



BISNIS BULLETIN

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KEY INVESTMENTS INVIGORATE RUSSIAN AUTO SECTOR

by Jeffrey Kamins

New opportunities may now exist for U.S. suppliers to enter the Russian automotive market, participate in the Russian automotive parts supply chain, capitalize on short-term sales growth, and capture market share. **General Motors, Ford, Renault, Fiat, and BMW** are all pursuing local manufacturing in Russia. General Motors' and Ford's large-scale investments are a positive sign for foreign investment confidence in Russia, as well as a potential gateway for their U.S. suppliers, if the suppliers can be convinced to do business in Russia.

However, the Russian market features some stiff, well-publicized barriers to entry, including excessive bureaucracy, inefficient vertical integration, high duties and taxes on components, and poorly trained management. Moreover, substantial capital investment is needed to bring Russian suppliers up to international standards. On the other hand, some positive and sustainable factors are emerging that may allow the automotive sector to develop: (1) Russian President Putin's cooperation with the Duma to implement tax reform and offer foreign investment incentives to, in effect, level the playing field; (2) the Russian government's "Plan for the Development of the Russian Automotive Industry," which aims to make Russia globally competitive in standards and worldwide sales

volume; and (3) an abundance of talented engineers for product development and design locally. It may be worth expending the resources to perform market research on Russia's potential. Russia currently has a market demand for 1.16 million vehicles

(according to the Russian Auto Dealers Association), which means it has great market potential as it is a country of some 145 million people.

Market Analysis

Following the financial crisis of 1998, Russian automakers benefitted from import substitution triggered by the devaluation of the ruble. Today, Russia's leading automaker, AvtoVAZ, has 68 percent market share in Russia, as well as 34 percent market share in Central and Eastern Europe. However, the Russian economy has been gradually recovering and this competitive advantage is dissipating with ruble appreciation and the insatiable demand of Russians to seek quality, yet affordability—a feature increasingly found in foreign cars on the Russian market. In 2001, most foreign automakers and parts suppliers have witnessed a recovery in sales, with the exception of the traditional leading foreign car dealer, UzDaewoo (South Korea), which has a major manufacturing plant in Uzbekistan.

According to Wolfgang Niedenhoff, customer service manager for Ford in Russia and Belarus, "Domestic demand has expanded rapidly. Sales of durable goods have already returned to pre-crisis levels. Monitoring the trajectories of turnover for consumer goods is important because they often foretell emerging trends for cars and the automotive business in general." Russia's emerging middle class, estimated at 8 to 35 percent of the population, can be expected to purchase its first car, upgrade from an old Soviet car to a Western car, or seek better service for an existing car (a positive sign for automotive aftermarket parts). For this market segment, the price range will still hover at \$2,000 to \$10,000 for a new car. Price is a key factor in Russian car buying, with 95 percent of all cars selling for under \$10,000.

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SABIT 2002 Calendar

Visit Russia's Second Annual Venture Fair!

St. Petersburg, Russia
October 4–5, 2001

Sponsored by the Russian Venture Capital Association (RVCA), this fair will present to foreign and local investors innovative projects from emerging Russian firms.

Participants may also take advantage of seminars, presentations, roundtables, and various briefings by federal and local Russian government officials.

Among the registrants will be representatives from the European Venture Capital Association, the World Bank, European Bank for Reconstruction and Development, the International Finance Corporation, the Russian Ministry of Economic Development, and the Russian Ministry for Industry, Science, and Technology.

For more information, contact the **RVCA** at tel./fax +7 (8123) 26-61-80 or +7 (8122) 44-31-35, email: rvca@rfntr.neva.ru, or visit WWW.RVCA.RU.

BISNIS

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for the Newly Independent States

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Articles by non-U.S. government employees express the views of the authors and should not be construed as a statement of U.S. government policy.

