

# Audi

2009 ANNUAL REPORT

Vorsprung durch Technik 



**Rethinking luxury.**  
A changing system of values:  
inspiration for a new lifestyle

*Luxury to  
me is ...*

*...being able to delight  
my audience and seeing  
the smiles on people's faces.*

OLEG POPOV,  
RUSSIAN CLOWN

*...doing the things that allow you,  
when you reach a ripe old age,  
to recognize that you haven't wasted  
your life.*

JESCO FREIHERR VON PUTTKAMER,  
NASA ENGINEER AND NON-FICTION AUTHOR

...RECOGNIZING  
THE TRUE  
SIMPLICITY  
AND HONESTY  
OF THINGS.

MATTEO THUN,  
ITALIAN ARCHITECT

*Luxury to me is ...*

*... being able to  
sleep in now and again.*

MARIA WALDON,  
A YOUNG MOTHER FROM BAD AIBLING, GERMANY

*... having nature  
and mountains  
right at  
my front door.*

THOMAS HUBER,  
EXTREME CLIMBER FROM BERCHTESGADEN, GERMANY

*... THE VIEW FROM THE  
WORLD'S HIGHEST SKYSCRAPERS  
INTO THE DEPTHS BELOW.*

ALAIN ROBERT,  
FRENCH FACADE CLIMBER



*... finding my dream job,  
because today the focus is  
primarily on existential concerns.*

RIM BNOUSSINA,  
MARKETING STUDENT FROM MOROCCO

*... still being  
able to participate  
in a marathon.*

JEAN-PIERRE IMHOOS,  
SWISS ATTORNEY WHO AT 80 YEARS OLD WAS ONE OF THE OLDEST  
PARTICIPANTS IN THE 2009 NEW YORK CITY MARATHON

*... being able to play a game of chess with my son.*

ZSOLT KOVÁCS,  
EMPLOYEE AT THE SIX-CYLINDER TDI ENGINE MANUFACTURING  
PLANT AT AUDI HUNGARIA MOTOR KFT.

*... each and every  
moment with my wife  
and my daughters.*

FRANCK RIBÉRY,  
PROFESSIONAL SOCCER PLAYER

# *Luxury to me is ...*

... BEING GIVEN SOMETHING I'VE  
NEVER DREAMED OF BEFORE.

KEVIN JOHN ROBERTS,  
CEO OF SAATCHI & SAATCHI ADVERTISING AGENCY

... hearing the rumble  
of my new R8 the moment  
I switch on the engine.

DIETER SIEBERS,  
WHO PICKED UP HIS R8 FROM THE AUDI FORUM NECKARSULM

... something desirable that you don't  
really need in day-to-day life.

ANTON WOLFGANG GRAF VON FABER-CASTELL,  
CEO OF FABER-CASTELL AG

... intangible - often about time  
and space. Time to slow down  
and time to do new things,  
space to breathe and space  
to spread out.

TOM DIXON,  
BRITISH ARTIST

## PROLOGUE

Purely subjective: Listen to what various people understand  
by luxury: [www.audi.com/ar2009/quotes](http://www.audi.com/ar2009/quotes)

*Dear Readers,  
Dear Shareholders,*

2009 was a year we will remember for some very particular reasons: It was the year we celebrated the 100th anniversary of the Audi brand. But it was also a year of attempting to stave off the worst of a global economic crisis. All employees of the Audi Group pulled together in a concerted effort to ensure that the Company's stable foundation was not undermined. We can now declare with pride that we have come through this rough period with great success.

If the experience of recent months is anything to go by, those companies prioritizing values such as tradition, quality and a sense of responsibility have weathered the storm much better than those looking for rapid but equally fleeting success.

We have always viewed our work in the context of responsible social action. With this philosophy and our thrilling premium automobiles, our Company embodies a form of luxury that goes beyond opulence and harmonizes with clear, enduring values.

This year's Annual Report also serves to illustrate this point. Renowned authors portray life concepts that represent this new take on luxury: setting time aside for the truly important things in life. Pursuing your dreams. Creating the space to explore your individuality.

I wish you an entertaining and interesting read.

Kind regards,

*R. Stadler*

**Rupert Stadler**  
Chairman of the Board of Management





Prof. Dr. rer. nat. Martin Winterkorn  
Chairman of the Supervisory Board

*Ladies and Gentlemen,  
Dear Shareholders,*

2009 was a true test of the Audi Group's resilience and competitiveness in the face of crisis. The global financial and economic crisis led to an unprecedented slump in demand on the automotive markets at the beginning of the year, especially in the western industrialized nations, the countries of central and eastern Europe, and Japan. This triggered a slew of government stimulus packages worldwide, although premium manufacturers such as the Audi brand only benefited from these to a limited extent. High refinancing costs, credit defaults and falling residual values in the used car market also weighed heavily on the entire sector.

In spite of this difficult environment, the Company further consolidated its strong competitive position, boosting demand for vehicles sporting the four rings above the premium car market average in several countries and enabling the Company to win important market shares. At the same time, the Audi Group recorded a very positive operating profit across all of the quarters under review and was thus one of the most profitable car manufacturers in the premium segment in 2009.

The Company could not have achieved these excellent results were it not for the tireless commitment showed by the management, the employees' elected representatives and the entire workforce. The Supervisory Board would like to take this opportunity to express its sincere thanks and recognition to everyone involved.

There were the following changes to the Company's Supervisory Board during the past fiscal year:

On the stockholder side, Dr. Wendelin Wiedeking and Holger Härter stepped down from their positions on the Supervisory Board of AUDI AG with effect from July 23, 2009. The Supervisory Board would like to thank both gentlemen for the sterling work they did while serving on the supervisory body. At the request of the Board of Management of AUDI AG, the Local Court of Ingolstadt appointed Dr. Hans Michel Piëch and Dr. Ferdinand Oliver Porsche to fill the vacant positions on the Supervisory Board with effect from November 19, 2009. Among the employees' elected representatives, Hubert Walzl left the Supervisory Board at his own request on September 30, 2009 to take over the role of Member of the Board for Production and Logistics for the Volkswagen Passenger Cars brand. The Supervisory Board would like to express its sincerest thanks and recognition to Hubert Walzl for his committed and successful work on the Supervisory Board. On October 6, 2009, the Local Court of Ingolstadt appointed Peter Kössler to replace Hubert Walzl on the Supervisory Board for the remainder of his term of office.

In the past fiscal year, the Board of Management continued to provide the Supervisory Board with regular, up-to-date and comprehensive accounts of its actions. As part of this process, all decisions fundamentally important to the Company were extensively discussed between the Board of Management and the Supervisory Board. The Supervisory Board monitored and held extensive discussions with the Board of Management on the economic situation of the Company, business performance, the business policy and risk management approach, together with the risk exposure of the Company, at quarterly meetings and also on the basis of regular, detailed oral and written reports from the Board of Management. All members of the Supervisory Board were present at more than half of the meetings. The Supervisory Board reached decisions on business developments requiring urgent consideration by written circular. The members of the Presiding Committee of the Supervisory Board held extensive consultations before the joint meetings. The Negotiating Committee did not need to be convened during the past fiscal year.

The principal topics considered during the meetings of the Supervisory Board were the financial and economic crisis, and the direct repercussions of these events on the automotive industry in general and the Audi Group in particular. The Supervisory Board gathered detailed information on the measures initiated by the Board of Management to secure the



earnings strength and competitiveness of the Company and discussed these extensively. Other major issues for consultation included human resources work within AUDI AG as well as the Company's technological response to increasing customer demand for ever more efficient mobility concepts and electric mobility options, as well as in-depth discussions on the market opportunities and risks in Audi's core markets based on its current and future range of models. The Supervisory Board also dealt with the German Act on the Appropriateness of Management Board Remuneration (VorstAG) and the resulting implications for the Audi Group. At the Supervisory Board meeting on February 22, 2010, the Supervisory Board approved a revised remuneration system for the Audi Board of Management.

Following intensive discussions within the Supervisory Board, the meeting on November 23, 2009 approved the financial, human resources and investment plans, as well as the content of the annual Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG).

**“The Audi Group recorded a very positive operating profit and was thus one of the most profitable car manufacturers in the premium segment in 2009.”**

Prof. Dr. rer. nat. Martin Winterkorn

The Audit Committee met as per schedule during the past fiscal year. At these meetings, the committee gave extensive consideration to the 2008 Annual and Consolidated Financial Statements, the accounting process, and the Company's internal control, risk management and auditing system, as well as the compliance organization set up by the Board of Management. Prior to publication, the Audit Committee met with the Board of Management to approve the content of the 2009 Interim Financial Report, together with the auditors. Other items discussed included the independence of the auditors and the additional services provided by them, and the current situation at year-end 2009. Furthermore, the Audit Committee analyzed the possible risks and burdens as a result of the financial and economic crisis as well as the continuing high volatility of international raw materials and currency markets.

On the recommendation of the Supervisory Board, PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft was appointed as the auditors for the 2009 fiscal year by the Annual General Meeting of AUDI AG on May 13, 2009. The Supervisory Board issued the audit assignment to the appointed auditors immediately after the vote. The auditors confirmed the Annual Financial Statements of AUDI AG and the Consolidated Financial Statements of the Audi Group, as

well as the 2009 Management Reports for AUDI AG and the Audi Group, and subsequently in each case issued their unqualified certification.

The members of the Audit Committee and the Supervisory Board were presented with the documentation relating to the Annual and Consolidated Financial Statements, together with the corresponding audit reports by the auditors, well in advance of the meeting on February 22, 2010. The auditors explained the key findings of their audit in detail at the meetings of the Audit Committee and the Supervisory Board. They also reported on the accounting-based internal control system and the services provided in addition to the annual audit. According to the information supplied by the auditors, there were no circumstances which might call into question their impartiality in conducting the annual audit. Following this, the members of the respective committees were available for follow-up questions and further information. Based on the audit documents received, the extensive discussions held with the auditors and its own conclusions, the Audit Committee recommended to the Supervisory Board that it sign off the Annual Financial Statements and Consolidated Financial Statements. After appropriate discussions, the Supervisory Board accepted this recommendation and signed off the Annual Financial Statements prepared by the Board of Management as well as the Consolidated Financial Statements. The Annual Financial Statements are thus established.

There were no changes in the composition of the Company's Board of Management during the past fiscal year.

The Board of Management expects the global economic recovery begun in 2009 to continue at a moderate pace in 2010. Global demand for cars will be only slightly higher than the sharply contracted levels seen the previous year as a result of the crisis. A renewed slump in demand is likely in some markets as the government stimulus packages run their course, although this should only have a limited impact on the premium car segment. The Board of Management took account of global economic conditions when laying its plans for the years ahead and adjusted its corporate strategy in line with future challenges. It will continue to work hard to expand the Company's strong competitive position, not only by seeking to continually improve the cost situation, but also by winning over customers with new, efficient mobility concepts. The Supervisory Board will continue to provide the Board of Management with active and constructive advice and support to help it realize this growth strategy.

