children clothes 0 - 5 years Children bed linen			
Planned Investment <i>(Million roubles)</i>	Machinery and equipment: 5.5 (162000 €) Investment in new premises (non identified sum)			
Intended Year of Investment	2007			
Type of Cooperation offered for Investors	Depends on negotiations			



Company Profiles

Sitsevyj Krai

Name/Address	Open Company Sitsevyj Kraj Sewing Factory Tobolsk, Pionernaj Baza , ABK ZZHBI-4			
Management	Elena Vasiljevna Kolomejceva, CEO			
Sales <i>(Million roubles)</i>	2004	2005	2006	2007 (Plan)
	5	12	15.5	20
Staff 2006	57			
Product Programme	Jersey, bed linen, children clothes, work clothes			
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment: 2.7 (80000 €) Renovation of the building: 0.3 (9000 €)			
Intended Year of Investment	2007			
Type of Cooperation offered for Investors	Depends on negotiations			



Company Profiles

TOMF

Name/Address	Open Company Tyumenskaja Sheep-Fur Factory (TOMF) Tyumen, Scherbakova 4			
Management	Igor Vitaljevich Bratuchin, CEO			
	2004	2005	2006	2010 (Plan)
Sales <i>(Million roubles)</i>	102	75	100	400
Staff 2006	146			
Product Programme	Work clothes from fur for gas, oil and railway employees. Fashionable furs			
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment : 24 (706000 €)			
Intended Year of Investment	2007			
Type of Cooperation offered for Investors	Depends on negotiations			



Company Profiles

Jalutorovskaja Sewing Factory

Name/Address	Open Joint-Stock Company Jalutorovskaja Sewing Factory Jalutorovsk, Ishimskaja 142		
Management	Ljubov Dmitrievna Konjukova, CEO		
Sales <i>(Million roubles)</i>	2004	2005	2006
	10.5	13.5	13.5
Staff 2006	90		
Product Programme	Work (summer and winter) clothes for the oil and gas industry and medical professions; bed linen.		
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment: 6 (177000 €)		
	Additional machinery: 1.5 (44000 €)		
Intended Year of Investment	2007		
Type of Cooperation offered for Investors	Depends on negotiations		



Company Profiles

Profil

Name/Address	Open Company Profil Sewing Factory Tyumen, Volodarskogo 22		
Management	Oleg Jaroslavovich Revich, CEO Dmitrij Ljvovich Sokolow, CFO		
Sales <i>(Million roubles)</i>	2004	2005	2006
		38	60
Staff 2006	121		
Product Programme	Work clothes		
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment: 5 (147000 €)		
Intended Year of Investment	2007		
Type of Cooperation offered for Investors	Depends on negotiations		



Company Profiles

Siberian Carpet Factory

Name/Address	Open Company Siberian Carpet Factory Tuymen, Severnay 2/2			
Management	Elizaveta Romanovna Kondratjeva, CEO			
Sales <i>(Million roubles)</i>	2004	2005	2006	2007 (Plan)
	3	4,5	6	8
Staff 2006	50			
Product Programme	Production of handicraft carpet from natural wool			
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment: 3.7 (109000 €) New Shop: 0.45 (13000 €)			
Intended Year of Investment	2007			
Type of Cooperation offered for Investors	Depends on negotiations			



Company Profiles

Tobolskaja Sewing Factory

Name/Address	Open Company Tobolskaja Sewing Factory Tobolsk, Znamenskogo 58b			
Management	Larisa Ivanovna Zorina, CEO			
Sales <i>(Million roubles)</i>	2004	2005	2006	2007 (Plan)
	6	8	11	15
Staff 2006	53			
Product Programme	Work clothes for the construction industry, police and medical services			
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment: 1 (30000 €) CAD system: 2 (60000 €)			
Intended Year of Investment	2007			
Type of Cooperation offered for Investors	Depends on negotiations			



Company Profiles

Trinity &

Name/Address	Open Company Trinity & Tyumen, Nevskaya 35		
Management	Galina Petrovna Belozjorova, CEO		
Sales <i>(Million roubles)</i>	2004	2005	2006
	3	4	6
Staff 2006	20		
Product Programme	Work clothes for restaurants and hotels, uniforms and fashionable ladies apparel		
Planned Investment <i>(Million roubles)</i>	Manufacturing equipment : 1.6 (47000 €)		
Intended Year of Investment	2007		
Type of Cooperation offered for Investors	Depends on negotiations		