KAZAKHSTAN RATING UPDATE

Recently, Moody's Investors Service raised Kazakhstan's foreign currency ceiling for bonds and notes to Ba2 from B1 along with its foreign currency deposit rating from b1 to Ba3 and its long-term local currency government securities from B1 to Ba1. This upgrade by Moody's reflects several factors which have contributed to Kazakhstan's macroeconomic situation including the higher oil prices, higher economic growth rates, fiscal and external accounts stabilization, and the prospective rapid increases in oil output. Moreover, Moody's attributed Kazakhstan's sound economic policy as the impetus for these positive indicators, including Kazakhstan's much improved banking system and newly created Future Generations Fund, which will allow the government to finance future deficits and more easily ride out the price fluctuations inherent to the oil and gas market. These new ratings should succeed in further stimulating both foreign and domestic investment spending.

Fareed Mohamedi is the chief economist at the **Petroleum Finance Company** in Washington, D.C. He can be reached at tel: (202) 872-1199, or email: FMohamedi@pfcenergy.com.

BISNIS BRIEFS AGRI. SECTOR

On July 31, 2001, BISNIS hosted a briefing at the USA Trade Center in Washington, D.C., highlighting the results of the U.S. Department of Agriculture's (USDA) April PRARI (Program to Revitalize Agriculture through Regional Investment) trade mission to Russia. Over 35 U.S. companies attended the briefing and heard from Thomas Dans, director, **Agribusiness Management Company** (Omaha, Neb.); Christian Foster, chief of trade and investment, USDA Foreign Agricultural Service (FAS); Doug Hartel, president, **Letrah International** (Fort Atkinson, Wis.); and Mark Hawthorne, international trade and investment program specialist, FAS food industry division. The speakers described the stabilization of Russia's investment climate and the growth of profitable opportunities for U.S. agribusinesses throughout Russia, including the Russian Far East.

For more information on the USDA/FAS' PRARI program, visit WWW.PRARI.RU.

For more information on agribusiness in the NIS, visit **BISNIS Online** at WWW.BISNIS.DOC.GOV/BISNIS/ISA/ISA-FOOD.HTM.

AZERBAIJANI OIL AND GAS SECTOR PROSPECTS GROW

by Seymour Khalilov and Michael Lally

Azerbaijan continues to attract U.S. and foreign investment into its energy sector. As a result, several exploration and production, transportation, and infrastructure projects are currently in the pipeline. Over \$9 billion in procurement opportunities for U.S. oil and gas service firms and subcontractors are expected over the next three years in the Caspian region. These opportunities cover mainly subcontracting to oil companies in the construction, engineering, and telecommunication sectors, as well as operational support and supplies, including pre-fabricated housing, warehouses, and supply of down-hole tools and materials. Recent advancements in Caspian energy development creating new business opportunities for U.S. firms include:

- The conclusion of a gas sales-purchase agreement between Azerbaijan and Turkey. This agreement will open up opportunities for engineering, financing, and construction to facilitate transportation solutions for the natural gas from Azerbaijan to Turkey, including the projected \$2.5 billion Shahdeniz pipeline from Baku to Erzerum, Turkey.
- **Bechtel's** award for detailed engineering for the Baku-Tbilisi-Ceyhan pipeline; Bechtel will conduct detailed engineering work while outsourcing component projects to other companies. Once the detailed engineering is finalized, construction of the Baku-Tbilisi-Ceyhan pipeline will begin. Total cost of this project is estimated at over \$2.8 billion.
- BP-led consortia focusing on Phase I of the full-field development (FFD) of the Azeri-Chirag-Guneshli oil fields and Shahdeniz natural gas field. The ceremony to formally begin FFD Phase I was held in Baku in late August. In 2001–2003, \$3.3 billion will be spent on development of these fields.
- Construction of the first semi-submersible rig in Azerbaijan since the Soviet period.
- Loading of “first oil” by the Caspian Pipeline Consortium in March 2001, with first shipments to occur from Novorossisk in fall 2001.
- Recent signing of a \$600,000 U.S. Trade Development Agency (TDA) grant for a feasibility study to upgrade two Baku refineries and the port of Dubendi. This study covers upgrades of the Baku refineries and the Dubendi port to evaluate the processing and transportation capacity of Caspian crudes, freeing up lighter, sweeter Azeri crude for transportation through the Baku-Tbilisi-Ceyhan pipeline. If the study proves this project to be commercially viable, U.S. petrochemical and infrastructure engineering companies can bid these projects.