Ingolstadt, February 22, 2010



Prof. Dr. rer. nat. Martin Winterkorn  
Chairman of the Supervisory Board



## The Board of Management



**ULF BERKENHAGEN**  
Purchasing

**FRANK DREYES**  
Production

**PETER SCHWARZENBAUER**  
Marketing and Sales

**DR. WERNER WIDUCKEL**  
Human Resources





311 311  
74.1 72.2

262

A8 4.2 quattro

**RUPERT STADLER**  
Chairman of the  
Board of Management

**MICHAEL DICK**  
Technical Development

**AXEL STROTBK**  
Finance and Organization

# More space

see further, think bigger, be freer



**Right in the thick of things** During the 24 Hours of Le Mans, racing fans from all over the world

camp right next to the race track and experience their heroes up close. **PAGE 16**



**Let there be light**

LED is the light technology of the future. Light-emitting diodes are revolutionizing function and design

in architecture, art and car manufacturing. **PAGE 22**



**A class act** Just winning was never enough

for him. Rally legend Walter Röhrl talks about his dream of becoming one with his racing car. **PAGE 30**



**dress up your car** Design pioneers together. Each inspired by an Audi model, four graduates of

London's famous Central Saint Martins College of Art and Design fashioned exciting creations. **PAGE 34**



**Thinking in life cycles** Audi Chairman Rupert Stadler meets the CEO of the fashion house Brioni,

Andrea Perrone, to talk about changing values. **PAGE 46**



**Small retreats** Sanctuaries of calm are to

be found even in hectic cities. Metropolises around the globe are granting themselves the luxury of large city parks.

**PAGE 52**



**"Suddenly, space is luxury"** Sonu Shivdasani, entrepreneur with Indian roots, on the

new definition of luxury. **PAGE 58**



**Less is more** The new gourmet chefs are concentrating on simple,

regional ingredients. Instead of truffles or lobster, the chefs are creating masterpieces from red beet and potatoes.

**PAGE 62**



**What else is there?** Opting out, self-fulfillment or simply the desire to do something

completely different: More and more people are looking to give their life a new meaning. Anthony Kennedy Shriver,

for instance, rejected a career in politics and dedicated himself to integrating the intellectually disabled in society.

And Hollywood photographer Sebastian Copeland took up the cause of environmental protection with expeditions to

the polar ice. **PAGE 67**

**Authors & Artists PAGE 12**

**Time/Space Successes in auto racing PAGE 33 / Cultural highlights PAGE 107 / Prizes and awards PAGE 111 / Site news PAGE 121 / Celebrations and events to mark 100 years of Audi PAGE 125**



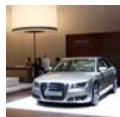
# More time

enjoy more consciously, decide more confidently, live more intensely



**Economic (r)evolution** Evolutionary economists know how industry can learn from nature. The

non-profit making Audi Environmental Foundation is dedicated to protecting natural resources. **PAGE 78**



**Leading-edge design as a new art form** World premiere of the new Audi A8 at "Design Miami/."

**PAGE 81**



**"Change is our mantra"** Audi Group design chief Wolfgang Egger and design legend

Hartmut Esslinger on the future of design language. **PAGE 84**



**Setting off for the world of**

**tomorrow** At the e-performance project house, Audi developers are reinventing the electromobile from the

ground up. **PAGE 88**



**High-voltage on the asphalt** Electromobiles and dynamic driving enjoyment

are no contradiction. The Audi e-tron sports car concept is the best proof of this. **PAGE 92**



**Greenhouse**

**for cleantech** In the green technology mecca Silicon Valley, Audi is developing innovations for a low-emission

future. **PAGE 94**



**Chasing the senses** On the road in Galicia in northern Spain: The

Audi R8 Spyder\* treats us to a whole new experience of what perception really means. **PAGE 96**



**New**

**German Wave** Talented young singers share their passion for music in the Audi Youth Choir Academy. **PAGE 108**



**Dangerously addictive** The new Lamborghini Gallardo LP 570-4 Superleggera\* is even lighter and more

powerful than its predecessor. **PAGE 112**



**Guardians of knowledge nearly lost** Lofoten fishermen

and puppet makers have one thing in common: their commitment to craftsmanship rather than high tech. **PAGE 116**



**"That's what I call luxury!"** An imaginary conversation with August Horch, the founder of the Audi brand.

**PAGE 122**



**"The time must be ripe for a product"** Axel Strotbek, Member of the Board of Management

for Finance and Organization at AUDI AG, meets globalization expert Professor Franz Josef Radermacher. **PAGE 126**

**The Audi Board of Management: Luxury to me is ...** **PAGE 130**

**Audi Group Finances 2009** **PAGE 131**

**Fuel consumption and emission figures** **PAGE 242**



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[www.audi.com/ar2009](http://www.audi.com/ar2009)



1

### **1/GRÉGOIRE ALEXANDRE, JEAN-MICHEL BERTIN**

Adhesive tape, cords or cardboard – that's all photographer Grégoire Alexandre (right) and set designer Jean-Michel Bertin needed to create artistic, almost poetic spaces. These spaces serve as stages for a special kind of fashion shoot: cars meet haute couture. Four young clothing designers crafted extravagant outfits to coordinate with four Audi models. The idea was to present them in combination. Yet while the materials used were simple, the preparations were elaborate: It took nearly five hours to transform the photo studio into a city skyline for the shots of the A5 Sportback\*. Nothing was left to chance. Alexandre had prepared precise drawings for placing each bit of adhesive tape, and every single one was checked for accuracy. The pair created the perfect backdrop for each setting, transforming cords into a landscape, and cardboard into a mountain range. The proper lighting was then added, completing the illusion. **Page 34**



## 2/GEORG RÜSCHEMEYER

As a science journalist, Georg Rüschemeyer regularly meets inventors and other visionaries. For his report on the future of LED technology, he traveled to Ingolstadt. Once there, he was immediately caught up in the infectious enthusiasm shared by Dr. Wolfgang Huhn, Head of Light and Visibility at Audi, and lighting designer André Georgi. The 39-year-old writer was particularly fascinated by the design possibilities offered by the LED lamps, and their energy efficiency. Rüschemeyer views the lamps as “a trend-setting technology from an ecological perspective.” [Page 22](#)

## 3/JULIA PFALLER

Julia Pfaller, an illustrator from Munich, just loves traveling. She presents her large-scale wall works and paper installations at exhibitions all over the world. Her passion for travel is due among other things to her fascination for city maps. The 34-year-old designed maps of three city sanctuaries for the Audi Annual Report: Munich’s English Garden, New York City’s Central Park and Kyoto’s Ryoan-ji Garden. Pfaller combined elements such as cardboard, felt, photos and drawings to make small, artistic travel guides. [Page 52](#)

## 4/PETER WAGNER

Because he wanted to avoid doing the dishes at parties, Peter Wagner began with cookery when he was 16. Today he works as a gourmet journalist in Hamburg, runs a food portal for men and writes about food in all its facets. For the Audi Annual Report the 49-year-old introduces a new form of gourmet cuisine in which top chefs use regional products rather than prestige ingredients like caviar, and even in certain cases give up their Michelin stars in the process. Wagner is well aware that “making top-class dishes from simple ingredients is a serious challenge of the chef’s craft.” [Page 62](#)

## 5/TOBIAS MOORSTEDT

Halfway through researching his story for the Audi Annual Report, Tobias Moorstedt briefly considered canceling the job and redirecting his life. The reason? To compile the story, the



32-year-old writer met people who were living their dreams. “They went for broke and won big,” the Munich-based writer reports. None of the people he talked to regretted leaving their old lives behind. He was especially inspired by a nun who took a sabbatical so that she could attend an art school. In the end, though, Moorstedt completed the portraits, and he intends to stay true to his profession. “It’s a privilege, as a journalist, to be able to meet people like these.” [Page 67](#)

## 6/SJOERD TEN KATE

Sports cars are his passion, and at home, photographer Sjoerd ten Kate collects every issue of Lamborghini Magazine. So it was a dream come true for the Dutchman when he got the chance to photograph the Lamborghini Gallardo Superleggera\* in Sant’Agata Bolognese, Italy. “Lamborghini builds extreme cars that immediately awaken emotions,” the 26-year-old said. In the factory halls, ten Kate portrayed the new supercar as a mysterious star caught in the spotlight. [Page 112](#)

## 7/ENNO KAPITZA

Photographer Enno Kapitza earns trust through his professionalism. “When the protagonists arrive, the set has to be perfectly finished,” the 41-year-old explains. This allowed Axel Strotbek, Member of the Board of Management for Finance and Organization at AUDI AG, and Professor Franz Josef Radermacher, an expert on globalization, to focus completely on their discussion of sustainability. “They both hit it off right away and were immediately absorbed in the discussion,” Kapitza said. [Page 126](#)

## 8/SVEN SCHULTE-RUMMEL, SORIN MORAR

A rumbling engine in their ears, sea salt on their lips and stars in their eyes. In pursuit of the senses, car journalist Sven Schulte-Rummel, 32, and photographer Sorin Morar, 37, drove an Audi R8 Spyder\* through Galicia, Spain. Morar even managed to capture the sense of smell with his camera. “When I see a forest, my nose immediately picks up the scent of moss, wood and leaves,” the photographer said, explaining his very personal way of selecting his subjects. [Page 96](#)



We are rethinking luxury.  
What does that have to do with  
space? Racing fans camping out  
experience motor racing close up  
at Le Mans. LEDs offer a wealth  
of new prospects. Young fashion  
designers interpret the current  
Audi models for us, thus creating  
a quite unique world.



MORE  
SPACE:  
SEE FURTHER,  
THINK  
BIGGER,  
BE FREER.

More space

# Right in the thick of things





A campsite directly at the race track is everything a true fan could wish for on a visit to the 24 Hours of Le Mans. Racing enthusiasts even come from overseas to experience the intense fairground atmosphere of parties, campfires and the roar of the engines.

COPY/DAVID MAYER  
PHOTOS/JEAN-LIONEL DIAS

**L**ike English lords they swagger through the rows of tents in the gray light of dawn, the field still wet with dew. Ankle-high leather shoes, knee socks in classic Scottish tartan, brown breeches, dark green vests and tweed caps – every last detail of the clothing of the five racing fans is “very British.” The tradition-minded Britons chat as they head off to the race track to secure the best spots along the fence. And with that, any farther thoughts of sleep are banished from the Karting Nord campground at the Le Mans circuit.