Company Profiles

Walex

Name/Address	Closed Joint-Stock Company Walex Tyumen, Respubliki 92				
Management	Tatjana Evgenjevna Rachvalova, CEO				
Sales <i>(Million roubles)</i>	2004	2005	2006	2007 (Plan)	2008 (Plan)
	1.4	2	4	8	15
Staff 2006	27 (2008, planned: 80)				
Product Programme	Work clothes for medical service professions, restaurants, retailers; table cloth, bed linen				
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment : 0.4 (12000 €) New retail facilities : 1.5 (44000 €)				
Intended Year of Investment	2007				
Type of Cooperation offered for Investors	Depends on negotiations				



Company Profiles

Voshod

Name/Address	Closed Joint-Stock Company Association for Shoe Production Voshod Tyumen, Semakova 30			
Management	Vitalij Petrovich Kuznetsov, CEO			
Sales <i>(Million roubles)</i>	2004	2005	2006	2007 (Plan)
	30	36	42	50
Staff 2006	145			
Product Programme	Heavy duty shoes; fashionable shoes			
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment : 15 (441000 €)			
	Additional machinery:			1.5 (44000 €)
Intended Year of Investment	2007			
Type of Cooperation offered for Investors	Depends on negotiations			



Company Profiles

Tyumenskij Shoes Work

Name/Address	Open Joint-Stock Company Tyumenskij Shoe Works Tyumen, Timofeja Charkova 8		
Management	Vasilij Ivanovich Geljus, CEO		
Sales <i>(Million roubles)</i>	2004	2005	2006
	220	224	234
Staff 2006	750 (250 in Tyumen Oblast)		
Product Programme	Production of boots from PVC: work boots, children boots Production of Valenki		
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment : 41 (1177000 €)		
Intended Year of Investment	2007		
Type of Cooperation offered for Investors	Depends on negotiations		

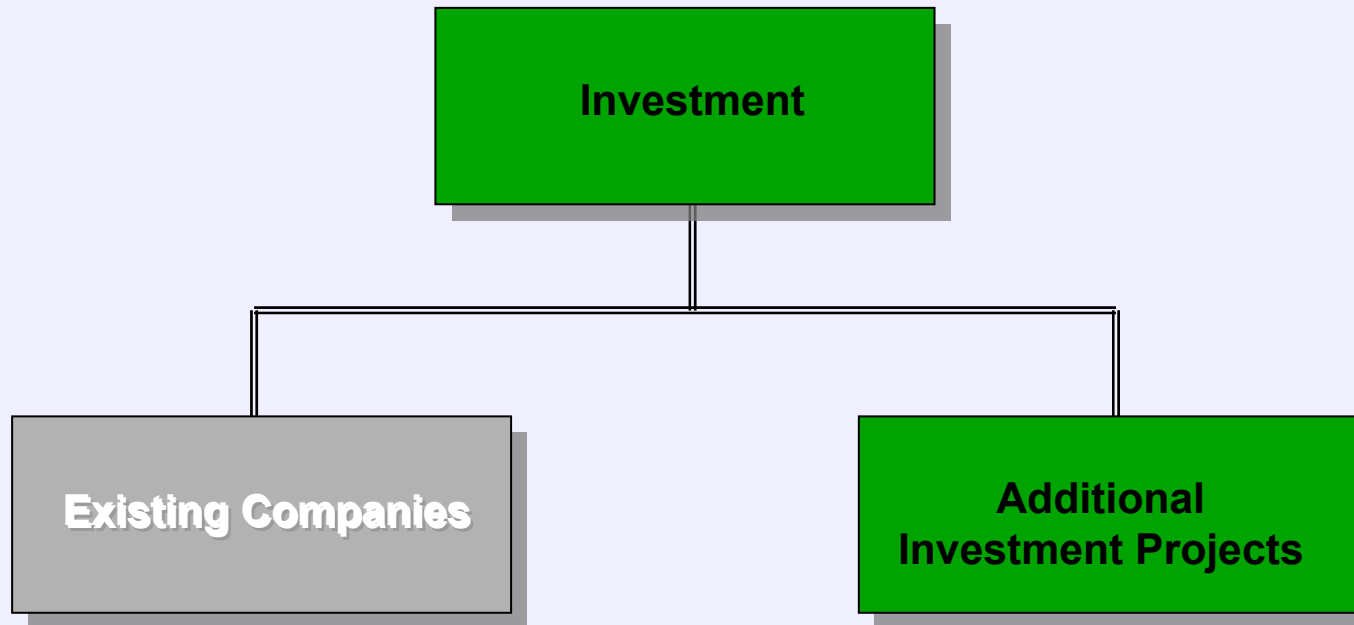


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Additional Investment Projects





