



The Russian PX System Turns 100

OE Watch Commentary: Clothing and feeding a military in a country the size of Russia is no small task. Where in the past, these tasks were handled by military personnel, over the past decade the Russian military leadership has tested various outsourcing models which ensure that these tasks are performed in a responsive and cost-effective manner by private industry and civilian personnel. In the accompanying excerpted article, the authoritative weekly, *Voyenno-Promyshlennyy Kuryer* (Military-Industry Courier) recently interviewed the chief of the Voentorg Joint-Stock Company, which is responsible for “providing commercial domestic service for servicemen and their family members.”

The article begins by noting that Voentorg will soon be celebrating its 100th anniversary, and while the ownership structure has changed, besides feeding the military, it is responsible for “cleaning and laundry services, producing and delivering clothing and related gear, individual tailoring of military uniform clothing items.” It employs more than 3,500 personnel, providing services “from Kaliningrad to the Kuril Islands, including Russia’s military bases, which include Humaymim [airbase] in Syria.”

While closely aligned with the Russian Ministry of Defense, the article stresses “that Voentorg is not state-subsidized but exists absolutely in market conditions -- on a self-sufficiency basis.” The director points out that one of its sources of income is the new Patriot Park, where during exhibitions, “we daily provide quality meals for up to 6,000 people.” As the stature of Russia’s military has improved over the past decade, so too has everything associated with the military’s commercial branding. Capitalizing on this renewed popularity, Voentorg also is responsible for “promoting the “Army of Russia” brand for the purpose of giving the country’s young generation a patriotic education.” The excerpt also points out that Voentorg has linked up with one of Russia’s largest grocery chains to better deliver products to soldiers and their families stationed in remote locations. **End OE Watch Commentary (Finch)**

“...One must take it into account that Voentorg is not state-subsidized but exists absolutely in market conditions -- on a self-sufficiency basis.”

Source: Falichev Oleg, “Вежливые люди из Военторга (The Polite People from Voentorg),” *Voyenno-Promyshlennyy Kuryer*, 15 May 2018. <https://vpk-news.ru/articles/42645>

...How do matters stand in this organization today, which will be 100 years old on 16 November? What challenges does its leadership face? VPK’s questions were answered by Vladimir Pavlov, the Voentorg JSC’s general director.

[Oleg Falichev] Vladimir Vladimirovich, what is your joint-stock company today? What changes most clearly confirm its new status?

[Vladimir Pavlov] ...Today, once more, it is playing a significant role in providing commercial domestic service for servicemen and their family members.

The Voentorg JSC is the holding structure’s head company for organizing catering in the places where military personnel serve and live. We are in charge of ablutions and laundry services, producing and delivering clothing and related gear, individual tailoring of military uniform clothing items. Along with this, we organize catering and military commercial domestic service for soldiers and their family members. An important role is accorded to instilling patriotism and popularizing the Armed Forces through promoting the “Army of Russia” brand style.

Voentorg carries out its work from Kaliningrad to the Kuril Islands, including Russia’s military bases, which include Humaymim [airbase] in Syria.

...Our system maintains 3,500 jobs and more than 2,500 items of trade and services. In 2017 alone, 2,600 tons of provisions were transported to the Far North regions, the volume of laundry services was 32,000 tons, and that of the clothing and gear service deliveries was more than 120 million pieces....

...One must take it into account that Voentorg is not state-subsidized but exists absolutely in market conditions -- on a self-sufficiency basis. Nevertheless, we rigorously fulfill the minister’s demands and, I will not hide the fact, we part company, without remorse, with those who do not know how to work or who attempt to hold on to something.

...We have done a great deal for the “Patriot” park, literally investing our heart and soul in it. All the public catering and trade have been organized by our forces, and no one could have done it better than us. In the central dining hall (350 places) alone, we daily provide quality meals for up to 6,000 people on Army Forum days.

...I may say today, with full responsibility, that outsourcing produced quality results in food-catering for service personnel. In this matter, many things have changed for the better. The Army today enjoys good food. The majority of Army mess halls are in no way inferior to students’ dining halls, sometimes even better.

...[OF] And how did the idea of creating a chain of “Voentorg Pyaterochka” stores come about?

[VP] We opened the first “Voentorg Pyaterochka” store at the end of 2014, in Vlasikha ...Previously, servicemen and their families were forced to travel 15-20 km from the military camp to obtain their goods. When we opened the store, they thanked us with tears in their eyes. Voentorg had ended up just one step away, offering a wide range of goods, high quality, and popular prices.... Our social mission is to create privileges for service personnel -- social prestige vis-a-vis the civilian population, if you like.

In conclusion, I will once again emphasize that Voentorg JSC’s entire revenue from financial and economic activities is directed at developing the material and technical base for providing commercial domestic service for service personnel and their family members, and also at promoting the “Army of Russia” brand for the purpose of giving the country’s young generation a patriotic education....