

NEW POSSIBILITIES OF THE UKRAINIAN BRIDGE DEVELOPMENT

UKRAINIAN COMPANY «MOSTOBUD» IS A LEADER IN BRIDGE DEVELOPMENT IN THE CIS COUNTRIES. FOR OVER 60 YEARS «MOSTOBUD» WORKS WITHOUT CLAIMS ON THE LOCAL AND NATIONWIDE MARKETS. VLADIMIR PROVIDUS, MAIN INVESTOR AND THE CHAIRMAN OF THE BOARD OF DIRECTORS OF THE «MOSTOBUD», AND THE PRESIDENT OF «UKRMOSTOBUD CORPORATION», TALKS ABOUT NEW OPPORTUNITIES THAT OPEN UP FOR THE UKRAINIAN BRIDGE DEVELOPMENT.

BEING BASED ON VERY OWN AS WELL AS INTERNATIONAL EXPERIENCE

— Recently your company celebrated 60th anniversary.

— In 1945 our company was formed officially. Practically bridge development brigades, that later united under «Mostobud», were forming up during the World War II. At that time being a part of the active army forces these brigades were setting the records for the quality and time in which the bridges were developed. For instance in 1943, in 13 days they have built a complicated bridge structure on the water over the Dnepr River near Kiev for the transport of heavy motorized divisions and army. That was accomplished in record times — 81,5 meters per day. During that time, the American leaders of bridge development were building bridges 1.5 times slower. Besides our brigades were working under constant enemy fire... Thus, people who laid the base for the «Mostobud» company were able to successfully operate under tremendous stress and pressure... Such quality of work became a tradition and was developed further by Isaac Barenboim, the first leader of the company. Later generations of our employees were acquiring the same energy. I can say that today's craftsmanship is practically genetic for our employees.

— What makes «Mostobud» the leader on the post Soviet territories?

— We were the leaders even back in the Soviet times. After the crash of the USSR, the company had found itself in the fairly comfortable position as oppose to other companies. We have maintained a strong engineering and development departments that earlier services the entire territories of Ukrain and Moldova as well as adjacent Russian territories.

I want to emphasize our R&D department, which is lead by one of the best specialists in the world Michael Korneev. Mr. Korneev prior to joining «Mostobud» worked as a lead engineer in the company that built bridges in Turkey, near Ankara. He was also lead engineer on many important and complicated bridge development projects all over the former USSR. Highly professional personnel with advanced techniques and the software with especially complex calculations allow designers to carry out equipment quickly and to offer new and unusual bridge designs of any complexity. The department is licensed to develop any bridge projects in the Ukraine and Russian, as well as can operate under the codes in EU and USA. Experts agree that our abilities in developing



and building bridges are equal to, and in some exceeding the potential of leading Western European companies.

Flexibility of the eleven mobile development teams along with all necessary equipment, and being located all over Ukraine, allows to rapidly deploy and concentrate on the most important aspects as well as moving to between various development projects.

«Mostobud» is well known beyond Ukraine. There are numerous operational sites developed by «Mostobud» in Russia, Afghanistan, Vietnam, Angola, Lebanon, Turkey, Syria, Finland and Czech Republic. There are also numerous contracts pending for the development of bridges in other countries.

Evidence of the skills of our employees is clear, they are often offered to sign contracts for work abroad. The company is proud of it, but we are not interested in losing our best experts to more favorable foreign conditions. Therefore we provide workers with the highest wages in branch and practically same monthly premiums. Besides the extensive package of social programs which are exceeding privileges typical for Ukraine as well as bonuses.

To be honest with you, we prefer to go abroad in order to possibly learn new cutting-edge technologies. Although Ukrainian bridge development has been known since the times of the USSR, our company is gaining respect by the new school.

Today we are working on establishing relationships on the worldwide market. I am certain that our formula of «price-quality» will attract the attention of potential partners from many countries.

NEW TECHNOLOGIES, MODERN EQUIPMENT

— Are you aware that in the Ukraine there aren't any major projects in works?

— It is not so. Ukraine is very well located strategically, at the crossroads of

many transit ways. On its territory there are four major Pan-European transport corridors. And as you may know there are no roads without bridge constructions. Therefore we are involved in many projects within Ukraine. It is not by chance that new bridge development is positioned as one of the priorities in economical growth of the country.

«Mostobud» is actively participating in practical solutions to the logistical problems, deliveries of merchandise, and other things to the correct destination in timely manner. With that, the quality of the transport should be of that such is asked for.

It is estimated that transport costs are approximately one-third of the end price on the merchandise. Therefore, saving on transportation is important even on the government level. The



MOSCOW BRIDGE IN KIEV WAS THE FIRST LARGE CABLE-STAYED BRIDGE IN THE FORMER USSR. NOW IT'S ALREADY A HISTORY OF «MOSTOBUD»

conditions of the highways plays a key role in that. We are responsible for mainly bridges over water and other barriers, crossroad construction, underground tunnels and others. Again, our expertise allows us to compete on the worldwide market.

— Five years ago «Mostobud» was thought to have serious issues.

— Yes, there was a time like that. It has passed though. The issues had a legitimate reason — unstable economical situation in the country, which just became independent, on the way to democracy. However, there were also some issues that had to do with previous management of the company.

In 2003, when new investors came into play with the modern vision and expertise in such complex business as

bridge development, the company had started growing and became very stable. It is enough to mention that in 2005 we're planning on completing 10 times the workload that we had in 2002. Considering the growth of the company and that there are just days left until the end of the year, we are managing just fine under such pressure.

From day one, our investors began reaching out to new technologies and acquiring new modern equipment. In just 3 years we were able to triple the revenues and net income. With all that we can see that the new investors are here to stay, and have long term goals.

Let me tell you about one such example that may be interesting to the foreign readers.

Currently we have purchased a special floating elevating crane with carrying capacity up to 1200 tons. It is unique in the sense that now we will not have to build bridges by pieces. The bridges will be compiled right on the shore. Then the special crane will pick it up and put it in place over the water. Like in a fairy tale: yesterday

there was no bridge but today there is one! This technology speeds up the process and improves the quality. Not one company in the CIS has such crane. Besides, a deposit of not loaded crane — is less than 1 meter, it will consist of several independent modules — all this will allow moving it on shoalness, through bottlenecks of the rivers and any sluices. The most complicated load-lifting device will be put together easily, and can pass under any bridges. Crane operators will perform the work, and will operatively move to new object.

As a result, base characteristics of any bridge object — reliability and durability considerably go up. In many respects it will be provided by competently executed calculations of endurance of connections and elements of the bridge, and also that new technological conditions will allow to embody most adequately engineering ideas with original design. It would seem as only the elevating crane. But it has changed not only technology, but also strategy of the bridge development..

Such crane can provide all bridge development projects on Dnepr and other rivers of Ukraine. Knowing about this purchase, Russians as well as other foreign customers are already negotiating with us regarding future projects.

— Where and when are you planning on trying out this cutting edge technology?

— By the summer of 2006, during the development of major highway over Dnepr River into Zaporozhiye. We're planning to use it as soon as we get it to put together major components of the future bridge. We also have some major plans and goals that I hope will put our company on the map in the world as leaders of the bridge development.

We're open for new contacts and relationships. We're doing everything so that the relationships with our partners are mutually beneficial.

NICK STARR,
Kiev, Ukraine
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