**It is Saturday morning.** The 77th edition of the legendary 24-hour race begins this afternoon, and Brian Booth slips out of his sleeping bag. The manager from Liverpool jauntily unzips the entrance to his igloo tent and smiles at the sight of his Audi R8, which he parked directly adjacent to his one-man quarters. Booth set out from northern England three days ago, steering his sports car past London and onto the train through the Eurotunnel to France, then drove roughly 450 kilometers southward directly to his customary camping site close to the home straight, just like every June. →

**Break from the business world:** Brian Booth, a manager from Liverpool, enjoys the days far from a hotel suite and fine dining restaurant. His R8 is a popular photo subject at the campground.

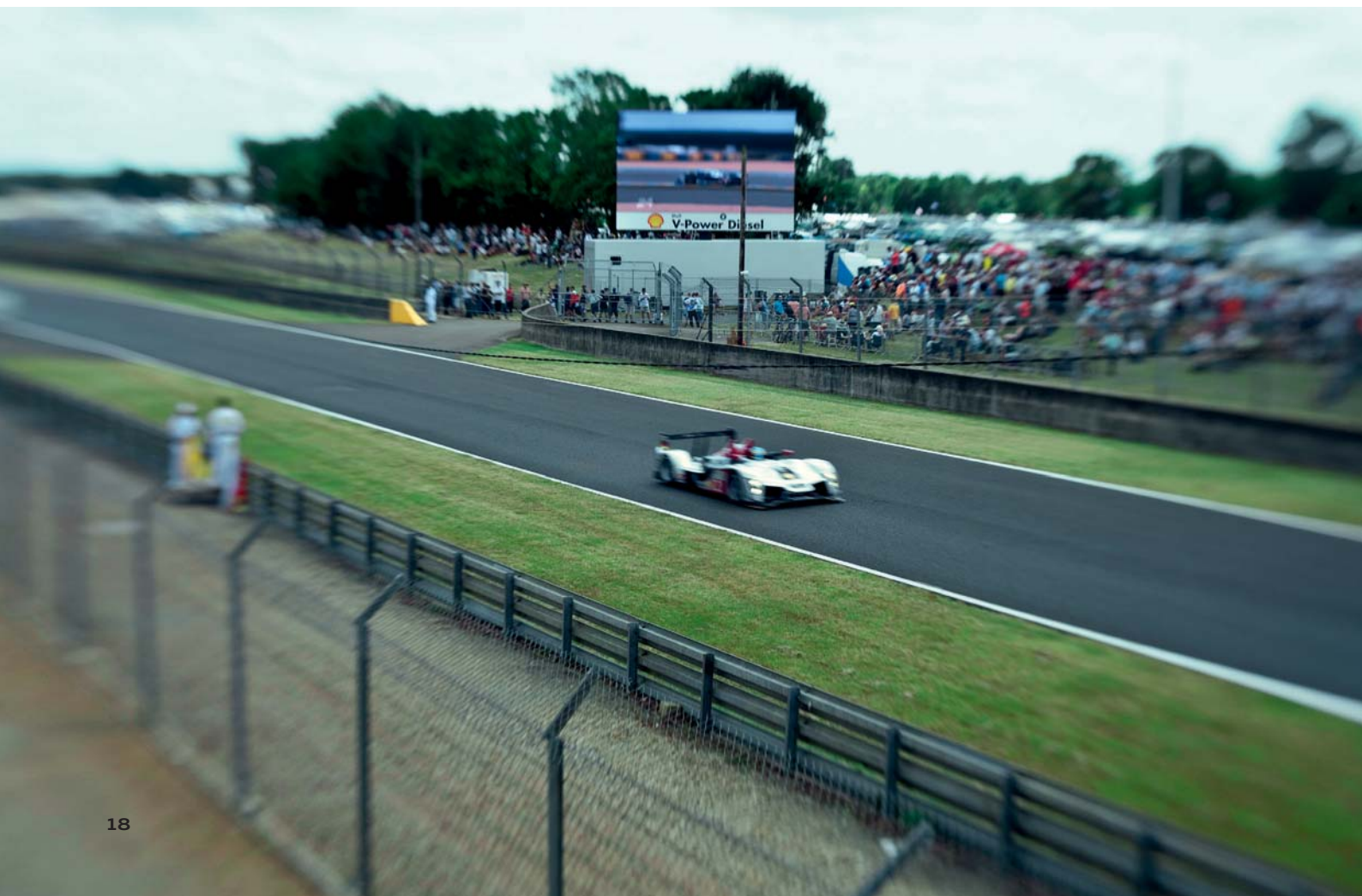


More space



↑ Le Mans fever: Danielle Booth (right) and her friend Sophie cheer on the Audi pilots. Underscored by the roar of the engines, the short race night was very much to their liking.

↓ The number one topic of discussion: The newly developed Audi R15 TDI with a ten-cylinder diesel engine producing over 600 hp is sure to quicken the pulse of race fans.







↑ Birds of a feather: The tent cities begin taking shape days before race weekend, with groups of fans – often acquainted from the previous year – setting up camp everywhere.

↓ Aficionado: James Blackhall used to spend his free time traveling the world. Today he's going camping with his friends at the Le Mans race track.





## More space

**“This long weekend is a timeout. I enjoy the days outdoors, right in the countryside.”**

**Brian Booth, manager from Liverpool**

In his professional life, Booth spends a lot of time in high-class hotels. He considers camping at Le Mans to be a down-to-earth luxury which he treats himself to once a year. Joining him are roughly 30,000 guests spread out over 14 campgrounds. “This long weekend is a timeout. I enjoy the days outdoors, right in the countryside,” gushes Booth as he slowly rubs the soles of his feet across the dewy grass. “I work enough at home. Here I relax and fool around.” Wherever he goes at the campground, the tall Briton meets like-minded people with whom he can talk shop about the progress of the race, breakdowns, drivers and the latest diesel racecars.

**Two spots down,** Danielle, Booth’s 21-year-old daughter, now crawls from her flowered tent. She and her friend Sophie are here for the first time and have already caught Le Mans fever. “Everyone here is really friendly, and I love the cars,” says the architecture student enthusiastically as she gets a second folding chair from her car.

The pulse of the Le Mans weekend resonates through the campsites surrounding the track. The first racing aficionados wander in days before the race. Small groups of fans set up camp everywhere; they barbeque, listen to music, laugh. “It’s a family atmosphere,” says Daniel Bargh, who has traveled here with a few friends. Numerous Le Mans stickers adorn his A4 Cabriolet throughout the weekend. Besides a British flag, the door sports his name and that of his co-driver, just like on the professionals’ cars. The men want to take an up-close look at them in a few minutes. Bargh closes the top of his convertible and joins the others as they head out on the roughly ten-minute walk to the home straight.

By this time the race on the 13.6 kilometer long track is well under way. Flags bearing the four rings of the Audi logo flutter in the wind over numerous tents. A particularly large number of Audi fans have made the trip from Denmark to cheer on their idol, Tom Kristensen. The “King of Le Mans” has already won the race eight times. The Dane has driven for Audi

since 2000. Joining him for the first time at the wheel of the newly developed Audi R15 TDI in 2009 are his teammates Dindo Capello of Italy and Allan McNish of Scotland. The ten-cylinder turbodiesel with over 600 horsepower and the sophisticated aerodynamics ensure that the latest star racecar from Ingolstadt is the number one topic of discussion at the campgrounds.

**Kristensen’s countrymen** reside in a sea of hundreds of red tents set up by a Northern European tour operator. Danish Village also includes a medical services tent, a big screen, plus sausage and beer stands that also accept Danish kroner. Claus Petersen even flew in specially from Brazil. The 31-year-old moved to South America for professional reasons, but is not willing to give up the weekend in Le Mans. An Audi flag the size of a front yard lies over his tent, completely enclosing it. “What can be better than seeing all the cars on and around the track?” asks the Scandinavian, who has to shout out the second half of his sentence over the crescendo of the engines roaring in the background. One car after the other races past his campsite. A stone’s throw from the pits, a cowboy hat seems to float through the rows of tents. It’s Brian Booth on his way back to his tent. Rounding the corner, he gives a friendly nod to a young man slinking around his R8 with a camera. His Audi makes Booth one of the stars of the campground. Le Mans is also about seeing and being seen, with high-performance racers, classic cars and convertibles parked everywhere you look. A walk through the extensive campgrounds to look at the cars is every bit a part of the weekend as the race itself. Booth also knows exactly where the must-see cars can be found this year. It has now been hours since the starting gun was sounded. The headlights and the glow of the red-hot brakes of the racecars light up the asphalt. The Audi R15 TDI models are particularly easy to spot thanks to their LED lights. The Ingolstadt company now has just two cars remaining in the race after their third





✎ **Passionate fan:** Danish fan Claus Petersen keeps his fingers crossed for his countryman, Tom Kristensen. The Audi driver secured a top-three finish.

↑ **Box seats:** Undaunted, some campers make it through until dawn. From their elevated viewpoint, they scan the horizon for the lights of the next racecar.

car was forced to retire shortly before 10 pm. Kristensen and his team continue to fight for one of the top positions.

**The lights of a Ferris wheel** shine from behind the grandstand. Spectators stroll along the track, passing amusement rides and stands with fan merchandise, crêpes and refreshments. At night, candlelight flickers in front of many of the tents, and fireworks streak heavenward again and again. Visiting strangers are welcomed warmly and given a cool drink. Rupert Bullock and James Blackhall, who made the trip in his Audi RS 6, sit next to their red-and-white-striped pavilion tent. Together with their four friends, the two are drinking red Burgundy and eating baguette with camembert. Like many campers, the group is from England. After completing school, they spent their youth traveling the world together; today most are over 40 and travel together once a year to Le Mans. Blackhall is the CEO of a valve manufacturing company and father of five. His friend Rupert works on the stock exchange. “No schedules, no deadlines, no pres-

sure – Le Mans offers us the luxury of freedom,” says Bullock. The men are more than willing to give up the luxury of their business travel in exchange. “It is simply an unbelievable experience. We’re right up close to the race.”

Close to the race means directly at the track. Although the campers are

**“What can be better than seeing all of the cars on and around the track?”**

**Claus Petersen, who traveled from Brazil**

in the middle of nature, they don’t hear the chirping of the birds but rather squealing tires and screaming engines – 24 hours long. Sleep is possible only with ear plugs, if at all. Yet the maxim for most is: “The closer to the track, the better.” Some pitch their tents just a few meters from the next guardrail.

All night long, fans wander back and forth to the track. The fans experience the race up close and personal on the grandstands and grassy knolls directly next to the track. They stare mesmerized into the distance and

wait for the next car. First all that can be heard is the buzz of the engine, which slowly develops into a hum. Headlights suddenly flicker far down the track and begin to draw nearer, seemingly slowly at first, and then ever faster. At night, the cars have to approach to within roughly 200 meters to be truly recognizable before flying past the spectators. Many are still in their seats as the sun comes up. At the campground, three brave fans in lounge chairs sit atop their camper trailer directly at the track.

