

BRAND RATING: STARS OF THE RECENT FIVE YEARS

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THREATS OF 2012

MENACES
THAT LURK
OVER RUSSIA

ALSO

**HOW DANIL
KHACHATUROV**
GOT TO RUN THE FORMER
USSR NATIONAL
INSURANCE COMPANY

**HEROES OF 1990S:
ANDREY VAVILOV'S**
OLD AND NEW
TECHNOLOGIES

**RISES AND FALLS
OF RUSSIAN
SPACE
EXPLORATION**

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MEDIATOR FOR SUPREME INTERESTS

THE NOTORIOUS
GOVERNMENT
OFFICER AND
BUSINESSMAN
ANDREY VAVILOV
IS BACK
IN POLITICS

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The offices of Superox innovative company are in the Rublevo-Uspenskoye Highway, and at the most expensive location to boot. The three-story building boasts most unusual architectural design: a dark, nearly black staircase seems to be hovering above ground. The walls of the third floor passageway has frames that display acknowledgements from President Yeltsin, for active support in the 1996 election campaign, next to a diagram of petroleum production facilities of Severnaya Neft (North Petroleum) Company in 2002, and a portrait of the young Vladimir Putin.

The offices belong to Andrey Vavilov – formerly the first deputy federal minister of finance, businessman and senator. In 2010, he became chairman of the board of directors in Superox, and now has invested about US\$ 10 million in the Company's projects. As one looks at this man wearing a casual bottleneck sweater, it is hard to imagine that during the recent twenty years he was involved in most momentous business and political events in Russia. After he arrived at the top with Gaidar's team in 1991, Vavilov evolved into one of the most influential government officials of the 1990s, an oil tycoon able to challenge Lukoil and YUKOS, a party to multiple notorious criminal investigations, and the owner of a hedge fund registered in the US.

Today, Vavilov is a passionate innovation businessman. With inspiration, he is telling us about the phenomenon of superconductivity: "It is about a hundred years since the phenomenon was discovered, yet the technological setup has not changed to reach a stage where we would produce materials that could be used efficiently".

RESTRUCTURING THE CAREER

In October 1993, the then CEO of the Russian Central Bank, Viktor Gerashchenko was visiting Japan. Once he entered his hotel suite and turned on the TV, and saw tanks tearing along in the Kutuzovskiy Prospect of Moscow. "I got a call from my deputy who said, the Deputy Minister of Finance Vavilov has come to the Federal Mint, he's wearing blue jeans and white slippers, and he is

here to get money, what are my instructions?", Gerashchenko recalled. So he pondered awhile, and then authorized them to give him money if he signed a receipt promising to repay the amount by the end of the quarter. "Later I was told that the money was for the tank crews who shelled the White House in Moscow", the former Central Bank top manager narrated. Andrey Vavilov remembers the episode quite vividly. He was dispatched to the Central Bank to get money, and he was sent there by the then head of the federal government, Viktor Chernomyrdin. The Prime Minister believed that the government must have cash at hand at the time of trouble. "I remember, I drove to the Federal Mint myself, I used my own car and was only accompanied by an armed bodyguard who carried a machine gun. Just like that, we went there, we walked up and took the cash, stashed it in the trunk, and returned to the government offices," Vavilov recalls. Nevertheless, according to him the cash was never used eventually – the deputy minister carried it back some three days later. By the time, the building of the Supreme Soviet in Krasnopresnenskaya Embankment had been reduced to ruins.

Time and again would Vavilov undertake delicate missions. According to Mr. Gerashchenko, that was not the first instance. That same year – 1993 – Vavilov interrupted his lunch: the nation was to hold a referendum to vote the new Constitution, but the budget had no funds to pay salaries to the police. Mr. Gerashchenko tells us that he allocated the money, but shortly after President Yeltsin invited him and demanded that he should hand in resignation: considering your age, you don't fit the team of young and hopeful.

The 'young and hopeful' was exactly Vavilov. Just turned thirty then. By the time he had graduated with diplomas in economy and cybernetics, had defended his treatise, and had gone to the US for a post-graduate – an incredible career achievement at that point in history. It was Yegor Gaidar who brought him into the corridors of power. At the end of 1980s, Vavilov had joined the "Perestroika" club that collected activists under the Central Institute of Economics and Mathematics. This was the think tank of the coming Russian reform, the meeting place that gathered many those who would later form the Gaidar cabinet.

