

Honeywell Sees Growth in Russian Automotive Aftermarket

An older national car parc and increasing vehicle density create opportunities for Honeywell's global technology and expertise



Olivier Rabiller

Vice president and general manager, Honeywell Transportation Systems Aftermarket.

MOSCOW– Aug. 26, 2013 – Honeywell (NYSE: HON) Transportation Systems, a leading global developer of automotive turbochargers and braking components, is participating at the 2013 Automechanika Moscow as part of its plans to expand its aftermarket presence in Russia, one of the world's best potential growth markets.

With a national car parc of 37 million vehicles, Russia is behind only Germany at 44 million vehicles and its overall market is expected to grow by 5 percent between 2013 and 2016 according to a recent report by Ernst and Young. Its relatively low light vehicle density – half of Germany's at 260 vehicles per 1,000 people, vs 532 per 1000 for Germany – is another indicator within the report of the potential for increasing overall vehicle sales.

Furthermore, the average age of a vehicle in Russia is reported to be 12 years versus only seven for Europe which supports the business case for investing in the aftermarket business.

Finally, new emission regulations in Russia for the years ahead are likely to drive downsized turbocharged engine penetration giving Honeywell a “double lift” in terms of adding to the percentage of vehicles with future aftermarket needs supported by Honeywell's Garrett brand in addition to the ongoing growth of the overall automotive market.

“We anticipate the demand for Honeywell's industry leading turbo technologies available globally under our Garrett aftermarket brand has created an opportunity for us to boost our local presence and enhance our distribution network in Russia order to better serve the end customer and create sustainable long term growth,” said Olivier Rabiller, vice president and general manager, Honeywell Transportation Systems Aftermarket. “We are working with our local automotive partners to deliver the benefits of an established and trusted technology portfolio. We are eager to work with this fast-paced market on the turbo side of our business, and use our relationships to grow our existing friction material business under our JURID and Bendix brands.”

Honeywell has developed additional advanced training and tools including online resources such as TechFinder - offering 24/7 service to technicians working on brake installations; online catalogues for turbos and friction materials – with Russian language support; and Smart Tools – a range of products to help garage mechanics with everything from brake fluid testing, to specific tools designed to help with proper identification and installation of components. To learn more, please visit Honeywell at Pavilion 2 Hall 1, Stand B505.

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