Presse/Press

Russia's Economy is Picking Up

Marked uptick in the propensity to invest at interplastica and upakovka 2019

Strong interest taken in the accompanying expert forums

The Russian market seems to be finally moving out of the trough at least as regards the plastics, rubber and packaging sectors and related process industries. Impressive proof of this has been provided by the two trade fairs interplastica, 22nd International Trade Fair for Plastics and Rubber, and upakovka – Processing and Packaging, which drew to a successful close after four trade fair days on 1 February 2019. To the tune of 25,000 visitors came to the AO Expocenter in Krasnaja Presnja, Moscow to seek information on the extensive ranges displayed by 950 exhibitors from 32 countries.

After a period of stagnation in 2016 and a -2.8 % recession in 2015, Russia saw a new growth phase start in 2017 with 1.5 % GNP growth. Four years after the sanctions were imposed and the oil price dropped the Russian economy has adapted to the new circumstances and managed to grow again.

There is a great deal of renewed interest in modern machinery, production plants and high-tech materials. This also especially applies to demand for packaging technologies and plastic processing equipment. To the delight of the exhibiting companies, activities at interplastica und upakovka were therefore not only confined to an exchange of information. Many trade visitors also came with concrete intentions to buy and took their purchasing decisions right on site. This underpins the substantial investment needs that continue to exist in Russia and its neighbouring states.

The presence of numerous foreign exhibitors evidences the sustained strong interest taken in the Russian market. "Following some difficult



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Öffentliche Verkehrsmittel: U78, U79: Messe Ost/Stockumer Kirchstr. Bus 722: Messe-Center Verwaltung years things are picking up again. Those showing stamina will now be rewarded," reflects Werner Matthias Dornscheidt, CEO and President of Messe Düsseldorf, drawing a positive conclusion. Very satisfied with the results of the two trade fairs, he goes on to say: "The mood in the halls was excellent, exhibitors reported extremely interested business people who were also prepared to place orders. They capitalised on the unique opportunity here to see the latest developments in world markets and negotiate with suppliers on site."

In 2017 (for want of more recent figures) plastics and rubber machines worth EUR 457 million were exported to Russia from all over the world; this means 40.4% more than in 2016 (325.5 million).

From January to September 2018 plastics and rubber machinery exports from Germany totalled EUR 90.8 million – a 3.3% plus against the same period of the previous year.

Commenting on this Thorsten Kühmann, General Manager at the Fachverband Kunststoff- und Gummimaschinen (the Plastics and Rubber Machinery Association within the VDMA), said: "Following a marked rise in German deliveries to Russia in 2017, these levels were maintained and had even raised slightly by November 2018. As before there are clear impulses for the packaging sector as a direct upshot of the Russian food sanctions. As a result, packaging must increasingly be produced in Russia to preserve regional foodstuffs. Add to this the positive effect companies with local branches can feel as their stamina is increasingly rewarded. It is true that the Russian market has not been able to follow on from the successful years around 2013 yet but it offers compensation in volatile times."

Austria and China were represented with strong joint pavilions at interplastica 2019 while Germany promoted the quality seal "Made in Germany" with a large, official German participation. Furthermore, Italy attended with its usual strong participation. 65 Italian exhibitors at individual stands and at the big country pavilion in Hall 2.3 provided a comprehensive overview. Fabrizio Vanzan, Exhibition Manager at AMAPLAST, summed it up as follows: "interplastica 2019 proved very positive for us and even exceeded our expectations against the backdrop of the known, difficult economic situation. Our Italian exhibitors





welcomed many existing customers but also new customers from Russia and its neighbouring countries to their stands. We expect very good follow-up business."

"Two topics also generating particular interest at interplastica 2019 were Industry 4.0 and Recycling," says Natallia Esche, Team Assistant at VDMA AG Hybride Leichtbau Technologien. In terms of recycling Esche refers to the internationally still very different development status: "The problem of waste disposal is a very acute one in many countries, including Russia. Whereas in many Western European countries this problem is already being actively solved with the introduction of entire processing complexes, Russia currently only has a few, small plants."

The ranges displayed by interplastica exhibitors were complemented by a programme of high-calibre technical events. At the Polymer Plaza in Hall 1 expert lectures and panel discussions addressing such current issues as "Plastics and the Circular Economy – Recycling Trends and Rising Environmental Conscience", "Innovative Trends in the Modern Polymer Industry", or "Biopolymers and Recycling" made for packed rows in the audience.

Also proving a key attraction for visitors was the third edition of the special show 3D fab+print. The strong growth areas of Additive Manufacturing and 3D printing were centre stage. Here Russian and international experts discussed developments, opportunities and challenges of this young technology while exhibitors showcased their innovative products and solutions within this theme.

The next interplastica in Moscow will be held from 28 to 31 January 2020, once again concurrently with upakovka. For further information go to www.interplastica.de or contact Messe Düsseldorf GmbH, Mr Caroline Erben, by telephone on +49(0) 211/4560-436, or by e-mail at ErbenC@messe-duesseldorf.de, and Ms Claudia Wolfgram, on +49(0)211/4560-7712 or at WolfgramC@messe-duesseldorf.de

interplastica forms part of the **Global Gate** brand under which Messe Düsseldorf pools its global activities for the plastics and rubber industries. The product portfolio with a total of ten events leverages the expertise and experience gained by organising the leading international K trade fair in Düsseldorf and by developing successful regional events.