“I think it’s great to be woken up by the roar of the engines,” grins Danielle Booth after a short night. The Booths have grandstand tickets for the finish in the afternoon. From there they will cheer on the Audi drivers one last time and watch Tom Kristensen and his teammates claim one of the spots on the podium. ●

**Sports journalist David Mayer camped with the fans right next to the track.**

#### THE LE MANS LEGEND

**Dive into a world packed with emotion and passion:**

**[www.audi.com/ar2009/lemans](http://www.audi.com/ar2009/lemans)**



More space

# Let there be light

Can luxury be measured with a luxmeter?

It certainly can in the case of LEDs. Light-emitting diodes shine wherever design enters the realm of the futuristic. The tiny crystal lamps open up completely new and interactive design possibilities, and that's with a fraction of the energy consumption of conventional lighting.



#### DEXIA TOWER, BRUSSELS

More than 150,000 colored LEDs create lighting effects based on the weather forecast for Brussels. Blue means that tomorrow will be cooler than the average for the month (above). Green means that the temperature is average for the month. Red: It is going to get warmer. A pattern sweeping across the facade announces wind or rain (right).











**TORRE AGBAR, BARCELONA**

The office complex modeled on a geyser changes its face at night. Dynamic patterns of colors running over the outer skin symbolize the elements fire and water.





**ARS ELECTRONICA CENTER, LINZ**  
LEDs for a digital spectacle: The interactive installation "Lights On!" creates impressive color spaces where spherical computer-generated music is coupled with pulses of light.





**ECO-INNOVATION**

LED lighting as in the Audi Sportback concept uses nearly two-thirds less energy than conventional halogen lights.



**W**hat is the weather going to be like tomorrow in Brussels? A glance at the 145-meter-high Dexia Tower in the city center provides the answer. If the building is lit up in red at night, temperatures well above the average for the month can be expected the next day, while blue means below-average temperatures. The forecast of the Belgian Royal Meteorological Institute for wind, cloud cover and precipitation also sweeps across the facade of the highrise in the form of changing patterns and colors. The “Weather Tower” as an XXL weather map is just one of multiple interactive lighting installations by the artist group LAB[au] on the building’s facade. “Chrono Tower” uses color to represent the passage of time throughout the day; “Touch” allowed passers-by on the street to create their own colors and patterns on the building using a touchscreen connected to the control computer. Making this oversized, dynamic screen possible are more than 150,000 green, blue and red LEDs in the windows of the building. Whether interactive art or targeted lighting design, a veritable quantum leap in light-emitting diode technology (see technical information on page 28) has enabled the tiny semiconductor-based light sources to become a driver for sophisticated lighting archi-

only a fraction of the energy required by conventional lighting. This makes even the transformation of entire buildings into spectacular light installations an acceptable luxury with respect to energy. It’s no wonder that star architects the world over are incorporating the nearly endless possibilities of LEDs into their designs. The New York-based architectural office Asymptote Architecture used a mesh of some 5,800 glass panels to cover the YAS hotel which sits astride the new Formula 1 racetrack in Abu Dhabi. At night it is transformed into a spectacular lighting display made up of thousands of LEDs shining in all directions. These little light-emitting diodes also accentuate the Torre Agbar in Barcelona, which is modeled on a geyser. The 32-story office complex by the French builder Jean Nouvel has highlighted the center of the Spanish metropolis since 2005. The patterns of colors moving dynamically over the building’s surface symbolize the elements of fire and water associated with a geyser and appear to free the building from gravity’s grasp at night.

**Internal illumination** also characterizes the new Ars Electronica Center that opened in Linz, Austria, in early 2009. “I was striving for a sculptural building whose structure could be walked on and thus experienced sensually,” says its creator, the Viennese

a transparent light sculpture with high recognition value.”

The New York media artist Zach Liebermann demonstrated what possibilities this opens up with his “Lights On!” audio-visual performance at the opening of the center. Liebermann’s interactive installation coupled flashes of light running over the entire building with spherical computer-generated music broadcast on loudspeakers surrounding the building.

Artists like Liebermann are pioneers of an interactive lighting design for which LEDs are predestined because of their flexibility in terms of color and intensity. However, the trend in practical lighting design for interior spaces is also moving in the direction of interactive illumination concepts that combine natural and artificial light to adjust dynamically to people’s requirements. At workplaces, for instance, which in keeping with the latest findings in perception psychology are bathed in indirect, non-glare light whose intensity and color changes over the course of the day. “This supports the natural cycle of the wake and sleep hormones, for instance by using intense white light in the morning to stimulate the production of serotonin, whereas, for example, a room bathed in warmer tones in the evening tends to signal the brain to relax,” says Christian Bartenbach, founder of the world-renowned Bartenbach Light Laboratory outside of Innsbruck and a pioneer of modern lighting planning.

Bartenbach prefers to leave lighting during the day to the natural dynamics of sunlight and uses natural daylight whenever possible to light interiors, even in large projects such as the new construction of the Grand Egyptian Museum in Cairo. But what do you do when night falls? “All of these projects use LEDs whose intensity and color spectrum most closely resembles daylight,” says Bartenbach. The small dimensions of the LEDs are also important to the senior ambassador of lighting planning, →

**“LEDs allow the individual light sources to be decentralized; the construction material itself shines.”**

**Christian Bartenbach, pioneer of modern lighting planning**

tecture the world over in recent years, particularly when it comes to lighting concepts that stray from the beaten path.

The wide color palette of LEDs allows for extraordinary color accents; their small size and low maintenance requirements open up new possibilities in design. The latest generation of LEDs stand out for their durability and, for the same light output, use

architect Andreas Treusch, when explaining the idea behind the design. This concept is also reflected in the double-shell facade, which can be illuminated in a number of colors using LEDs and joins the new building and the existing festival building to form a complex cube of steel and glass. “This turns the building as a whole into an over 5,000-square-meter projection and image surface,

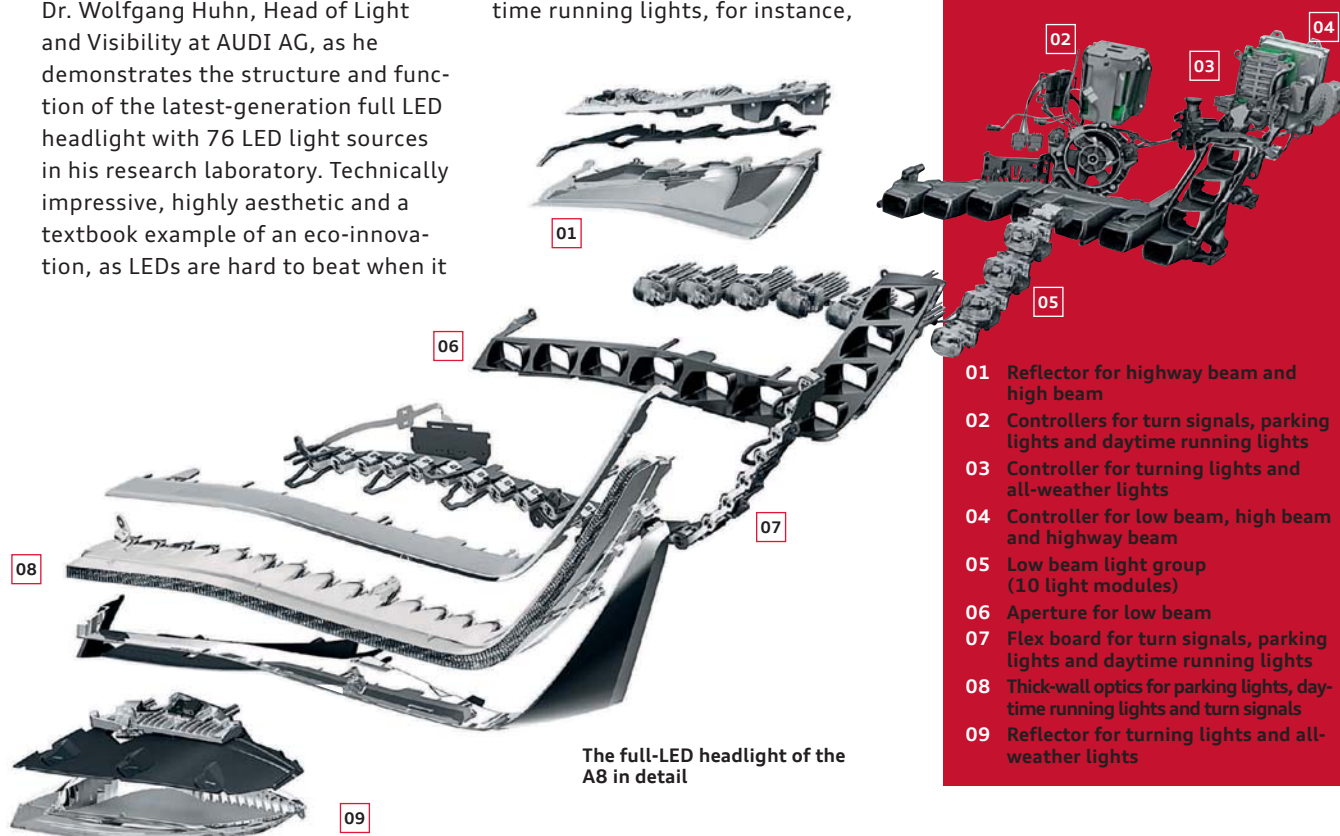
## More space

however. "Until now I always had to consider how to conceal large lamps or how to integrate them into the architecture. LEDs allow the individual light sources to be decentralized; the construction material itself shines."

**The new LEDs** appeal not only to architects, but also to the designers at Audi, for whom the subject of light has always been a part of their core business. "We certainly draw ideas and inspiration from the intelligent lighting concepts of modern architecture," says André Georgi, the designer responsible for lighting systems at Audi. The Ingolstadt carmaker was also the first in the industry to recognize the enormous potential of LED lighting technology. Audi introduced LED daytime running lights in 2004, which have since become a brand trademark. The R8 has been available with headlights based exclusively on light-emitting diodes since spring 2008, and the flagship of the Audi fleet, the recently introduced new A8, can also be ordered with full LED lighting. "That gives us a four to five-year head start on innovation," says Dr. Wolfgang Huhn, Head of Light and Visibility at AUDI AG, as he demonstrates the structure and function of the latest-generation full LED headlight with 76 LED light sources in his research laboratory. Technically impressive, highly aesthetic and a textbook example of an eco-innovation, as LEDs are hard to beat when it

comes to energy efficiency. A car equipped with conventional halogen lights uses an average of 130 watts of energy. This energy is provided by the alternator and thus is reflected in higher fuel consumption. The systematic use of LED lighting reduces this value to roughly one third. "The difference corresponds to nearly a quarter liter of gasoline per 100 kilometers. That doesn't sound like much until you extrapolate it out to many millions of cars and kilometers driven," says Huhn. The difference is particularly dramatic with daytime running lights, which will be mandatory throughout Europe starting in 2011. A conventional low beam headlight consumes 10 to 20 times as much energy as the LED daytime running light on an Audi.

