

ALLIANCE LOGISTICS RUSSIA

Early in 2010, ALR (Alliance Logistics Russia), a common Russia logistics organization, was formed and is expected to contribute significantly to ALE's synergies.

ALE VP Colin MacDonald said: "Both Renault and Nissan face very similar challenges in Russia – both have CKD plants with ambitious parts localization programmes and both have new models planned for production at AvtoVAZ; all of this in a market with significant growth opportunities."

ALR brings together the inbound and outbound logistics for Renault, Nissan and Russian partner AvtoVAZ which makes vehicles under the Lada brand at Togliatti. It also coordinates the logistics for the new Nissan plant at St Petersburg, the existing Renault CKD operation in partnership with Avtoframos in Moscow as well as Togliatti where the Alliance plans to produce five different models for the three brands on the same line within two years.

ALR is starting work with local suppliers to help develop an efficient inbound supply chain and will also be responsible for distribution of finished vehicles. It will also work with the existing AvtoVAZ logistics organisation to help integrate the Alliance Production Way at the Togliatti plant.