U.S. energy and construction firms are advised to take a long-term view on Azerbaijan as energy projects develop. Despite the lack of commercial discoveries in four test wells

drilled by various consortia in 2001, the oil and gas service community in Baku remains bullish on prospects in the medium-term. **ExxonMobil's** August 2001 spudding of the Nakhchivan offshore structure demonstrated the oil industry's commitment to the long term, and other U.S. firms should follow suit.

Finance will be key to U.S. oil and gas service firms and their success in the Caspian region. Financing and marketing strategies to assist U.S. firms in the Caspian region were highlighted on June 5, 2001, at the Caspian Finance Seminar held during the Eighth Annual International Caspian Oil and Gas Exhibition and Conference. Hosted by the U.S. Embassy Commercial Service in Baku, this seminar counseled U.S. firms on trade and project finance for future contracting opportunities with the international operating consortia active in the Caspian. The Caspian Finance Center, headquartered in Ankara, offers integrated trade and project finance from the U.S. Export-Import Bank, TDA, and Overseas Private Investment Corporation (OPIC) to facilitate U.S. business endeavors in the region.

*For more information on these business opportunities, contact Seymour Khalilov, **BISNIS**, or Michael Lally, U.S. Embassy Commercial Service in Baku, at email: Baku.Office.Box@mail.doc.gov or visit www.USATRADE.GOV.*

*For more information on the Azerbaijani energy sector, visit **BISNIS Online** at www.BISNIS.DOC.GOV/BISNIS/ISA/ISA-ENERGY.HTM.*

*Seymour Khalilov is the **BISNIS** representative in Baku. Michael Lally is the commercial attaché for the U.S. Embassy Commercial Service in Baku. Dorothy Tomaszewski, international trade specialist for the U.S. Export Assistance Center in San Francisco, also contributed to this article.*

OIL AND GAS/CASPIAN RESOURCES

For a U.S. Department of Energy report on the Caspian Sea region, visit www.EIA.DOE.GOV/EMEU/CABS/CASPIAN.HTML.

For information on the oil and gas sector in Azerbaijan, visit the website of the **U.S.-Azerbaijan Chamber of Commerce** at www.USACC.ORG.

For free information on oil and gas technology companies, products, events, news, and related organizations worldwide, visit **Offshore Technology** at www.OFFSHORE-TECHNOLOGY.COM.

TRICKS OF THE TRADE**WRITING TO RUSSIA: AVOIDING COMMON PITFALLS IN INITIAL CORRESPONDENCE WITH A RUSSIAN (NIS) COMPANY**

This is the first article in a series on avoiding common pitfalls in developing a business relationship with Russian companies. This article was formulated on the basis of BISNIS' nine-plus years of helping U.S. companies pursue business opportunities in the NIS. The second article will deal with interpreting the response from the Russian company and the third will address traveling to Russia to meet with a potential Russian partner.

by **Ellen S. House and Tanya Shuster**

Putting your best foot forward when approaching a Russian company about a potential business relationship requires some careful thought. U.S. companies making a written overture to a Russian company, whether seeking to buy or sell goods or services, or explore the formation of a joint venture or other business relationship, should seek to avoid some common pitfalls that can doom a relationship before it starts.

Identifying Potential Partner Companies

Before approaching a Russian company, it is a good idea to determine that it is interested in becoming involved in international business transactions and to learn a little about the company. A good way to find such companies is through BISNIS' Search for Partners and Trades & Tenders programs (www.bisnis.doc.gov/bisnis/leads.htm) or through other U.S. government, nongovernmental organization, or nonprofit sector programs. Companies that have participated in these programs have some experience with English-speaking entities (although it does not ensure they have English-language capability), perhaps have traveled to the United States or another country outside Russia/NIS, and may have directly expressed an interest in doing business with foreign firms. Moreover, companies that have participated in such programs need to pass through some kind of vetting process. This may not guarantee a company's viability—companies should always undertake their own verification process—but does offer an initial filter.

As Internet use in Russia/NIS continues to grow, the Internet is becoming increasingly useful as a source for company information. If a Russian company has a website (especially if it has some English content), it may indicate a certain level of market familiarity, give you a chance to learn something about the company, and help to identify contacts to approach.