"When in 1991, Gaidar was just beginning to build his reformist government, he managed to have Vavilov appointed as his deputy minister of finances. A high public officer of the time recalls, «I remember how Gaidar's eyes were sparkling. He was a cool guy, he was smart. Until this day, I don't know what I think about that designation of the early 1990s. Vavilov was miles ahead of most of us then with his understanding of global financing issues. The most critical risk of the first stage of the reform was actually not corruption, it was lack of competence". Vavilov himself tells that he was never close friends with Gaidar, but the reformist leader always trusted his professional opinion. "I was told that when he resigned he told Chernomyrdin who relieved him, "Hear them all out, but do as Vavilov says".

At the time, the nation was hardly making two ends meet. Apart from the budget obligations, the Russian government had to deal urgently with another acute problem. Russia succeeded to enormous debts after the Soviet Union collapsed. In 1994, total national debt had reached US\$ 112.8 billion, or 70% of the GDP (compared to 9% currently). Russia owed both to creditor nations who merged into the London Club, and to for-profit organizations, members of the informal Paris Club of creditors. A large part of the debts was poorly formalized, some documents of the Soviet era had been just lost. After he came to the Ministry of Finance, Vavilov became engaged in foreign economic relations and debt restructuring.

"The theme of corruption emerged immediately: first and foremost, we had to acknowledge our commercial debts", tells Andrey Cherepanov, former head of the debt department of the Ministry of Finance. "Companies were prepared to pay huge money for the right to get on the creditors list, particularly when the debt was of disputed nature and reassigned many times". No less complicated and corrupt was the issue of the inter-governmental debts. The

federal government made a decision that it would repay debts to certain nations with Russian commodity consignments. Private businesses were rearing to join the scam, because the federal government was ready to pay much higher prices for supplies than the real-life value of goods. As Mr. Cherepanov says, "some decisions taken by the debt authority at the time defied logic".

Private banks were also among interested parties in debt schemes. The process to restructure debts was long and overcomplicated, and so very quickly an optional system evolved where debts were sold through the backdoor. The point was that the VEB would buy out debt obligations from creditors who did not have to wait in the queue, but at a serious discount. In 1994, the so-called bank consortium was created of banks authorized by the Ministry of Finance to restructure the national debt to international creditors. The function of bank authorization was assigned to Andrey Vavilov. No formal procedure existed. The consortium embraced the following banks: Imperial Bank (with Sergey Rodionov, former deputy chairman of the Central Bank as the CEO); National Credit Bank (owned by Oleg Boyko), National Reserve Bank (NRB – managed by Alexander Lebedev, from Chernomyrdin's team); Menatep (the key role in the bank was played by one of Gaydar's team, Vavilov's old friend Konstantin Kagalovskiy), and Stolichniy Bank (owned by Alexander Smolenskiy. Vavilov said that at the time lots of documents were signed under pressure from the banks. He asserts that they were not authorized to settle the national debt: "that function was given to VEB".

The Ministry of Finance appointed Alexander Lebedev as its main agent in charge of transactions related to the nation's external debts. Lebedev worked in the NRB, the bank's assets kept growing rapidly, and Gazprom became its largest stockholder. In addition, the federal government consented that Rosvooruzheniye – the government-owned arms corporation – could open an account in the bank. At the time, it was every banker's dream to open the doors to government-owned companies with their huge turnovers. In the environment that featured high inflation rates and volatile ruble exchange rates, access to such source of liquid cash made it much simpler for the bank to create its earning channels. Oleg Boyko was rumored as

someone rather close to Vavilov. In 1995 when the National Credit Bank was on the verge of insolvency, all of a sudden it received notes worth US\$ 126 million from Sberbank. Both Lebedev and Boyko refused to give Forbes any comment on the history of their goings on with Vavilov.

Another instance where Vavilov's role was quite underestimated was among the most scandalous stories of the 1990s: organization of mortgage auctions, one of his former subordinates insists. Vavilov did not generate the idea (it was suggested by Vladimir Potanin, the CEO of ONEKSIM Bank), but he was in charge of the auctioning technology. Vavilov himself said that he invariably objected to auctions, and that his was only a technical function as he signed documents. "I told Chernomyrdin that is they were just senselessly giving away free lunches, just for the asking. Those people [the oligarchs] would support Yeltsin under any scenario, they simply had no options, and they all knew it perfectly".