Additional Investment Projects

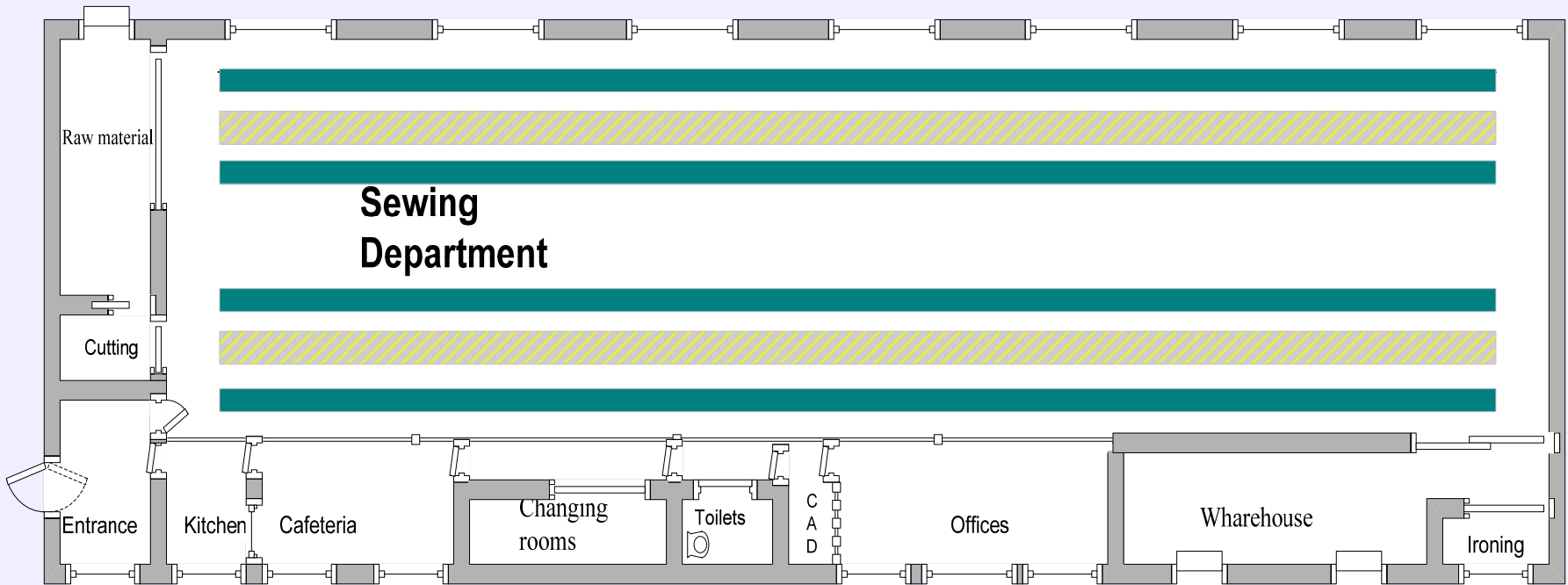
Data for Model Sewing Factory "New"

Name/Address	Model Sewing Factory „NEW“
Staff	545
Product Programme	Clothing, specialty clothes, etc.
Planned Investment <i>(Million roubles)</i>	Real estate, machinery: 115 (3.4 MM €)



Additional Investment Projects

Lay Out for the Model Sewing Factory "New"



Total space
5500 m²





Additional Investment Projects

Evrotexs in Cooperation with Foreign Investor

Name / Adress	Closed Joint-Stock Company “Evrotexs” Tyumen, Sverdlova 5
Management	Irina Anatoljevna Scherbitsch, CEO
Sales <i>(Million roubles)</i>	Potential 2008: 410
Staff 2008	242
Product Programme	High class textiles (bed linen, curtains, upholstery furniture fabrics)
Planned Investment <i>(Million roubles)</i>	For New Factory: 203 (6 MM €)
Intendend Year of Investment	2007
Type of Cooperation	Depends on negotiations





