



National Nuclear Security Administration

# NEWS

**NEWS MEDIA CONTACT:**  
Anson Franklin, 202/586-7332

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## **Joint Venture Established Between Russian Weapons Plant And the Largest Dialysis Provider in the U.S.**

*National Nuclear Security Administration Helping to Transform Former Weapons  
Manufacturing Complex to Civilian Work*

The first joint civilian company involving a former Russian weapons manufacturer was created when Russia's Avangard Electromechanical Plant and Fresenius Medical Care (FMC) --the largest integrated provider of dialysis products and services in the United States -- signed a joint venture agreement to open a medical equipment manufacturing facility in the Russian closed nuclear city of Sarov. Renal Research Institute, a joint venture of FMC and Beth Israel Medical Center of New York, will also participate in the new company.

The new company, called FRESAR, will produce high-quality, low-cost kidney dialysis equipment and will be located in the Sarov Technopark, a commercial industrial park carved out of the weapons facility through the National Nuclear Security Administration's Nuclear Cities Initiative (NCI). Sarov, formerly known as Arzamas-16, is located about 450 kilometers east of Moscow and is one of ten closed nuclear cities in Russia. Established in 1949, Avangard was the first Russian facility to manufacture nuclear weapons on an industrial scale.

NNSA's Nuclear Cities Initiative seeks to assist Russia in downsizing its nuclear weapons complex by helping to create jobs for displaced weapons workers. A closely-related NNSA program, the Initiatives for Proliferation Prevention (IPP), has also partnered with FMC to begin manufacturing activities in Sarov.

The National Nuclear Security Administration (NNSA) has helped lay the groundwork for this joint venture by upgrading buildings and improving infrastructure so that FRESAR can install assembly lines for the production of disposable medical products. The assembly lines are expected to be operational by the end of 2003. The disposable medical products will be used in FMC kidney dialysis equipment and will be marketed by FMC in Russia and Europe. The NNSA's Lawrence Livermore National Laboratory has collaborated with FMC and NNSA's Los Alamos National Laboratory on this phase of the project.

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“A year ago, virtually no Westerners had ever been allowed to set foot in Avangard, and now they are part of a joint venture that will use resources, buildings and personnel that previously produced nuclear weapons to manufacture life-saving medical devices,” said NNSA Administrator John Gordon. “Working with the private sector to create opportunities for former weapons workers to put their scientific and technical skills to peaceful commercial use is an investment in U.S. national security.”

The first phase of the FRESAR project established the Sarov Technopark at Avangard in June 2000. The Technopark will expand as additional businesses locate there, allowing for the eventual closure of the Avangard weapons plant.

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