"A CHAIN OF UNRELATED ERRORS"

How could Vavilov influence decision-making in the most critical economic and business issues during the 1990s, and yet remain a dark horse? Perhaps, the answer to this riddle is the former deputy finance minister's talent to build special relations with the first persons of the nation. He was Chernomyrdin's confidant, and frequently receive special instructions from the covert curator of Gazprom. Boris Yeltsin himself would often heed Vavilov's opinions.

During 1996, Vavilov was the main fund-raiser for the powers-that-be; he was just the one who collected cash for the election campaign. To achieve that, intricate financial patterns were invented, one of which – short-term government bonds buyout – was described in the 25-page memorandum prepared by the anti-corruption panel of the Federal Duma in 2002. "The federal government would hand over its securities to banks at a discount up to 70% of the face value, and then at the pretext of acute shortage of funds for the federal budget it would receive them back, but this time at the face value. The difference of 70% was split by half between the election campaign fund and the banks". The memorandum also

insisted that Vavilov was guilty of embezzlement, misappropriation of federal funds, and abuse of power. "Such actions cannot be regarded merely as a chain of unrelated errors, misconceptions, blunders and negligence, because all financial transactions were based on similar scenarios and were point-targeted, they all involved enormous financial advantages unlawfully granted to commercial entities", the memorandum asserted. Vavilov remarks that such memorandums were a dime a dozen, and that he never read that specific one. As far as the election campaign is concerned, during his fund-raising efforts he shuttled in and out of Russia, and just took loans. And he never placed any funds with anybody.

NOT A QUITTER

Apart from high-ranking allies, Vavilov frequently would often run into influential opponents.

The first ever accusation of corruption was thrown publicly at Vavilov's face by Sergey Dubinin, his former boss who had been in the office of the Finance Minister in 1994. As the head of the Central Bank, during a meeting in the Federal Duma in 1997, he declared that Vavilov was implicated in a case when US\$ 231 million had been stolen from the treasury. The case was known as the so-called MIG theft case. That year, the Ministry of Finance had signed contracts with MIG, under which the aircraft manufacturers was to make equipment for India. However, the company failed to negotiate a contract with India, but the funds were first transferred to MFK bank. The bank used the money to purchase domestic dollar bonds and placed them on its account with Unikombank (controlled by Ashot Yegiazarian now wanted by the Interpol for first-degree fraud). All of the treasury funds and the bonds originally transferred by the Ministry of Finance just vanished. In September 1997, the Prosecutor General instituted criminal investigation by the fact of first-degree theft of government funds.



ANDREY VAVILOV ABOUT HEROES OF THE LAST DECADE



MOSKOVSKIY KOMSOMOLETS, 2003

"I've had no enemies of principle. It was all just business, and nothing personal. Perhaps, Vagit Alekperov was an exception.

It appears that for him our conflicts grew into something of more personal nature. Small wonder, if you come to think about it. Because Lukoil not only has become a minority stockholder in Severnaya Neft, but also turned into a "minority" licensed mining company in the region that he regarded his personal property".



BOSS Magazine, 2000

"Chubays is beyond his depth in economics, despite his public image of an economic connoisseur. Chubays is a leader and politician. He has a pretty faint idea as to what should be done with the national economy. And he is plainly unable to take the right decision in a crisis".

KOMMERSANT daily, 2001

"A few years back, my car was exploded in Moscow. My firm belief now is that if the explosion was not arranged by Kovalev in person (former head of the FSB – Forbes), then by his associates, that's a cinch. Kovalev and Korzhakov pose themselves as law enforcers, but in fact they are little more than racketeering thugs"

KOMMERSANT daily, 2001

"The Russian Constitution has Article 57 that regulates taxation. I'd like the State Council to vote and pass a special resolution to rule that Governor Abramovich should peruse the Constitution from cover to cover, and write notes. To ensure he knows how the government works. Because what he only knows as I see it, is how he can liberate a trainload of fuel oil".

During that period, the public prosecutor's raids were not the only thing that Vavilov had to confront and repel. On February 3, 1997, while the first deputy minister of finance was in his office in the ministry building, he heard an explosion: right below his windows his parked car was blown up. No culprits were ever found, but indirectly Vavilov blamed the act on the then head of the Federal Security Service, Nicolay Kovalev. According to the press, Vavilov found himself at the receiving end from resentful bankers. Investigation boiled down to nothing, except perhaps that Vavilov started using bodyguards, and the Ministry of Finance began the practice of parking their vehicles in the inner yard.