**But low power consumption** is far from the only advantage of LEDs. The future belongs to headlights that think with the driver. "An intelligent, active exterior lighting system plays an important part in the prevention of accidents which occur at dusk and after dark," explains Huhn. As daytime running lights, for instance,

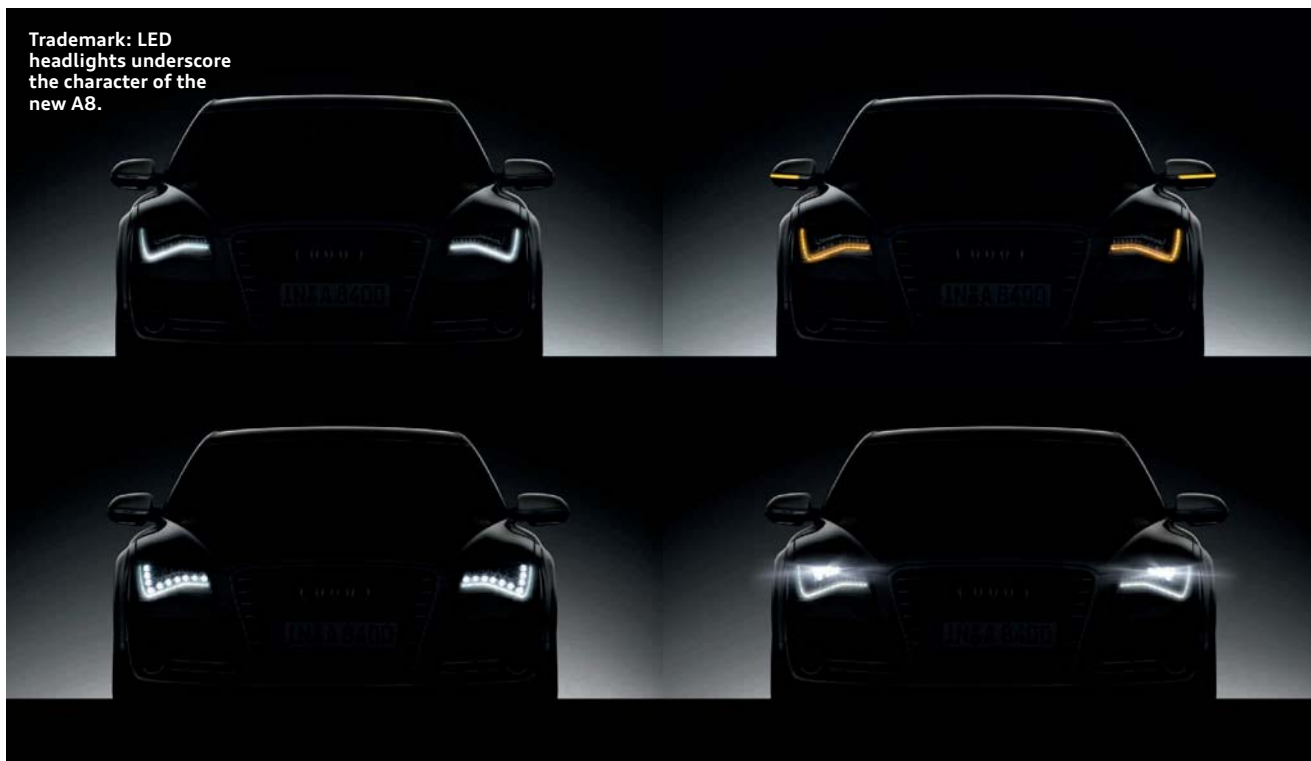


The full-LED headlight of the A8 in detail

## TECHNICAL INFORMATION

LEDs, standing for light-emitting diodes, are tiny semiconducting crystals that convert electricity directly into light. LEDs enable the temperature and the color spectrum of the light to be changed. The light's color is determined by the choice of the semiconductor material and targeted contamination with foreign atoms such as phosphorus or gallium. For decades LEDs led a niche existence as red flashing lights in electronic devices, but in the meantime there are high-efficiency LEDs ranging from infrared to ultraviolet. Furthermore, LEDs can be embedded in other materials. The latest generation of LEDs, such as those found in current Audi models, have a service life of up to 50,000 hours and are practically non-wearing. They now yield 50 lumens of light power per watt of electricity applied. In comparison, an incandescent bulb achieves less than half of this value. There is still plenty of untapped potential in LEDs, however. It is only at around 350 lumens per watt that all of the electrical energy is converted into light.

Trademark: LED headlights underscore the character of the new A8.



**“An intelligent, active exterior lighting system plays an important part in the prevention of accidents which occur at dusk and after dark.”**

**Dr. Wolfgang Huhn, Head of Light and Visibility at AUDI AG**

LEDs help to increase visibility to other drivers. LED brake lights facilitate a faster response. “Here, too, we are talking about the seemingly insignificant difference of a few fractions of a second. But at high speeds, that can mean a difference of several meters in stopping distance,” adds Huhn.

Their small size also makes LEDs particularly well suited for use in adaptive front lighting systems such as the dynamic headlight range adjustment or cornering lights because they also enable complex lighting functions in the tightest of spaces.

The Audi brand taps into the potential of the new, increasingly powerful LEDs to turn its vision of intelligent light into reality. Currently in development is the “MatrixBeam” virtually no-glare high beam, whose cone of light is produced by a multiplicity of LEDs. When the system’s onboard camera detects an oncoming automobile, those modules that could blind the driver of the other car are dimmed automatically.

André Georgi also appreciates the new freedoms when developing a dis-

tinctive lighting design. “Just like every person’s eyes are unique, so too are the headlights an unmistakable characteristic feature of a car,” says the Audi designer. “A glance in the mirror at night should be enough to tell you: That’s an Audi coming!”

**The special color of the light** modeled on the spectrum of the sun and the shape of the daytime running lights, which emphasize the contours of the headlights with individual light-emitting diodes – just as eyeliner does for the human eye – make an unforgettable impression. “And each Audi model features the lighting design that best suits it,” adds Georgi. The daytime running lights of the R8, for instance, were inspired by the horns of a bull as a symbol of the dominant character of the model. The LED strips of the A3 model series, on the other hand, symbolize determination and elegance. LEDs also set accents and ensure an outstanding lighting environment at the driver’s “workstation.” “When entering the vehicle, you are first wel-

comed by warm, bright light from the interior of the vehicle,” says Stephan Berlitz, Head of Innovations/Lighting Electronics at Audi, when asked to explain the optionally available interior lighting concept of the new A8. The color and distribution of the light can be adjusted to taste using the vehicle’s multimedia interface.

“In the end, our job is hardly different from that of a lighting planner in architecture. Everything revolves around the person, whose needs for functional and at the same time appealing and stimulating light must be met,” adds Berlitz. With the LED, architects and carmakers are now banking on the same technology as the light source of the future. It’s no wonder, since no other form of lighting appeals equally to the head and the emotions, and makes something so practical seem so sensually luxurious. ●

#### **LIGHTING THE WAY**

**How Audi sets standards with LED technology – a glance at the lighting laboratory:**

[www.audi.com/ar2009/led](http://www.audi.com/ar2009/led)





## A class act

Winning by a hair really isn't his thing. He wants to win by a ten-minute lead: Rally legend Walter Röhrl about an iron will and the good fortune of having turned his passion into his career.



## HOT WHEELS

Rally icon meets car legend – join Walter Röhrl in the

Audi Sport quattro S1 at: [www.audi.com/ar2009/roehrl](http://www.audi.com/ar2009/roehrl)

**T**he motivation of wanting to achieve something in my life has been spurring me on ever since I was a small boy. A deeply ingrained drive toward perfection, combined with an almost obsessive ambition. I've never considered this perpetual lust for life, the fascination with anything new, and my readiness to fight for things as a burden. Quite the contrary. I have often asked myself what might have made me that way. And I really believe that the cause is related to my red hair. I had my feelings hurt many times as a child because of my hair color. As a little boy I'd fight anybody who'd tease me about my red hair. It didn't matter if the

**“Absolutely the only thing I care about is total control. I want to be in command of my cars as though they're a part of my body.”**

Walter Röhrl, rally legend

guy was six feet tall – I'd have a go at him. This defensive stance, not letting anyone get away with putdowns, had a formative influence on my character. I became unusually proactive in facing challenges head-on. I should make one thing clear though: I've not gotten into any tussles since I was 12. But even when I'm out cycling with a bunch of athletes 20 years younger, I won't accept that they're in better physical shape than I am. So I'm usually also the first to reach the top of the hill. Simply because I've absolutely made up my mind to do it. As a rally driver I never intended to win a race by just a one-second margin. Those blink-of-the-eye decisions which many in the sport find so thrilling just don't do it for me. I want to win by a ten-minute lead. Because only a big lead shows you've really got class.

Actually, the thrill of speed doesn't move me either. Nor does collecting titles and awards. Absolutely the only thing I care about is total control. I want to be in command of my cars as though they're a part of my body. I want to become one with my car. Unfortunately, the satisfaction when this happens doesn't compare with the dissatisfaction that troubles me when it doesn't. Even the earlier successes in auto racing haven't endowed me with lasting self-esteem. What it comes down to is that I am constantly fluctuating between self-doubts and delusions

of grandeur. What has spurred me on throughout my life is the fact that I have never, not even in my most triumphant periods, believed that I was the best. Even having reached my highest goal as a racer, winning the celebrated Monte Carlo Rally, failed to quench my ambition. That's the only way I was able to win it four times, with four different car brands. The fourth victory in 1984 in an Audi ranks among the absolute highlights of my career.

**I was always a bit intimidated** by conventional circuit races. For one thing, because there were so many people there. They actually made me nervous. What I'd have liked best would have been driving through the woods at night. Because I basically just wanted to know in my own head whether I was really good. Another reason was that the winner in a circuit race is usually the driver who uses his elbows. But I'd much rather run a clean race, always searching for the racing line.

The most fascinating race against the clock was “Pikes Peak Race to the Clouds” in Colorado, in 1987. A crazy hillclimb race covering 19.9 kilometers with 156 curves. 1,500 vertical meters separate the start from the finish. Until just before the start I felt uncertain and nervous. We weren't sure whether we had succeeded in perfecting the technical condition of the Audi Sport quattro S1 with its 500-plus hp engine. But even after the first few meters I felt the car was zooming up the hill as if on rails. With a driving time of 10 minutes and 47.85 seconds I set a new course record. I enjoyed every fraction of a second of this hillclimb race. I've rarely been so totally happy as in these not quite 11 minutes. Though when I'm watching the video footage today that was shot from a helicopter, how the mountain drops away sharply from the road right and left, in places for hundreds of meters – like off the edge of a table – and how half of one front wheel or the other sticks out over the abyss in every turn, I have to say: Today I'd have doubts. Back then I felt infallible.