The ten trade fairs in total are professional communication platforms serving as door openers and gateways to such promising growth markets as Central and Eastern Europe, the Middle East, North Africa, China, India and South East Asia. Find all details at <u>www.k-globalgate.com</u>

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In the event of publication we would appreciate a reference copy.

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Exhibitor Testimonials on interplastica 2019

Burç Angan, Vice Chairman, Hürmak Plastics Machinery

"The Show interplastica 2019 was quite satisfying. We had quite a number of serious visitors from Russia and Central Asia. I believe we have made a remarkable first impression in the market thanks to our local partners from Hurmak Russia. Most of our visitors were very impressed to see a relatively new player on their market and were excited to find a middle-segment brand on the market boasting good value for money. Russia has been the leading market for Turkish plastics machinery exports for many years. However, we have been holding back till now to overcome the political instabilities that occurred in 2012. We now think the time is right to strengthen our business ties with our Russian friends and we plan to continue our participation at interplastica in order to show our determination to gain a foothold on the Russian market."

Marko Besenlehner, Media Relations & Marketing Manager, Gabriel-Chemie Gesellschaft m.b.H.

"Our two principal themes at interplastica 2019 were sustainability and digitalisation. We have just re-focused our company by installing the digital platform "Masterbatch" where we offer all our products – this was the core intention of our interplastica appearance. Furthermore, we also





presented plastics certified as Halal & Vegan. Our stand was well attended."

Konstantin Dorogov, Business Manager, Evonik Chimia LLC

"This was our first time exhibiting at interplastica and we are happy with the exhibition. We already discussed with colleagues about participating next year and we are inclined to come again. Organisation of the event is of a consistently high level, so we wish to support it."

Steven Jia, Sales Manager, Dalian Sunlight Technology Co., Ltd.

"The interplastica exhibition is very high quality exhibition. We already attended it several times and each time there are real and professional buyers who are interested in our products—HDPE double wall corrugated pipe line. CIS market is good big market. Interplastica exhibition can cover not only Russia market but also around area such as Kazakhstan, Azerbaijan, Belarus etc. That is why we have big intention to attend this high quality exhibition. "

Pavel Kruglov, CEO of Polyplastic Trade House

"Every year we see increasing interest in the exhibition not only from Russian, but also from foreign exhibitors and visitors. It is very important for Polyplastic, because, on the one hand, it allows us to show our products to potential customers, and on the other, to see new promising areas of industrial development, to assess what our competitors have achieved over the past year and to always stay 'on trend', to be one step ahead. Participation at the "interplastica" trade fair has already become a good annual tradition for Polyplastic. Of course, we plan to continue this tradition and take part in the exhibition in 2020, as well as in its business program."

Ulrich Reifenhäuser, CSO, Reifenhäuser GmbH & Co. KG Maschinenfabrik

"interplastica 2019 was very interesting for us. It was more flexible and attracted more visitors than last year. I am positively surprised. Trade visitors were astonishingly serious about their upcoming and new projects. I see business picking up even further in 2019 and expect to see an even better market climate at interplastica 2020."





Wolfgang Schmidt, Dr. Boy GmbH Co.KG

"Last year a depressed mood still prevailed at the trade fair – no question about that this time. This year was the sixth time I have participated and it is the best interplastica I have ever seen. The number of decision-makers is very high, we already managed to sell three machines on the first two days. 30% to 40% of our Russian customers and potential buyers came from Greater Moscow, the remainder from Kazan, Novgorod, St. Petersburg and the Ural region. interplastica 2020 is a must-go event for us."

Ing.Mag. Georg Tinschert, General Manager, Wittmann Battenfeld GmbH

"We are very satisfied. The trade fair shows rising dynamism – both in terms of quality and visitor footfall. We posted a 5% – 7% increase in visitor attendance at our stand. The trade audience came predominantly from Central Russia, but also from Belarus and Kazakhstan. Demand was especially high for packaging technology and medical device technology but also white goods. To us this market is very important because Russians like to buy high-quality European equipment despite strong competition from Asia. Furthermore, the trend towards manufacturing more plastic parts domestically favours investment in machinery – despite difficult circumstances."

Roberto Wang, Vice General Manager, Taizhou Huangyan Meiding Mould Co.,Ltd

"We have taken part in in interplastica for many years, it is good quality exhibition in Russia, and visitors are also very professional, we met not just buyers form Russia, but also buyers from Central Asia. The organizer arranged everything one day before the exhibition; it is very convenient for the exhibitors and visitors."

Marcel Willberg, Sales Manager, Lindner Washtech GmbH

We have already participated in interplastica as part of the German Pavilion for the second time now, and the trade fair went even better for us than last year. Made in Germany continues to be a key selling point. We offer complete washing systems, from plastics washing to drying and finished granulates. Film is a top theme in Russia as is the circular economy in general. You can feel that recycling is a topic of increasing





importance, Russia wants to act especially when it comes to sorting solid municipal waste. We welcomed many existing customers but also new customers to our stand – above all from Russia but also from Uzbekistan, Kazakhstan and Ukraine, and we even met with interested parties from Ghana and Portugal."