Choosing a Means of Communication

Although email is increasingly useful for making first contact with a Russian company, U.S. firms should consider

their full options, including the use of fax, before making first contact. There are two main reasons for this. First, the informal email culture that exists in the United States—where a 1–3 sentence introduction might be used in approaching a new contact—is not always well suited to approaching a company in Russia. Many Russian managers prefer to receive a more formal letter on company letterhead. Second, there are many Russian companies that do not check their email regularly and change email addresses often. It would be a mistake to assume otherwise. Poor communications infrastructure and the high cost and lack of reliable email service still hinder email use in many places, particularly outside the largest cities. In the initial correspondence, a U.S. company might consider asking the Russian company if it is comfortable communicating via email.

There are two prevailing and opposing stereotypes about language abilities in Russia. One, the more common, is that many people speak English, enough that it is safe to assume if one individual does not speak English, he knows someone who does. A second, more tied to previous eras, is that very few people speak English. The truth is somewhere in between. Although English is increasingly used in Russia as the language of business, a U.S. firm should not assume that a Russian company will be able to easily and correctly translate correspondence. Further, an accurately translated introduction in Russian can, both in gesture and effect, do much to foster a relationship with a Russian company. A U.S. company should weigh these considerations along with the potential resource requirements of each option.

Also, it is helpful to inform the Russian company about your company's ability (if any) to communicate in Russian, and about your expectations for the language and methods of future communications. Finally, if a letter will be written in English, use of plain, concise (but not sparse) business English is advisable to minimize translation costs and potential confusion by the Russian recipient.

Content: Introducing Your Company

As suggested above, a U.S. company should consider the content it provides in an initial message within the context of what approach is likely to be most effective in generating a response from a Russian company. In many cases, a thoughtful and informative approach is more likely to produce a favorable result than an informal approach. To illustrate via contrast, a U.S. manager might be tempted to drop a brief message containing a link to a company web site. A Russian manager—who may or may not have the language abilities

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REGIONAL CORNER: *Crimea, Ukraine*

by Jeffrey Kamins and Yuriy Prikhodko

The Crimean Autonomous Republic of Ukraine (Crimea), has a population of 2.6 million and it located on the Crimean peninsula, which extends from southern Ukraine into the northern Black Sea and Sea of Azov. The administrative center and regional airport are located in Simferopol (population 350,000), situated in the center of the peninsula. Other major cities in the region include Sevastopol, Kerch, Yevpatoria, Theodosia, and Yalta.

Major Industries

The leading industry in the region is tourism, which accounts for 51.9 percent of the republic's budget revenues. In 2000, profits from tourism totalled roughly \$100 million, derived from 4.5 million tourists, of which 1 million stayed in Crimean sanatoriums. During the Soviet era, over 600 health resort centers, or sanatoriums, were built to accommodate visitors to the Crimea. However, today most of those sanatoriums are unacceptable by international standards and lack financing for renovations. Of the some 630 sanatoriums in Crimea, 61 belong to Russia, 209 to Ukraine, and 157 to the Crimean Republic. Hotel Yalta, the largest hotel in Ukraine, is host to 2,500 rooms. The one four-star hotel located in Yalta, Hotel Oreanda, is currently undergoing renovations.

Investment in hotel real estate is hindered by the fact that over 100 of Crimea's best hotels and resort centers are the properties of various Ukrainian government subdivisions—ministries, state committees, agencies, and departments. Unfinished hotels and sanatoriums are omnipresent, although the cost to renovate such structures generally exceeds the expense of new construction.

Besides tourism and construction, other leading industries include food processing, electrical instrumentation production, offshore oil and gas exploration, fisheries, and the service sector. The Black Sea and the Azov Sea are rich in oil and gas. The regional oil company, Chornomornaftogaz, is currently extracting 2.5 million cubic meters of gas. In the early 1990s, Shell was the first company to receive a permit to conduct exploration offshore. However, until the recent ratification of production sharing agreement (PSA) legislation, exploration had been idle.