**What always excited me was the adventure**, anything new. That's what ultimately motivated me in 1984 to switch to Audi. Up to that time I had driven cars with rear-wheel drive for 20 years. Then I succumbed to the fascination of all-wheel drive. Converting the enormous propulsive forces into motion, that was the special quattro feeling. Just a small touch on the gas pedal sufficed to get more than 500 horsepower to rage on the road, perfectly coordinated and under control.

What sets Audi apart is that the quality of its rally cars is always reflected in the high standards of its production vehicles. In the early years of our relationship, we →

🚩 On his very first drive for Audi, Walter Röhrl succumbed to the fascination of quattro all-wheel drive.

⬅️ Steep, steeper, Pikes Peak: In 1987, Walter Röhrl was the first person to surmount the 1,500 vertical meters and 156 curves of Colorado's famous hillclimb race in less than 11 minutes.



## More space



↑ In a triumphant mood: Walter Röhrl owed his fourth victory in the legendary Monte Carlo Rally – in 1984 in an Audi – to his iron will to always be the best.

↓ Like in the old days: For Audi's 100th anniversary, Walter Röhrl got back behind the wheel for the Four Rings and drove "his" Audi Sport quattro S1 at the Goodwood Festival of Speed in July 2009.



worked together very closely. As a case in point, a test engineer was assigned to me whose responsibility was entirely dedicated to product improvements. It also helped that our communication paths were very short. I was living in Regensburg, barely an hour's drive from the plant in Ingolstadt. An ideal setup. That's when the foundation was laid for what makes Audi stand out today. It's a great achievement by the company to have accomplished such a radical change in its corporate image and

**“Whenever possible I ride my bicycle or I just walk. If you want to save CO<sub>2</sub>, you might as well do it right.”**

Walter Röhrl, rally legend

to continually set new quality standards. At Audi, “Vorsprung durch Technik” is much more than just an advertising slogan – it's a philosophy.

**Auto racing** has triggered many engineering developments that were subsequently used in production cars, thus making a lasting contribution to increasing efficiency. From the carburetor to the injection system. From aerodynamics to efficiency technology. Fuel-efficient driving has become almost an obsession for me. After all, there is also a challenge in driving as far as possible on just a tankful. In a high-powered sports car I start out by stepping on the gas pedal pretty hard just to feel the thrust. But then I increasingly strive to drive as intelligently as possible. When I approach a traffic light, I try to guess as early as possible whether I can make it through on green. If that looks unlikely, I let up on the gas and just let the car coast toward the intersection without stepping on the brake.

The motivation to be thrifty and conservative in the use of resources persists through all aspects of my life. For example, I can't stand it that my wife lets the water run all the time while she's brushing her teeth. Friends who know me well also know that I'm very attached to nature. Whenever possible I ride my bicycle or I just walk. If you want to save CO<sub>2</sub>, you might as well do it right.

I fully realize how very lucky I've been to have had the opportunity of turning my greatest passion into my career. Even though I have driven cars for nearly nine million kilometers – mostly in competition – I still enjoy pushing a sports car to its limits. ●

Reported by Oliver Wurm. In preparing for this interview, the sports journalist once again watched Röhrl's legendary record drive in the Pikes Peak 1987 – after that, he didn't really have any further questions.



# Time/Space

Dimensions of luxury: taking time, creating space



02/LE MANS R15 TDI RACECAR



03/GT3 NEWCOMER R8 LMS



**01/Audi pulls off DTM hat-trick** In 2009 Audi became the first car manufacturer to win the German Touring Car Masters (DTM) three times in a row.

As in the previous season, Audi driver Timo Scheider left all the other challengers in the dust. "What better way for Audi Sport to mark the centennial year of the Audi brand," remarked Board of Management Chairman Rupert Stadler. The hat-trick added yet another impressive feat to Audi's long list of achievements in the racing series. The brand has now notched up seven DTM titles in all. And Audi drivers made a clean sweep of the honors on four occasions in 2009. **02/On the**

**rostrum at Le Mans** Audi entered a futuristic racing car in the 77th 24 Hours of Le Mans. Drivers Dindo Capello, Tom Kristensen and Allan McNish captured third place on the winner's rostrum in June 2009 in the R15 TDI prototype's first race. The developers of the Audi R15 TDI broke new ground in the areas of lightweight construction, efficiency and aerodynamics. Key new features included the compact V10 TDI engine and an electrical system powered by a lithium-ion bat-

tery. Having previously won this race three times in a row, the brand with the four rings is planning to pull out all the stops in order to win back the trophy in 2010. **03/R8 LMS a racing**

**sensation** The Audi R8 LMS exceeded all expectations in its first racing season. The GT3 sports car chalked up one victory after another, earning three championship titles and 23 race wins. The high

points were the victories in the FIA GT3 European Championship and the ADAC GT Masters in Germany. Findings gleaned from competing in 76 races were channeled directly into the development of the final version of the Audi R8 LMS.

Beginning at the end of March 2010, Audi Sport will be supplying a limited number of this model to customer teams.

**01/DTM DOMINATION**  
With Timo Scheider behind the wheel, Audi completed a hat-trick of DTM wins in 2009.

**More space**

**\* Marie Hill  
Rita Grave  
Viktor Smedinge  
Daniel Lee**

**\*\* A1  
A8  
A5 Sportback\*  
A3 Cabriolet\***

*\* Fuel consumption and emission figures at the end of the Annual Report*

# dress up\* your car\*\*\*

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They own the catwalks of the future, he is a master of staging. Graduates of London's famous Central Saint Martins College of Art and Design have interpreted the character of the latest Audi models. French photographer Grégoire Alexandre adds a further dimension to both autos and outfits.



# A1

**dressed up by Marie Hill /**

Futuristic metro look: the birth of a new simplicity.









# A8

**dressed up by Rita Grave /**  
The ultimate drive: lightness and  
elegance are in the air.







# A5 Sportback\*

**dressed up by Viktor Smedinge /**  
Street couture: clean lines and contours  
give direction.



\* Fuel consumption and emission figures at the end of the Annual Report

# A3 Cabriolet\*

**dressed up by Daniel Lee /**

The principle of passion: looking ahead with self-confidence, esprit, style and flowing forms.







# Four designers,



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**“The A1 is surprisingly bold. My fashion should be as well.”**



**Marie Hill** The 27-year-old garnered a name for herself among young designers long ago. In 2009, she won the “L’Oréal Professional Young Designer of the Year” award, among others. Audi in In-

golstadt introduced the young Dane, who doesn’t even have a driver’s license, to a completely new world. Therein lies the appeal of her interpretation of the A1. Her look is impartial, pure. The Dane selected pure silk as her material because it is comfortable to wear. Her flesh-colored outfit hugs the body like a second skin. Decorations formed out of simple safety pins aren’t immediately apparent. “I wanted to create a simple, no-frills gown, but one that is highly complex in detail,” says Marie Hill. That meant playing around with light-absorbing (silk) and light-reflecting material (metal). Grégoire Alexandre takes up this idea to conjure an urban world of nothing but small mirrors.



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**“The A8 is all about craftsmanship.”**



**Rita Grave** She considers the A8 a work of art. It’s no wonder. The 34-year-old Latvian studied art history and worked in an art gallery before switching to fashion design. Fascinated by the shape of

the A8, Rita Grave focused first on the silhouette of her outfit. “It should be elegant, supple, linear. And I wanted to emphasize the shoulders,” she explains. The Latvian rejected unnecessary trimmings. But her eye for detail is reflected in the asymmetric hem of her dress and the unusual leather belt – which pay homage to the four rings. And the matt crepe fabric captures the lightness of the new A8. Photographer Grégoire Alexandre and set designer Jean-Michel Bertin fashioned the perfect landscape out of simple cords to match both the car and the fashion.



# four cars



**“The accentuated seams are reminiscent of the lines of the A5 Sportback.”**



**Viktor Smedinge** During his training, he learned all the different sewing techniques. “I didn’t want to restrict myself just because there was something I can’t do or don’t know,” says the

25-year-old Swede. He usually seeks inspiration for his unusual designs from details found in architecture or film. However, he has never used a car as a “pattern.” The young designer likes to work with contrasting textures, for example setting transparency against thick materials. He has remained true to this style in his latest creation. Dark gray organza over a slightly pink-colored silk slip. “The accentuated seams are reminiscent of the lines of the A5 Sportback\*,” says the Stockholm-born designer. The skyline in which both models are embedded also seems to be very graphic. In fact, it is fashioned out of simple adhesive tape.



**“I wanted my outfit to capture the motion of the A3 Cabriolet.”**



**Daniel Lee** The 24-year-old Brit has a very artistic approach to fashion. And he loves to work with surfaces. That’s why he also learned to knit at Central Saint Martins because knitting can be

worked especially well into different forms, explains Lee. For his stunning outfit to match the A3 Cabriolet\* he chose sophisticated duchesse satin. He gives his dress a special look by using relatively heavy fabric to create elaborate folds and creases. “I wanted to get the feel of the fabric roof while capturing the motion of the A3 Cabriolet,” says the experimental Brit. The emotion of driving a convertible is reflected in the bright red color. Grégoire Alexandre had his set designer stage the catwalk for convertible and model using torn rolls of paper.

More space





# Thinking in life cycles

Audi and fashion house Brioni share a clear commitment to quality, style and tradition as well as openness to new ideas. The bosses of these companies – Rupert Stadler and Andrea Perrone – met to talk about shifting values, leadership and redefining luxury.

COPY/RALF GRAUEL  
PHOTOS/SANDRO MICHAELLES

Some customers try on a Brioni suit once – and never wear anything else after that,” says Andrea Perrone, chairman and CEO of Brioni. As he is greeting his guest, he admits that he feels much the same way about Audi. “Did you know that I’m very familiar with your brand?” he asks Rupert Stadler, who then takes a seat on the VIP level at Brioni headquarters. More precisely: in the converted attic of an urban palazzo in Milan’s Old Town – the hub of Italian luxury. Outside: patina, fog and posh indifference. Milan’s rooftops, old tiles, terraces, palms and rusty iron railings. Inside, Brioni’s boss is talking about his first Audi. “An Audi 80 Avant,” recounts Perrone, “a present from my father for earning my law degree. That was in 1992; I’ve driven an Audi ever since.” “And no doubt your Audi 80 was a dark blue metallic color?” inquires Stadler. Perrone nods. “I had one just like that,” replies the Audi boss.

**This get-together is a dream come true.** The Chairman of the Board of Management of AUDI AG wanted to get to know Perrone and Brioni. This renowned suitmaker, outfitter to nearly every head of state in the world, home to the best tailors, 100 percent Italian, a third-generation family business, the perfect blend of luxury and craft. Both brands, Audi and Brioni alike, produce objects of desire. Modern classics, strokes of genius. So it’s hardly surprising that Andrea Perrone and Rupert Stadler get along so well from the word go. Both men belong to a new breed of



↑ Receptive: Andrea Perrone (left) and Rupert Stadler on the VIP level.

