

Part 2

Analysis of importing to Russia under customs code 8532220000 — CONDENSERS CONSTANT CAPACITY, ALUMINUM, ELECTROLYTIC.

Terms.

Transfer direction: Import

Search period: from 01.01.2018 to 31.12.2018

HS Code: 8532220000

Statistic value: from 300

Total.

Statistic value \$ 26,884,286

Growing import to Russia. Value starting form 1 USD.

	value	Total net weight
2016	13,995,513	451,220
2015	13,165,441	429,600
2014	11,718,546	493,049

Top 20 consignees.

#	Consignee	Value \$	%
1	OOO RIK LOGISTIC	2,372,806	8,83
2	OOO PLATAN	2,055,085	7,64
3	OOO ARGOS-ELECTRON	1,419,682	5,28
4		1,193,070	4,44
5		1,191,993	4,43
6		1,052,913	3,92
7		872,081	3,24
8		684,728	2,55
9		653,423	2,43
10		639,252	2,38
11		516,016	1,92
12		472,108	1,76
13		447,720	1,67
14		426,940	1,59
15		421,906	1,57
16		419,106	1,56
17		361,618	1,35
18	OOO VLV	357,249	1,33

19	OOO AMSI ELECTRONICS	353,209	1,31
20	OOO Orbita I	351,943	1,31

It is worth mentioning that in most cases the official name of a distributing company and a consignee will be different. Companies may employ logistic services.

For example:

OOO RIK LOGISTIC - Simmetron

OOO PLATAN - Platan

OOO ARGOS-ELECTRON - manufacturer

OOO BELIV - Compel

OOO VLV – contract manufacturer.

In general, a manufacturer can work more targetedly subject to availability of consignee information.

TOP-20 manufacturers by import value in 2018.

#	Manufacturer	Value USD
1	EPCOS	4,043,345
2	[REDACTED]	2,411,535
3		1,249,615
4		1,228,023
5		1,189,242
6		1,160,823
7		1,039,148
8		VISHAY CHINA CO. LTD
9	[REDACTED]	745,729
10		728,470
11		496,449
12		472,204
13		414,918
14		398,375
15		362,694
16		300,955
17		239,382
18		[REDACTED] CORPORATION

19	KAIMEI ELECTRONIC	228,882
20	EXXELIA SIC SAFCO	220,468

The following file shows the consignees structure by manufactures.

Manufacturer — Consignee		Value \$
EPCOS ELEKTRONIKAI ALKATRESZ KFT.		
000		1,152,993
000	or	436,615
000	or	933,775
YAGE		
000		313,094
000		227,798
000		147,258
TEAPO		
000		450,920
000		224,501
000		121,134
000		224,602
AO Energomera		226,927

As you can see, TEAPO deals with large-scale suppliers only, which limits the market to large and middle manufacturers to 25% or 6.5 million USD. Majority of the rest manufacturers work through the mediation of distributors or combine both supply channels.

The following tables demonstrate countries of origin and their percentage of direct supplies.

#	Country of origin	Value \$
1		10,593,385
2		4,800,349
3		2,256,894
4)	2,142,728
5		2,046,150
6		1,482,770
7		1,216,803
8	France (FR)	410,538
9	Brazil (BR)	308,855
10	Germany (DE)	283,416

Country of origin — Country of shipment	Value \$	%
China (CN)	10,593,385	
	4,050,279	
	1,882,379	55
	2,142,728	
	1,385,980	64
South Korea (KR)	2,046,150	
South Korea (KR)	1,334,470	65

Direct supplies from Asian countries account for more than 60% with the largest share of their products being made by local manufacturers. Given that a certain share of the products imported to Russia from other countries is produced by Asian manufacturers, it can be claimed that European manufacturers account for no more than 30% and in fact are represented by EPCOS only.

Key peculiarities of the Russian market:

1. It can be seen that there are very few core large-scale industries in Russia, the market majority is represented by small- and medium-scale manufacturers.
2. A large number of national distributors. Top-20 Russian distributors account for more than half of the market. Direct sales of manufacturers are only 15% of the market.
3. Subject to availability of information on consignees, a manufacturer can work targetedly, both when selecting a future distributor and when addressing manufacturers directly in case of direct purchases from producers.
4. The most successful are the companies that supply to medium- and small-scale customers through the mediation of distributors.
5. The major share of the Russian aluminum condensers market is represented by Asian manufacturers.

Recommendations:

To start working with distributors to enable small- and medium-scale customers to penetrate the market.

To find a representative for direct cooperation with large- and medium-scale customers.

Start working on increasing brand awareness. Advertising and Marketing.