Investment and Trade

As of 1 January 2000, Ukrainian legislation grants the following privileges to foreign investors operating in Crimea: (1) 0 percent income tax for the first 3 years; 50 percent of current income tax rate for years 4-6; (2) a five-year exemption from customs duty for imports intended as part of a foreign direct investment project; (3) no land payment during land development period for 5 years; (4) and no fee to the

state innovation fund for the period of realization of investment project up to 5 years. Privileges are further granted on a sliding scale based on the amount of foreign investment, ranging from \$100,000 to \$1 million, and on industry sector.

Foreign investment in the region totaled \$16.6 million in 2000 (\$156 million to date since 1992), mainly into the tourism, food processing, chemical, and construction sectors. Exports are chemical materials, sea products, and processed fruits and vegetables. The region is mainly an importer of means of surface transportation, tools and machine building equipment, and fossil fuels. (Note: Crimean official statistics do not include Sevastopol, which has a special status and reports directly to the central government in Kiev.)



Laspi Bay, Crimea

The best business prospects in the region include hotel franchising and direct investment, food processing and wine production, shipping and freight forwarding infrastructure, construction materials and engineering services, and tourism operation. However, all investments in real estate require 51 percent local partner control. Both the Ministries of Tourism and Economy are pushing to ease the barriers for foreign tourists to come to the area by abolishing the police registration process and by allowing foreign tourists to receive a visa at the Simferopol airport. Notable foreign investors in Crimea include **McDonald's**, with two restaurants located in Simferopol and Yalta, as well as the portfolio investment fund, **Sigma Bleyzer** (Houston, Texas), and its investment in a ship building plant in Sevastopol.

For more information on Crimea and Ukraine, visit **BISNIS Online** at www.bisnis.doc.gov/ukraine.htm.

Jeffrey Kamins covers Ukraine for **BISNIS** in Washington, DC. Yuriy Prikhodko is the commercial assistant for the U.S. Embassy Commercial Service in Kiev.

Photo courtesy of Ukrainian Embassy, Wash., DC.

(*AUTO*, continued from p.1)

U.S. cars and parts are perceived well, but are uncompetitive compared to European and local parts partially due to shipping and customs costs, but also because of a lack of effective product and brand marketing (European competency is investment in marketing), costly inventory management, and excessive retail markup of 25 to 40 percent. Also problematic is the absence of an “order-to-delivery” supply network for car components in both supply to automakers and in the automotive aftermarket

Implications for U.S. Automotive Suppliers

A number of implications exist for U.S. auto parts suppliers. Given the price sensitivity of the Russian market, it is necessary for automakers to carefully control costs. Moreover, the Russian government is putting strict local content requirements on foreign manufacturers operating in Russia. For example, Ford must source 50 percent of its parts locally by 2006, or it will be charged duties on all imported components. According to a project document from the International Finance Corporation (IFC), which provided a \$100 million credit to Ford for its Russian venture, the Ford project is expected to “develop the local parts supply network, which will provide an impetus for the development of the supplying companies. Ford’s successful entry into Russia will have a real impact on the willingness of other large foreign investors to enter the market.”

Entry into the Russian parts market can best be accomplished through U.S.-Russian partnerships in one of three ways:

- direct investment in production of U.S. or Russian brand parts and components to supply automakers and the aftermarket;
- technology or “know-how” transfer via direct investment or licensing; or
- a partnership with an authorized distributor to sell parts on the automotive aftermarket, and directly to the automakers.

Lear Corp. (Southfield, Mich.), **TRW** (Cleveland, Ohio), **Haden International** (Auburn Hills, Mich.), **Venture Industries** (Fraser, Mich.), and **Delphi Automotive Systems** (Troy, Mich.) are all examples of U.S. companies that have

entered the Russian supply market successfully. John Creamer, manager for new business development at TRW, a U.S.-based global parts supplier, points out that, “global players like Ford and GM like to stay with their traditional suppliers wherever they go, but if the production volume is too low, suppliers need to look to opportunities in technology transfer to Russian suppliers, where the volume in production is.”