Additional Investment Projects

Plushevij Raj in Cooperation with Foreign Investor

Name / Adress	Open Company Plushevij Raj Tyumen, Gastello 57
Management	Tatjana Michajlovna Popruga, CEO
Sales <i>(Million roubles)</i>	Potential 2008: 160
Staff 2008	305
Product Programme	Children clothes 0 - 5 year, children bed-linen
Planned Investment <i>(Million roubles)</i>	For New Factory: 245.7 (7.2 MM €)
Intendend Year of Investment	2007
Type of Cooperation	Depends on negotiations



Additional Investment Projects

Sitsevyj Kraj in Cooperation with Foreign Investor

Name / Adress	Open Company Sitsevyj Kraj Sewing Factory Tobolsk, Pionernaj Baza , ABK ZZHBI-4
Management	Elena Vasiljevna Kolomejceva, CEO
Sales <i>(Million roubles)</i>	Potential 2008: 70
Staff 2008	249
Product Programme	Jersey, bed-linen, children clothes, work clothes
Planned Investment <i>(Million roubles)</i>	For New Factory: 159.4 (4.7 MM €)
Intendend Year of Investment	2007
Type of Cooperation	Depends on negotiations



Additional Investment Projects

Profil in Cooperation with Foreign Investor

Name / Adress	Open Company Profil Sewing Factory Tyumen, Volodarskogo 22
Management	Oleg Jaroslavovich Revich, CEO Dmitrij Ljvovich Sokolov, CFO
Sales <i>(Million roubles)</i>	Potential 2008: 235
Staff 2008	468
Product Programme	Work clothes
Planned Investment <i>(Million roubles)</i>	For New Factory: 370.1 (10.9 MM €)
Intendend Year of Investment	2007
Type of Cooperation	Depends on negotiations



Additional Investment Projects

Tobolskaja Sewing Factory in Cooperation with Foreign Investor

Name / Adress	Open Company Tobolskaja Sewing Factory Tobolsk, Znamenskogo 58b
Management	Larisa Ivanovna Zorina, CEO
Sales <i>(Million roubles)</i>	Potential 2008: 30
Staff 2008	135
Product Programme	Work clothes for the construction industry, police and medical services
Planned Investment <i>(Million roubles)</i>	For New Factory: 71.5 (2.1 MM €)
Intendend Year of Investment	2007
Type of Cooperation	Depends on negotiations



Additional Investment Projects

Jalutorovskaja Sewing Factory in Cooperation with Foreign Investor

Name / Adress	Open Joint-Stock Company Jalutorovskaja Sewing Factory Jalutorovsk, Ishimskaja 142
Management	Ljubov Dmitrievna Konjukova, CEO
Sales <i>(Million roubles)</i>	Potential 2008: 40
Staff 2008	237
Product Programme	Work (summer and winter) clothes for the oil and gas industry and medical professions; bed linen.
Planned Investment <i>(Million roubles)</i>	For New Factory: 11 (0.32 MM €)
Intendend Year of Investment	2007
Type of Cooperation	Depends on negotiations





