

Lada came about through an arrangement between Fiat and the Russian government to produce obsolete Fiats under licence. However, after a few years Russia booted Fiat out and went it alone, and despite selling large numbers of cars, mainly on the price, the vehicles themselves were never a great success outside Russia.

Ladas might have been more successful had the Italians stuck around to run the show, but the whole venture quickly turned to custard; as part of the deal, the cash-strapped Russians paid Fiat in steel, but the steel they provided was crap, which is why 1970s Fiats, Lancias & Alfa Romeos all rusted to nothing in a few years (the canny Russians kept the good steel for themselves).

Under Russian management, the Lada quality control was shocking. We know of a man who bought a brand new Lada four-wheel drive but could not take it out on motorways because the body was vibrating so much. Or the lady who owned a near-new Lada Samara. She blew three clutches in 50,000km. After that the gearbox collapsed internally.

The mechanic who ordered the new parts sent back two sets of bearings before he was happy with the quality of the brand new replacements. 'I've thrown away parts that were in better condition than the ones Lada supplied new,' he said.



As one motoring writer put it: Ladas were assembled by people who didn't care, for customers who had no choice.

It's not that the old Ladas are not solid. It's more a question of quality control. You get good ones, you get bad ones, but even the few really satisfied owners report that Ladas never quite have everything working right at the same time – there's always some niggly problem, large or small.

LADA

Official name: AvtoVAZ (*AutoVAZ* in English).

Owned by: State holding company *Rostekhnologia* (75%), plus Renault (25%)

Current situation: Eastern Europe's largest single car company, AutoVAZ used to have 70% of the Russian domestic car market. As well as traditional Lada models, AutoVAZ makes a variety of newer models, few of which sell well outside Russia. Lada is still the market leader, but its market share has dropped to 26%, with Lada sales down by nearly half. In 2008, Renault bought a 25% stake in AutoVAZ for \$1 billion, and now faces losing the lot. AutoVAZ currently has debts and losses of around \$2.2 billion.

Chances of survival: uncertain.

AutoVAZ will probably survive in some form, but the corruption of the Russian system and strained alliances with the West make AutoVAZ's operations vulnerable to ongoing difficulty •

AutoVAZ, the company that makes Ladas, was nearly bankrupted by Boris Berezovskii, a millionaire friend of former Russian president Yeltsin. Berezovskii was chairman of a society connected to AutoVAZ and was able to buy Ladas in bulk at ridiculously low prices. He then onsold them for cash to the public and took his time to pay AutoVAZ.

AutoVAZ survived, but is now owned by the state-owned *Rosoboronexport* and builds new cars, reputedly under the watchful eyes of the Russian mafia.

In these days when Eastern carmakers can provide you with a new car carrying a five year guarantee for under \$20,000, it's difficult to see the older Lada models surviving far into the 21st century.

However, the boxy 1970s Ladas are so ancient and dreadful that they are now considered *cool* •