← Tailored precision: tailor’s workshop at Palazzo Brioni in Milan.

managers: young, approachable, open-minded. A 39-year-old law graduate, Andrea Perrone has headed the family business alone since the summer of 2009. Rupert Stadler, 46 and a business management graduate, has for three years been at the helm of the successful Audi company, which he likes to describe as a “rough diamond.”

Both assumed control of valuable yet complicated legacies. The financial crisis, globalization, shifting values and climate change are altering just about every rule in every industry; the clothing industry and the automotive industry are no exception. There are, of course, contrasts. On the one hand: a family business which

has 1,800 employees, 65 shops of its own worldwide and hundreds of sales partners, and which generates revenue of some 200 million euros annually. On the other hand: a corporation which employs over 58,000 people worldwide and makes around 30 billion euros in revenue. Nevertheless – after having swapped these statistics with polite interest as though they were business cards – both emphasize after just moments of chatting that the similarities are obvious. Audi and Brioni alike assert a claim to leadership in their markets. Along with increasing affluence and problems, their customers’ expectations are subject to the same processes of change. Luxury currently faces the →

## More space



matter of efficiency. Customers still want pleasure, innovation and performance, but without social injustice or the emission of pollutants. Both companies and brands manage to grow and thrive under these circumstances. And they succeed at reinterpreting and redefining that which today constitutes performance, leadership and luxury. In the past 30 years, the industry which Brioni calls home experienced astronomical rates of growth and

ket after another with new line extensions and fashion brands. Market bubbles formed and “luxury came to be equated with glamour. That’s why products could be sold which were unworthy of the term,” explains Andrea Perrone. Naturally, Brioni was courted as well. Yet the families which own the company rejected every purchase offer. “This genuineness is our strength today,” says Perrone. “We produce for people who have money and enjoy

↖ **One-of-a-kind items:** even the new collection of umbrellas by Brioni is handmade.

↑ **Modern classics:** showroom for VIP customers at company headquarters.

→ **Tour:** Andrea Perrone accompanies the Audi boss to the showrooms.

dous pressure to act. From competitors and lawmakers, but also from customers who have high expectations of our brand with regard to innovations and social responsibility. Because that is precisely what a driver of a brand of vehicle hopes to identify with.”

**To make the situation even more complex,** doing business globally entails defining luxury in different ways. “Luxury is perceived entirely differently in Europe than in, for example, China, where people are proud of their success and want others to see it,” describes Stadler. Andrea Perrone agrees. China and Southwest Asia are top-priority growth markets for Brioni, as well. “We have shops in Baku in Azerbaijan and Almaty in →

**“We no longer speak of luxury at Brioni, but rather excellence. Excellence focuses inward.”**

**Andrea Perrone, CEO of Brioni**

amazing profit margins. While the newly wealthy in the Far and Middle East purchased handbags, shoes, suits and accessories made in Europe with increasing enthusiasm, hedge funds and corporations first gobbled up those same companies before expanding production and sales channels to conquer one new global mar-

spending it, yet increasingly want to know what they’re truly getting in return – which quality, which values, which pledge,” explains Brioni’s head. “Luxury, in our eyes, means uniqueness and exclusiveness.” Rupert Stadler nods. “Automotive manufacturers, and especially those in the premium segment, are under tremen-









Kazakhstan,” explains Perrone. “Naturally, we must increasingly acquaint these customers with our brand and the quality of our products. Learning is becoming a major matter. One of our best young tailors will soon spend six months in Shanghai as an ambassador of sorts to share our philosophy – with customers but also our business partners.”

The transmission of knowledge is also a key factor for Audi. But the car-maker also listens. Rupert Stadler: “We truly get to know our new customers and then respond quickly. In China, for example, the A6 and the A4 are available with a long wheel-base and the seats offer optimum comfort in the local climate. People there who can afford these vehicles have a chauffeur to drive them around.”

**GET-TOGETHER AT  
BRIONI HEADQUARTERS**

**Follow the interview on the VIP level  
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The remarkable dynamics of Asia’s new markets present Audi and Brioni alike with challenges. “Just three or four years ago, we were selling 60,000 vehicles a year in China. We’re now up to 160,000 annually; every sixth Audi is sold in the Middle Kingdom. In order to keep up with this growth, which nobody in the industry foresaw, we’d have to open a new dealership every week. Along with all the implications in terms of architecture, corporate design, communications, training, and quality of sales and service.

**Perrone nods**, as he also knows the challenges engendered by success: “There is such a thing as growing too quickly,” the Brioni CEO says. “Exactly,” says Stadler. “As soon as you expand too quickly, you run the risk of not maintaining quality and failing to communicate your own corporate culture, and customers will suffer from this.” Particularly for manufacturers producing at the upper limits of quality in their industry, upholding a con-

↑ **Guaranteed exclusivity:** Brioni’s master tailor Simone Laudi explains what goes into a Brioni suit.

→ **Lively discussion in the showroom.**

sistently high level of performance is “an extraordinarily complex topic,” says Stadler.

Yet the matter of top-notch quality is now fundamental to participating in the best markets. “That is the basis,” says Stadler. “Beyond that, though, every discerning customer now demands that the company gives its clear commitment to social responsibility and provides solutions to today’s complex issues. How will we address the mobility problems of tomorrow? Where do we stand on recycling matters? When will we launch the first electric vehicle, the Audi e-tron?” enumerates Stadler. Due to the progressive concerns of this segment’s consumers, luxury is fertile ground for innovations and state-of-the-art technologies which might involve major investments, yet also make the



world that little bit better. Luxury today is always green. For Perrone as well: "Of course, we use only the best raw materials. And we stand by our responsibility as an employer which has never outsourced even a fraction of its production."

Perrone and Stadler are now on the second floor. Here, buyers from all over the world are ordering Brioni's Fall/Winter Men's Collection 2010/11. Exceptionally well-attired men and women in dark clothes are having lively conversations at large, black tables among fabrics, laptops and coffee mugs. A group of five men standing in a corner are intently handling a piece of black fabric. "An umbrella cover; take a look," says the Brioni CEO, removing a men's umbrella from a rack. "We'll launch these in the fall. Each one made by hand; the handles are made of silver and no two are alike. That's why we'll put serial numbers on the umbrellas."

These additions to Brioni's collection are quite new. The company added accessories, shoes and perfumes only relatively recently. "It's part of our philosophy," explains Andrea Perrone. "We always prioritize craft, quality and leadership. We may arrive later, but everything we do, we do well!" That is why Brioni only produces in Italy. It also explains the company's very own tailoring school in Penne, in the Abruzzi region of Italy. This is home to the brand's production facilities and family.

### New luxury and global markets

notwithstanding, "we no longer speak of luxury at Brioni," says Andrea Perrone, "but rather excellence. Luxury is simply an outward display, nothing more. Excellence, conversely, focuses inward. Excellence is a matter of inner qualities, historic values and current performance. Excellence affects your staff – very directly. Your tailors, your store managers, your designers and even your accountants." Rupert Stadler agrees: "If you make this outlook a cornerstone of your organization, you will become

successful. It doesn't matter if you make cars or suits. Because this excellence aims at the customer's emotional experience with regard to a product or service, and because in this day and age, we should cater to customers their whole lives, i.e. not in product cycles but in so-called customer life cycles, it is increasingly becoming a crucial element in all sectors and for all successful companies to understand, enthrall and retain customers," explains Rupert Stadler. Stadler and Perrone are now on the ground floor, in the Bespoke Studio, where the measurements of our world's leaders and great minds are

wishes." Stadler asks Brioni whether he uses lasers to take measurements. Perrone says no and laughs. "Simone Laudi is our laser," he says, referring to his tailor, who cannot help but grin. "Signore Laudi was one of the first graduates of our school for master tailors. He knows how to operate a Smartphone and knows how close he is allowed to get to a king or Arab sheik. Some technologies merely make fabrics and suits more precise, but not better," explains Perrone. "Because all of our production is performed by hand, we can use the most delicate fabrics – which would be far too stressed by the competition's

**"It is increasingly becoming a crucial element for all successful companies to understand, delight and retain customers."**

Rupert Stadler, Chairman of the Board of Management of AUDI AG



taken. At this moment, Brioni's master tailor Simone Laudi is calmly sewing the seam of a pair of suit pants. The Audi boss gazes across the studio. The shelves are full of cuttings and fabrics. There are names on most boxes. "Our stores stock between 300 and 400 different articles of clothing every season," explains Perrone. "Every one of those is available in standard sizes as ready-to-wear items. Or you can have any one of them tailored to fit and altered completely in accordance with your

automated production processes and would ultimately tear. Every customer can feel this difference on their skin." "How often must measurements be taken?" asks Stadler.

"A made-to-measure suit generally needs to be fitted three or four times," replies Perrone, as the studio's door opens and another tailor enters. Perrone introduces Luigi Atzeni, who manages a store in Sardinia, on the Costa Smeralda – where Europe's business elite, Formula One VIPs and royalty spend their vacations. Atzeni's store is closed from October through Easter. He fills his winters with fittings. He tells us that he is to fly to Berlin the next day – there in the morning and back that evening. While in Berlin, he will meet with board members and a government official.

"We'll open a store in Düsseldorf this fall. You'll visit us then at the latest to get fitted, right?" says Andrea Perrone. Stadler smiles and replies: "And next week I'll make sure you get an R8 for a few days to test drive." ●

**Business journalist Ralf Grauel was the founding editor of brand eins; he is now freelance.**



# Small retreats

From New York to Munich to Kyoto, major cities around the globe grant themselves the luxury of maintaining gigantic parks right in the middle of the city. The green sanctuaries help satisfy the yearnings of urban dwellers for nature and calm.

COPY/STEFAN NINK  
ILLUSTRATION/JULIA PFALLER

**T**he report recently released by the venerable Central Park Conservancy offered welcome news for those who prefer not to sit on the grass in their business clothes: There are now more than 9,000 park benches in Central Park. Again: more than 9,000 – in a single park! This is more than major cities like Vancouver have in all of their parks, and likely more than Hamburg, Cologne and Frankfurt combined. If two business people share a bench at lunchtime in New York, there is enough room for 18,000 people to sit comfortably in Central Park. They can take out their sandwiches and grab a soft drink from a beverage cart, feel the sun on their faces and let the breeze blow their everyday office cares from their minds. Lean your head back and you can see the clouds in the skies above the city – and watch that breeze move and shape them.