Additional Investment Projects

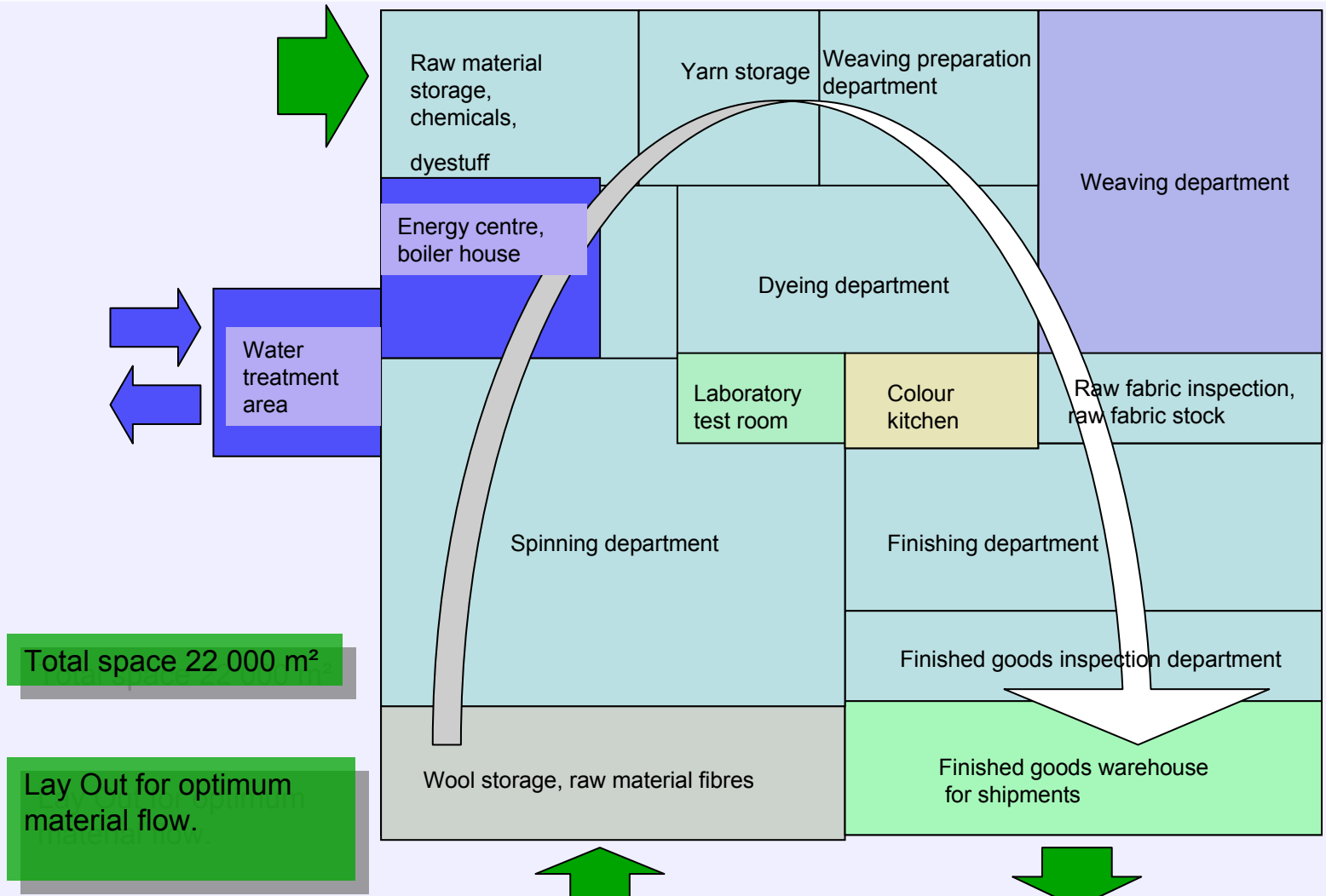
Krosno in Cooperation with Foreign Investor

Name/Address	Open Joint-Stock Company The Tyumen Textile Corporation “Krosno“ Tyumen, Respubliki 204			
Management	Anatolij Dmitrievich Petrovski , CEO			
Sales <i>(Million roubles)</i>	2004	2005	2006	2007 (Plan)
	279	289	295	310
Staff 2006	827			
Product Programme	Woollen cloth and yarn for the clothing industry			
Planned Investment <i>(Million roubles)</i>	Manufacturing and equipment: 527 (15.5 MM €)			
	Current Assets:			369 (10.9 MM €)
Intended Year of Investment	2007			
Type of Cooperation	Depends on negotiations			



Additional Investment Projects

Lay out „New Krosno“





Additional Investment Projects

Total funding for the development of the companies of the light industry

	Fixes Assets	Current Assets	MM roubles Total
Existing companies	145	313.55	458.55
Krosno „New“ fixed assets (machinery)	527		527
Krosno „New“ current assets		369	369
New factories			
▪ machinery and equipment	64	45.5	109.5
▪ real estate	996		996
Existing sewing boutiques	20	34	54
Total:	1752	762.05	2514.05