Shortly after a public scandal, Vavilov resigned from the Ministry of Finance. According to himself, his resignation was triggered by scheming and plotting of Boris Berezovskiy, then the deputy secretary of the National Security Council. "I always took my own decisions, and then I was offered to surrender this principle", Vavilov says. As he recalls, Berezovskiy called him on the telephone and requested a meeting. "He told me, "We're going to settle it all, I'm ready to do the lobbying and see it through so you can stay, but scratch my back, first I need a dollar loan for about couple of billions, and then you promise to coordinate all your key decisions with me". According to

Vavilov, after the meeting he went to see Chernomyrdin, but the latter actually stood up for Berezovskiy.

"At some point, Vavilov found himself competing with Berezovskiy in his influence on Chernomyrdin", confirmed an official from the federal government staff department, "and this was why he had to go". According to another version, he was fired by Anatoliy Chubays, who became the minister of finance and first vice-prime minister all rolled in one in 1997. When asked by Forbes to comment that story, the main ideologue of privatization began to tediously enumerate a list of all persons named Vavilov that he ever knew, right down to Nicolay Vavilov, the father of genetics. But he refused to discuss Vavilov the former minister of finance.

After he left the ministry of finance, Vavilov found employment as chairman of administration in MFC bank, the one at the receiving end of the failed MIG contract. That was one of the banks that formed the business empire built by Vladimir Potanin. Vavilov says that he chose to join the MFC bank on his own, because of all Russian bankers Potanin was one that he knew least of all. "He was the least worrisome one". He denies all connection between his appointment to the office and the fact that the evaporated MIG funds landed on the accounts in the MFC bank. "That was nothing but Berezovskiy's politicking, and I could have joined

another bank or another corporation, they would find something to blame on me anyway". While Berezovskiy in turn told Forbes, "Vavilov seems to have lost his sanity". They did not discuss Vavilov's resignation from the Ministry of Finance or the MIG contract flop.

Vavilov did not stay in the MFC as the CEO. He quit after some months.

"My colleague, Andrey Vavilov in some strange manner proved to be one of the richest individuals in Russia after he left the ministry of finance" – this is how the events of those years were summed up by the late Boris Fedorov, the latter federal minister of finance.

SUCCESS IN THE OIL INDUSTRY

In February 2003, the cream and crust of the Russian business traditionally rallied in the Kremlin to attend the annual meeting of the Russian Union of Industrialists and Entrepreneurs. Herman Khan, the co-owner of TNK, made the entire crowd of oligarchs and statesmen laugh with his frenzied gesturing.

Mikhail Khodorkovskiy hurriedly estranged himself from the joyful public. He sat down at a desk holding a pen, and went

through pages of his report. In some minutes, the owner of YUKOS, visibly nervous, reported to President Putin in a televised session that the scale of corruption had reached incredible proportions nationwide. Khodorkovskiy supported his statement with an example of his own industrial sector and told the President that shortly before that a tiny business of Severnaya Neft had been sold to the government-owned Rosneft for a staggering US\$ 600 million. When the oligarch ended his presentation, President Putin spoke in defense of Rosneft, and showered harsh criticism on YUKOS instead. That public discussion launched the principled hostilities between Khodorkovskiy and Putin, Alexander Temerko recalls, formerly deputy chairman of YUKOS. Eight months later, Khodorkovskiy was in custody. In the transaction reported by the YUKOS owner, Vavilov and his partners acted as the selling party.

Vavilov became one of the co-owners of the oil company shortly after his resignation from the public office. In 1998, Severnaya Neft was far from a household name as it only ranked 44th on the oil business list by production. First Vavilov purchased 10% from the government-owned Zarubezhneft, then arranged an additional issue of corporate securities, and as a result the shares of the company's old-timer stockholders were reduced to one tenth of the original value. For example, the 25% holding of one of Lukoil units – Komineft – became a mere 2.5%. Now 80% of the stock was held by four corporate entities with unknown names. The additional issue of stock gave Vavilov another influential adversary – Vagit Alekperov, the president and controlling owner of Lukoil. Lukoil turned to the court in an attempt to regain the control holding in the company, and it failed. "It was a typical scenario. When they needed to cash out for corporate development, they wouldn't even listen", relates Vavilov his version. "But after I found the means, after I struck an agreement with creditors, after I restructured the debts... well, then they come and say, Hey, here we are, and we want it all back now, because we thought better and we changed our mind".