The Road Forward

Most automakers today are sourcing parts and engineering services from all over the world. Russia can play a role in this global supply chain. U.S. parts suppliers may consider strategic alliances with Russian parts makers in an effort to supply automakers worldwide, not just in Russia. Moreover, consolidation may occur among the Russian automakers, where a “big three”—Siber (AvtoGAZ, Nizhny Novgorod), Severstal (UAZ, Ulianovsk), AvtoVAZ (Togliatti)—is expected to emerge as global competitors, especially in other price sensitive markets. According to Randy Wright of **Berry Moorman PC**, a Detroit-based law firm that works closely with U.S. automakers and suppliers doing business in Russia, “Russian OEMs [original equipment manufacturers] will, in time, take advantage of U.S. suppliers’ technical expertise on quality, as well as their ability to bring Western direct investment.”

Interested U.S. auto suppliers should consider attending the Automotive Aftermarket Industry Week in Las Vegas, October 30–November 2, 2001. The U.S. Department of Commerce (DOC) will arrange one-on-one meetings for U.S. companies with Russian attendees during this conference. To register for one of these meetings, contact BISNIS’ Jeff Kamins at tel.: (202) 482-3729, fax: (202) 482-2293, or email: jeffrey_kamins@ita.doc.gov. For information on the DOC’s International Buyer Program and expected Russian/CIS suppliers at the show, contact Carol Rudman at (202) 482-0905. For more details on the show, visit WWW.AAIWSHOW.COM.

*For more information on the Russian automotive sector, visit **BISNIS Online** at WWW.BISNIS.DOC.GOV/AUTO.HTM.*

*Jeffrey Kamins covers the automotive sector for **BISNIS** in Washington, D.C.*

Did you miss BISNIS and the Michigan State Bar Association’s *Executive Briefing on NIS Automotive Opps* last May?

Check out audio and video clips of this event complete with presentations by representatives from the U.S. Department of Commerce; PlanEcon, Inc.; Berry Moorman PC; Haden, Inc.; the U.S.-Russia Business Council, and more. Please visit:

WWW.BISNIS.DOC.GOV/BISNIS/DETROITCONFERENCE.HTM

Additional Automotive Resources

For U.S.-NIS automotive trade statistics, visit the following two documents at **BISNIS Online**:

WWW.BISNIS.DOC.GOV/BISNIS/ISA/010731RUSAUTOSTAT.HTM
WWW.BISNIS.DOC.GOV/BISNIS/ISA/010731USAUTOEXPORT.HTM

Additionally, a short summary of Ford and GM’s activities in Russia is available at **BISNIS Online**:

WWW.BISNIS.DOC.GOV/BISNIS/ISA/010814USAUTOPLANS.HTM

(*WRITING TO RUSSIA, continued from p. 4*)

and Internet access to view a U.S. company's website and extract useful information—may be more used to, or prefer, receiving a letter containing:

- A brief description of the company, including company history, activities, and products;
- An explanation of your company's interest in the Russian company, including how you heard about the Russian company and why and how you are interested in developing a business relationship with it; and,
- A catalog or other materials about your company's products (this is the number-one request of Russian companies seeking business contacts through BISNIS).

Addressing and Signing the Correspondence

Using the correct form of address when starting your letter, as well as information presented in signing the letter, contributes to sending the right message to a Russian company. Initiating a letter using a first name only is almost always inappropriately informal in Russia. Russians have three names: a surname, a patronymic, and a family name. (The patronymic is the name of the person's father followed by the suffix "ovich" or "evich" [for men], or "ovna" or "evna" [for women], e.g., Anna Sergeevna Kornikova or Mikhail Igorovich Shishkov.) It can be considered proper and polite to address Russians by their surname and patronymic, e.g., Dear Anna Sergeevna or Dear Mikhail Igorovich. If you do not know the patronymic of the person that you are addressing, then you can simply address the person as "Mr./Mrs." followed by the last name.

When signing the letter, the writer generally will want to give his or her full title, instead of just indicating the affiliated department or division. Hierarchy continues to play a much stronger role in much of Russian business culture than in the United States, and many Russian managers (especially in large companies) will prefer to be addressed by someone perceived to hold a similar level of importance in the U.S. company. Also, as decisionmaking in many Russian companies is handled by the highest officials, a letter signed by the president, chairman, executive director, or some other high-level official in the company will be viewed as more "serious" and weight-bearing than a letter signed by a lower-ranking official. (A caution on titles with "manager": the often-used Russian equivalent ["menedzher"] can denote a fairly low level employee. In contrast, the Russian title, "Direktor," equates more closely to manager in English.)