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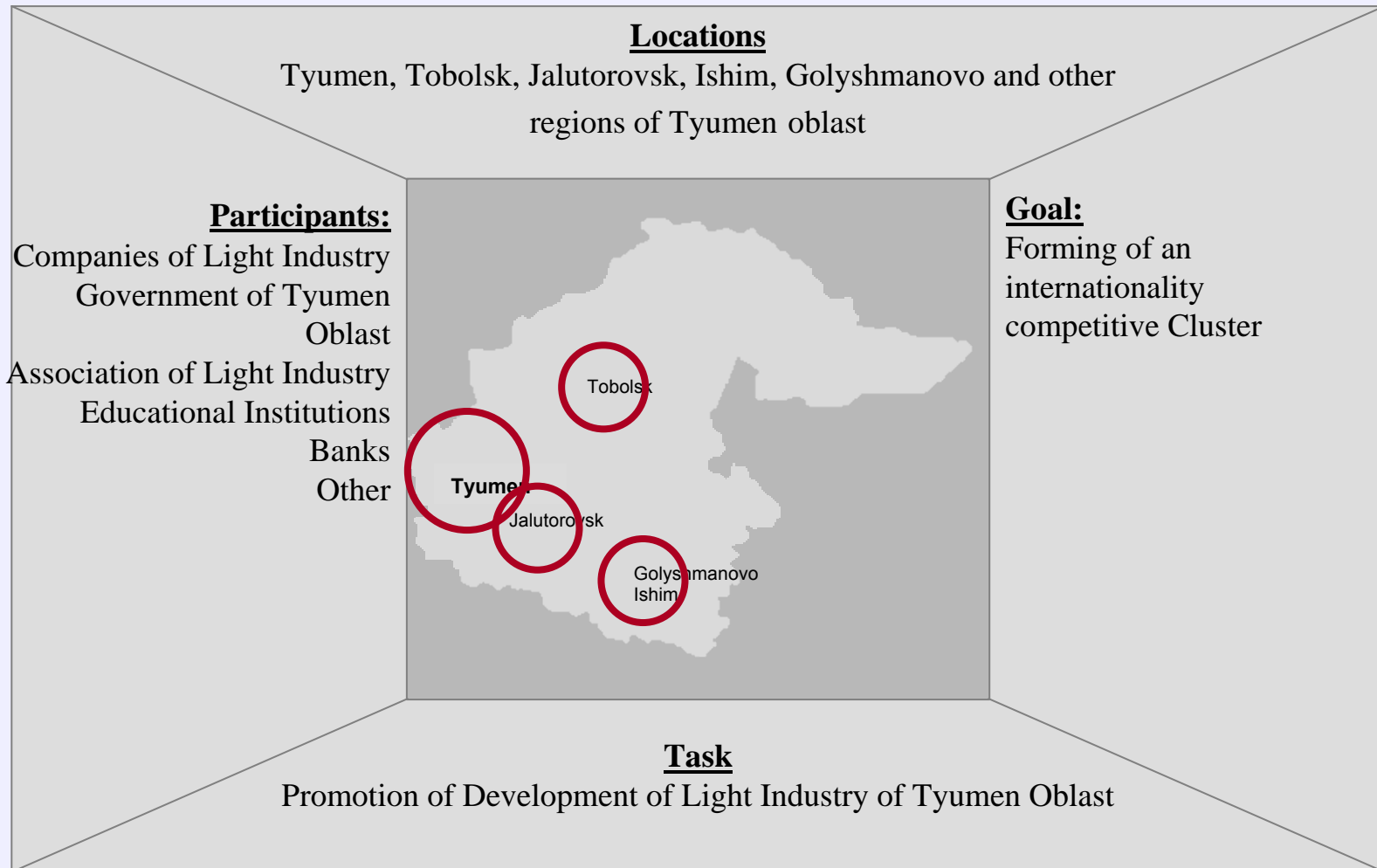
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Conclusions

Structure of the Cluster of the Light Industry of Tyumen Oblast South





Conclusions

Innovation Center of the Light Industry

Location

Suburb/outskirts

Krosno

Evrotex
 Pluschevyi Raj
 Walex
 Profil Sewing Factory
 Trinity &
 TOMF
 Krosno

Participants

Companies of the light industry

Office of the Government of Tyumen Oblast

Headquarter of the Association of Light Industry

Size and Investment

50 000 sqm

3 900 MM roubles

This project was carried out by

Rödl & Partner

Moscow, Russian Federation

and

Nürnberg, Germany