

Dr.-Ing. Eckhard Scholz
Board Member for Technical Development at
Škoda Auto a.s., Mladá Boleslav (Czech Republic)

"Surprise Our Customers with Premium Quality"

Škoda is positioning itself with a combination of high-quality technology, attractive design, individual detail solutions and the offer of value for money that goes across its entire model range. This has given the brand a place in the Top Ten of car sales in Germany. But how does a car with a premium image fit into this philosophy? Can one unite the extremes of "discount" and premium"? And will we see a "medium-price vehicle class" in the future? ATZ spoke to Dr. Eckhard Scholz, Board Member responsible for Technical Development at Škoda Auto a.s., about these and other issues.

ATZ What role does the second generation of the Superb play in the overall positioning of the company Škoda?

Scholz The new Superb, which is actually already the third vehicle generation, as a

"There Are Still Enough

Gaps in the Market"

large saloon was produced under this name at the factory in Mladá Boleslav from 1934 to 1949, allows us to demonstrate our entire en-

gineering expertise. The car is both a flagship and a calling card for the company. And it's also a typical Škoda, as our mission of developing value-for-money cars also applies to our top-of-the-range vehicle. We are consistently applying this positioning in all our vehicle classes. We have, of course, made use of modules

from the VW Group for the new Superb.

But we have nevertheless succeeded in

producing a completely independent car that is a typical Škoda. It is quite clear that, as a brand, we benefit from our position within a group of companies with a high standard of quality, but we also

> give something in return. Firstly, with sales of just over 630,000 vehicles in 2007 we contribute to the Group's economies of scale due to

production volumes. Secondly, we are involved within the Group in the development of low-cost modules.

ATZ What in your view are the most important changes between the first and second generation?

Scholz When you see the car on the road, you immediately recognise it as a Škoda. And for a vehicle of the upper

mid-size class, it expresses an air of luxury. The car is also of the highest quality when it comes to its engineering. That can be seen both in the new engines and in the automatic transmissions, which are exclusively direct-shift, twin clutch transmissions. The superior engineering is also apparent in the new electronic architecture and the adaptive headlights. For the suspension tuning, we succeeded in achieving an optimum mixture of comfort and precision. The interior is even more generous than that of the predecessor, and with the patented Twindoor tailgate we are presenting an absolute innovation for a saloon car. This intelligent system, which comes as standard equipment and which was developed for the most part by my predecessor Harald Ludanek, offers a variability that I personally use very often as a driver.

ATZ How can Škoda further reinforce the independence of its models within the Group?

Scholz By consistently maintaining our positioning. Features such as roominess, practical details in keeping with our motto of "simply clever" and an attractive price/value ratio are all part of this. Against this background, we want to surprise our customers with premium quality. At the same time, when it comes to costs, every half a euro saved counts. We don't need to explain to a Škoda developer how closely every development is linked to financial aspects. Everyone is fully aware of that here. Perhaps there is a historical explanation for that, because the company was worried about its very existence before it was integrated into the Volkswagen Group in 1991. Anyway, we only focus on those things that also benefit the customer.

ATZ Since growth will mainly come from the emerging markets in future, how can cars from Europe be made interesting for such markets?

"In the Mid-sized Vehicle Segment, Customers Get a Lot of Car for their Money"

Scholz We have to see that in a very differentiated way. In the Škoda area strategy, we discuss every product decision for the 100 markets in which we are active in the meantime. In China, for example, where we launched the Octavia in 2007, the mid-sized model was immediately voted Car of the Year and was very successful. Our product matched the market right from the start. In India, the situation is quite different. There, we made the diesel engine an attractive proposition and Škoda clearly has a premium position. However, with this premium standard, we are not reaching the core volume segments. Russia, on the other hand, has a completely heterogeneous vehicle market. In Moscow, we find an absolutely broad and modern range of vehicles with many top-of-the-range products. Outside Moscow, however, the picture changes, in some cases dramatically. There we mainly find low-price products that satisfy the basic need for mobility.

ATZ Do you believe that the mediumprice vehicle segment in Europe will disappear in favour of the two extremes of "discount" and "luxury"?

Scholz I don't think so. On the contrary, the classical mid-sized segments will still be important for years to come, because they offer customers a lot of car for their money and their requirements are optimally met by the classical vehicle types. On the one hand, there are plenty of gaps still available in the market. On the other hand, we don't have to produce every conceivable version. Therefore, a cabriolet is not at the top of our list, for example. Instead, I would prefer to develop a low-price entry model for emerging markets.

ATZ Until now, where have you seen the main sales obstacles in Germany for the Superb, which offers high quality technically, optically and ergonomically?

Scholz We are very satisfied with our success in Germany, it would be rather presumptuous to expect more. Although the German market is very demanding,

we have already been the most successful importer in some months.

ATZ What then are the challenges facing Škoda?

Scholz You can expect to see a lot of new things relating to the huge issue of CO₂ reduction. And I'm not talking about individual hybrid vehicles but about reducing the fuel consumption of the entire fleet. Even though the next generation will still be dominated by a steel construction, we want to use every possibility to reduce fuel consumption at an acceptable cost and with value-for-money approaches. The Superb Greenline is only one signal in that respect.

ATZ Dr. Scholz, thank you for this interview

Interview conducted by Jörg Christoffel.

Dr.-Ing. Eckhard Scholz

graduated in mechanical engineering at the Technical University of Braunschweig in 1990. From 1991 onwards he was involved in testing and project work at Volkswagen in Wolfsburg. After a short spell away from Volkswagen, he returned in 1996 as head of department for body development. Three years later, he took on the function of main department leader for passenger car equipment. In 2002, he became divisional head for VW passenger car body development. At the same time, Dr. Scholz became head of VW's E2 product line in 2002, until taking over his current position Board Member for Technical Development at Škoda Auto a.s. In 2005, he completed his doctorate on the subject of plastic film technology for exterior body applications.