Making a good impression and asking the right questions in your first correspondence with Russian companies is essential to helping establish and maintain a relationship. A carefully and thoughtfully prepared first letter will present the best opportunity of prompting a positive response from the Russian company and building the trust necessary to foster a successful business relationship.

Ellen House & Tanya Shuster work for BISNIS in Wash., D.C.

SABIT 2002 Calendar

The U.S. Department of Commerce's Special American Business Internship Training (SABIT) program announces its specialized training programs for 2002. The programs provide industry-specific training to groups of 15 to 20 primarily non-English speaking managers and technical experts from the NIS in the United States for four to six weeks. U.S. companies are invited to participate in the training and networking components of these programs.

Technology Commercialization: Plastics

Application deadline: October 26, 2001
Program dates: January 19–February 16, 2002

Transportation Infrastructure: Road Construction

Application deadline: November 2, 2001
Program dates: January 26–February 23, 2002

Energy: Natural Gas

Application deadline: November 16, 2001
Program dates: February 9–March 9, 2002

Standards: Telecommunications

Application deadline: November 30, 2001
Program dates: February 23–March 23, 2002

Transportation Infrastructure: Russian Railroads

Application deadline: February 15, 2002
Program dates: May 18–June 15, 2002

Technology Commercialization: Telecom/IT

Application deadline: March 1, 2002
Program dates: May 25–June 22, 2002

Standards: Oil and Gas

Application deadline: March 15, 2002
Program dates: June 1–June 29, 2002

Energy: Oil Pipelines

Application deadline: March 22, 2002
Program dates: June 15–July 13, 2002

Energy: Oil Refining

Application deadline: June 14, 2002
Program dates: September 7–October 5, 2002

Standards: Information Technology

Application deadline: July 26, 2002
Program dates: October 19–November 16, 2002

SABIT also provides funding to U.S. companies and organizations to conduct stateside management training for managers and scientists from the NIS.

*For more information and a complete listing of SABIT's 2002 program calendar, contact **SABIT** at (202) 482-0073, or visit WWW.MAC.DOC.GOV/SABIT/SABIT.HTML.*

Sender **BISNIS**
USA Trade Center
U.S. DEPARTMENT OF COMMERCE
Stop R-BISNIS
1401 Constitution Ave., NW
Washington, DC 20230

FIRST-CLASS MAIL
PRE-SORTED
POSTAGE & FEES PAID
ITA/DOC
PERMIT No. G-54

OFFICIAL BUSINESS
Penalty for Private Use, \$300

TRADE EVENTS CALENDAR

KIOGE 2001 Organized by: Telephone: Facsimile: Email: Website: Sectors:	October 2–5, 2001 ITE Exhibitions +7 (3272) 58-34-34 +7 (3272) 58-34-44 oilgas@ite-exhibitions.com WWW.ITE-EXHIBITIONS.COM oil and gas	Almaty
Hospital 2001 Organized by: Telephone: Facsimile: Email: Website: Sectors:	October 3–6, 2001 ITE Exhibitions +7 (8121) 19-51-66 +7 (8121) 19-51-35 healthcare@ite-exhibitions.com WWW.ITE-EXHIBITIONS.COM medical technology	St. Petersburg
Int'l Tourism Fair Organized by: Telephone: Facsimile: Website: Sectors:	October 22–24, 2001 Uzbektourism/Uzexpocenter +998 (712) 68-67-77 +998 (712) 68-67-75 WWW.UZBEKTOURISM.UZ travel and tourism services	Tashkent
MoldAgrotech Organized by: Telephone: Facsimile: Email: Website: Sectors:	October 24–28, 2001 MoldExpo +3 (732) 74-74-19 +3 (732) 74-74-20 moldexpo@ch.moldpac.md WWW.MOLDEXPO.MD agricultural machinery, equipment, technologies, and materials	Chisinau

The Fifth Annual Russian Investment Symposium: *Reform and Renewal*

**Boston, Massachusetts
November 1–3, 2001**

Presented by: Harvard University's JFK
School of Government and Dow Jones

Special topics include banking reform, corporate governance, opportunities in energy and high technology, and case studies from the field.

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