According to Vavilov, Severnaya Neft was de-facto bankrupt when he bought it, and this is why he got it "in exchange for my ability to restructure debts"; he also says that the funds to buy the 10% came as a bank loan. He insists

that the company had some US\$ 80 million in debts, while he paid something to the tune of one million nominally. The press service of Lukoil refused to comment his statement about the alleged insolvency, although they said that at the time the company was the holder of 12 production licenses, a well-developed infrastructure, and 'light' oil deposits. They said that the other party just "forgot" to notify Lukoil about the additional issue of stock, and that Lukoil never waived any of its rights in that matter.

More than once in his life Vavilov played a move that put his everything at stake. In 2011, he was challenging all petroleum tycoons at once. Severnaya Neft won tender for a contract that sold three oil fields of Val Gamburtsev in the Timano-Pechora deposit area, with confirmed total reserves exceeding 190 million tons. Vavilov's business in this combat was confronted not only with Alekperov's army, but in fact with the selected best of the Russian oil production: Surgutneftegaz, the YUKOS & Sibneft tandem, TNK, and Rosneft. It is little wonder therefore that when Severnaya Neft returned victorious from the battle, the petroleum community was in deep shock. The company's bid was for US\$ 7 million, while other contenders filed bids in the range of US\$ 60 to 100 million. Oil admirals were unable to swallow the defeat, and Severnaya Neft got tangled in endless lawsuits. Vavilov had no other option but to sell the business.

Severnaya Neft would be sold to a major oil corporation, and suing it becomes pointless, declared Vavilov in early 2001. He spoke of Rosneft – although at the time it was far less than Alekperov's business by size, it was government-controlled and in fact monitored by Igor Sechin, Vladimir Putin's head of presidential administration. After the transaction with Rosneft, Vavilov was transformed into an official millionaire overnight: by the time of selling, his holding in Severnaya Neft was 55%, and he was expected to collect US\$ 330 million for it. In 2003, Senator Andrey Vavilov registered with the Tax Authority in Nizhnelomovskiy Rayon, Penza Oblast, of which he was the elected representative in the upper house of parliament, and after he sold Severnaya Neft, he paid US\$ 50 million as income tax.

It was the price of that transaction that made Khodorkovskiy speak of corruption. "YUKOS had contracted a foreign bank to appraise the value of Severnaya Neft, and the resulting value was much lower", Mr. Temerko recalls. Sergey Alekseev, an investment banker, admits that "that investment appeared very high-risk to me from the start". In 2003, Alekseev was vice-president of ABN Amro bank that had official mandate from Rosneft for the transaction, and subsequently he became the first vice-president of the government-owned corporation. But Rosneft made the right choice. Today, Severnaya Neft would be worth approximately US\$ 2 billion, Denis Borisov, Nomos-Bank analyst believes. However, back in 2003, the transaction appeared surprisingly expensive indeed, because who would have thought that a barrel of Urals sold at \$ 27 at the time can appreciate four-fold. "That was a clean transaction", Vavilov insists. He is confident that now he would be able to sell the business for \$ 3 billion, but he does not regret any lost opportunities. "Severnaya Neft gave me a chance to get down to other things".

In 2002, Vavilov ran for the Federal Senate, and was elected to represent Penza Oblast. Six years later, the criminal charges against Vavilov in the MIG case were dismissed after the statute of limitation expired. In 2010, he resigned from the Senate. Most of his time in the Senate he worked on a panel in charge of legislative and judicial problems. Those who know him have told that most of his time the Senator stayed away from the Russian parliament, mainly in the US and Australia.

Yet even there the Russian realities caught up with him. In 2009, Vavilov's private aircraft en route between Moscow – Barbados – Aspen (Col.) was forced to land in Palm Beach on instructions from the FBI. There Vavilov and his wife were put through interrogation related to the notorious case involving Pavel Lazarenko, the vice-prime-minister



of Ukraine. American public prosecution indicted Lazarenko on the charge of legalization of criminal proceeds in the US – \$ 600 million stolen from Gazprom. Among the signatures that triggered a long chain of transactions one was that of Vavilov.

Yet another episode from Vavilov's period in the Russian Senate also involved the US. In 2005, Vavilov bought two penthouses at an auction: he paid \$53.4 million for property in the New York Plaza Hotel, close to the Central Park, and then filed a lawsuit and demanded a refund. Vavilov's attorney explained that the decision to buy the property was based on a video presentation demonstrated to the buyer, but that later the penthouses proved to be little more than garrets or attics. "That lawsuit had a good ending, I left the court with my money in my pocket", Vavilov says, while he also remarks that he was able to work out an out-of-court agreement with the developer. Vavilov keeps most of his personal funds in his own hedge fund – IFS Hedge Fund, the one he incorporated in the Cayman Islands back in 2004, when he was still a Senator. The Fund is into derivative investments in a number of countries. According to Vavilov, the yield of investments has remained stable at 20% rate since 2005. In May 2006, Forbes estimated Vavilov's fortune at US\$ 470 million. Vavilov himself chooses not to disclose the numbers on his accounts.

MOHAMMED'S TOMB

In the Superox office in Rublevskoye Highway, a large model of a city is on a desk. Tiny human figures of lovers who walk the streets, janitors at work, sheep grazing... And then there are railroad tracks that surround the city. "The idea is to manufacture a model of the landscape of the future where all advanced

AFTER THE CAR BOMB EPISODE, VAVILOV STARTED USING BODYGUARDS

technologies are used. High-temperature conductors of cheap materials can be used to substitute standard electric conductors in many fields", Vavilov explains.

The building in Rublevskoye Highway houses only the office of Superox Co. The research in superconductivity is done in the building of the Chemical Department of the Moscow State University. The company is quite small with only about 20 staff employed.

While in the Senate, Vavilov made acquaintance of the now late Academician Nicolay Chernoplekov, who shared with him his obsession with the idea of superconductivity. High-temperature superconductors were discovered in 1986, and scientists stored great hopes on the invention. A national (USSR) program was launched to begin research in superconductivity, but after the USSR collapsed financing froze up and the project stalled.

The advantage of superconductive materials is that they conduct electric currents with considerably lower losses (now up to 10% of power gets lost on the way to the end consumer). "The infamous blackout in Moscow, when the Chagino substation failed, was caused among other things by a fire emergency on a current transformer", speaks Andrey Kaul, professor with the Chemical Department of the Moscow State University, and Superox Science Director. "Nowadays a transformer looks as a little cabin filled up with oil to arrange heat removal. If it catches fire, this is a disaster, such transformer burns as an barrel full of oil. On the other hand, in a superconductive transformer, there is no loss of current, and no thermal energy is generated, and anyway what it has for filling is not oil but non-combustible liquid nitrogen".

Magnetic levitation is yet another direction that Vavilov intends to boost with superconductors. This would hopefully help to build railroad trains of the future, which hover above the rail track as they glide ahead. Kaul picks up a large pellet coated with superconductive material, and places it in liquid nitrogen (at 200 degrees Celsius below zero). A minute later, he takes a magnet and holds it above the boiling pellet – and the magnet soars

experiment is known as 'Mohammed's Tomb' (as the legend has it, the prophet's coffin used to hover in the air without any supports). In a few years, the Japanese promised to launch their first train on the Tokyo-Osaka line, it will use the same principle, and will be able to reach speeds comparable to a turboprop plane, up to 851 kph.

The economy of such innovative projects is still unclear. "Beyond all doubt, this is a business project for Vavilov, and certainly no charity to aid the science", Kaul is full of confidence. After all, technologies must make sense for the government, for private power producers; in addition, commercial sections in the grid can be organized for consumers.

Vavilov prefers not to disclose the details of his business plan. Carried away on the wave of innovative science, the company has filed applications with all government institutes that fit the profile. Superox has now won a government contract from the Ministry of Education and Science, to implement superconductive materials in medicine and instrumentation. The price of the two-year contract is 180 million rubles. The company has been awarded the resident status in the Special Economic Zone of Dubna. Next February, Superox intends to file a request for a grant under the Skolkovo National Project.

In addition, the company's plans include construction of a manufacturing plant to make superconductive material tapes, and claims co-financing with Rosnano Corp.

Recently, Vavilov has been leaving the shadows, one of his business contacts confides. In July 2010, on invitation from Arcady Dvorkovich, the Russian President's assistant, Vavilov joined a task force under the Presidential Committee for Modernization and Technological Development of Economy. Vavilov's talents appear to be in demand once again. **F**