**In New York, the report** about the benches didn't raise many eyebrows. Residents along the Hudson River are used to records, especially when they come from Central Park. After all, it's anything but a typical city park. The rectangle lined by streets and avenues in the middle of Manhattan is the most famous stretch of greenery on the planet. With 350 hectares of bushes and grassland, it's larger than the principality of Monaco, and is home to 26,000 trees and 275 bird species. Those are just cold















numbers, though, and they don't say anything about the relationship between New Yorkers and their park. New Yorkers love it – and how! – because the park offers a peaceful sanctuary in the midst of the bustling metropolis. A retreat. A place to breathe deeply. A piece of down-to-earth nature in the center of a man-made world reaching up into the heavens. And for anyone who works long hours every day in a crowded midtown office (and often

**If Broadway is New York's main artery, then the green core of the Big Apple, Central Park, is its soul.**

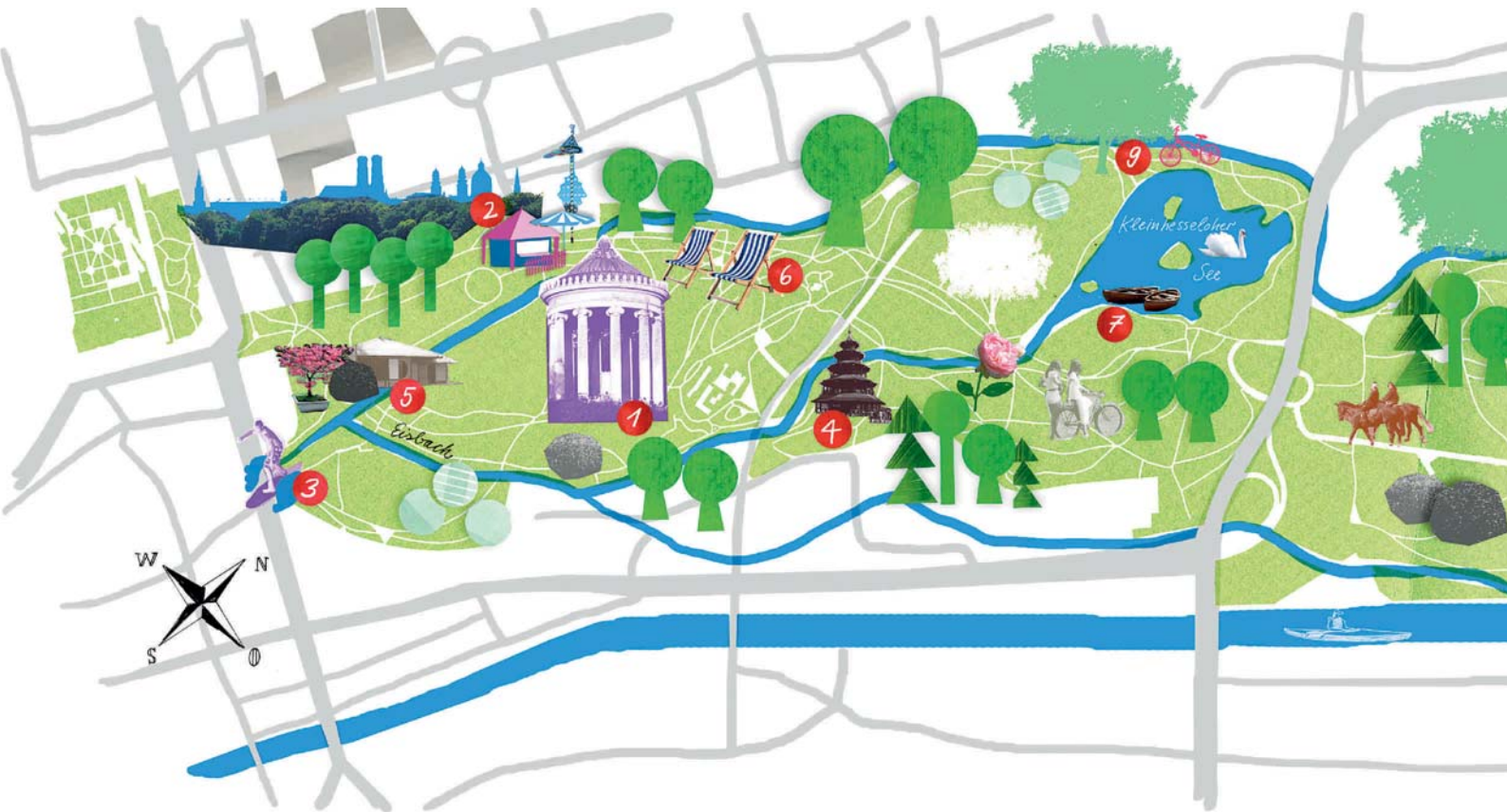
enough spends additional hours on public transport before and after), it's the best place in the world for taking a time-out. There are said to be New Yorkers – and there are, in fact, New Yorkers – who have never laid eyes on any piece of nature other than Central Park. These are people who can tell that it's spring because the park has turned green, and that winter is coming because the trees are losing their leaves. If Broadway is New York's main artery, then this green core of the Big Apple is its soul. Ringing Central Park are some of the most expensive →

## Central Park

### NEW YORK

- |    |   |  |
|----|---|--|
| 1  |  | Carousel                               |
| 2  |  | Sheep Meadow                           |
| 3  |  | Zoo                                    |
| 4  |  | John Lennon Memorial Strawberry Fields |
| 5  |  | Shakespeare Garden                     |
| 6  |  | Summit Rock                            |
| 7  |  | Great Lawn                             |
| 8  |  | Metropolitan Museum of Art             |
| 9  |  | Public tennis courts                   |
| 10 |  | East Meadow with soccer field          |
| 11 |  | North Meadow with baseball field       |
| 12 |  | Conservatory Garden                    |

## More space



### English Garden

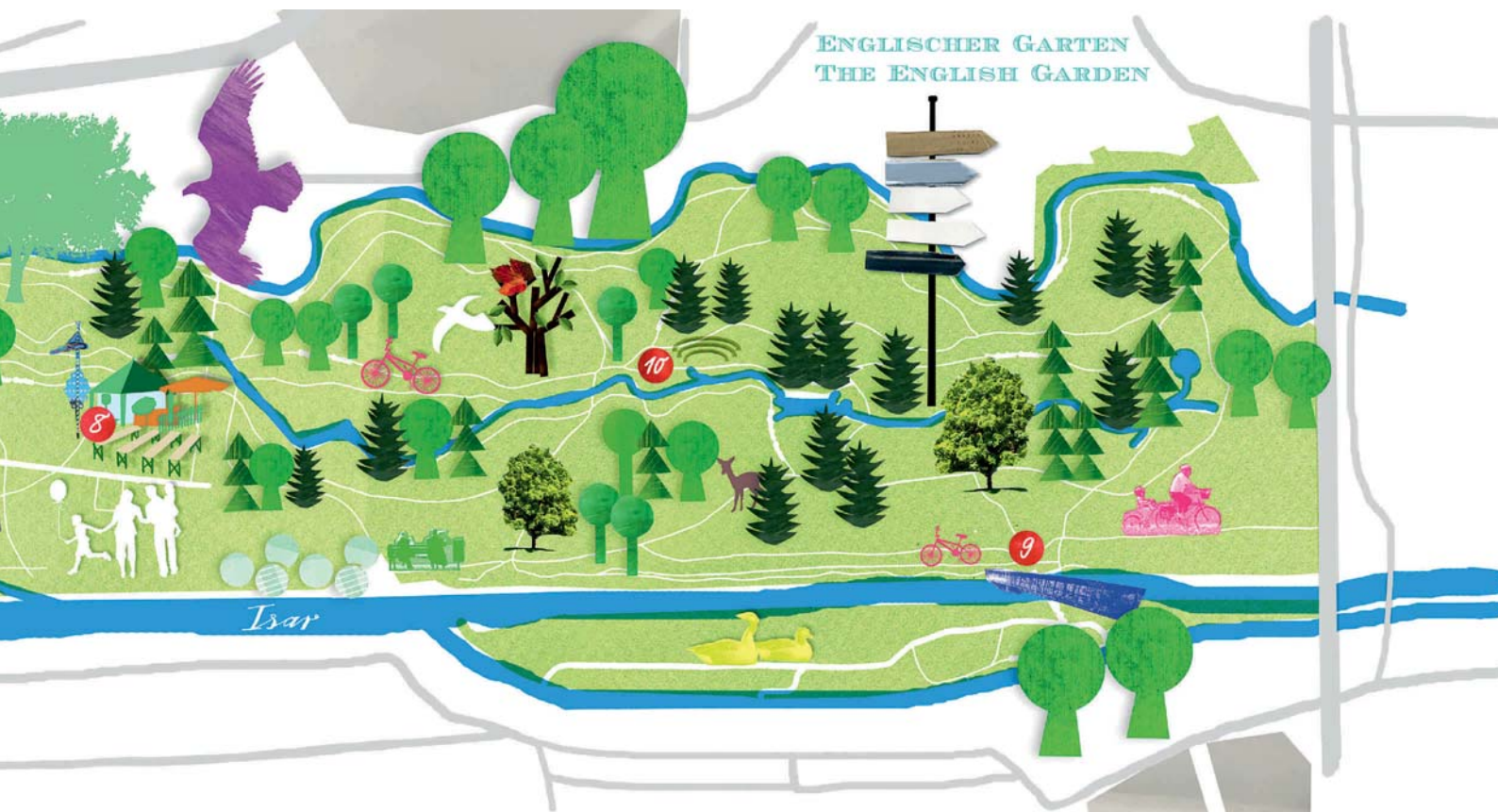
#### MUNICH

- |    |   |                                |
|----|---|--------------------------------|
| 1  |  | Monopterus viewpoint           |
| 2  |  | "Milchhäusl" organic kiosk     |
| 3  |  | Surfer's wave on Eisbach river |
| 4  |  | Chinese Tower beer garden      |
| 5  |  | Japanese teahouse              |
| 6  |  | Lawn                           |
| 7  |  | Kleinhesseloher lake           |
| 8  |  | Mini-Hofbräuhaus beer garden   |
| 9  |  | Bike path                      |
| 10 |  | Amphitheater                   |

houses and rental apartments in the western world. Because of this, a few years ago someone calculated its worth based on their own property value and came up with the mind-boggling sum of USD 528,783,552,000 (if you find all those commas confusing, that's about USD 530 billion). But, naturally, the true value of a park in the middle of a major city ultimately cannot be determined. A park in the midst of a metropolis is one of the things that can't be bought. They are priceless, and in fact, an outrageous luxury – just like every minute you can manage to steal away from a 12-hour workday. To sit on a bench in front of a fountain and slow the world down to normal speed. To break away from the hectic pace of meetings, video conferences and text messages long enough to enjoy a cup of cappuccino. To meditate. To tune out.

**Other major cities also** afford themselves a green sanctuary like Central Park, in order to do something good for their citizens. Bangkok has its Lumpini Park, Dublin the Phoenix, London has Hyde Park, and when Hong Kong's business people want to see a bit of green during lunchtime, they go over to Kowloon Park. For anyone living in Hong Kong, or any other Asian metropolis, the idea of an undeveloped piece of land the size of a football field in the middle of the city is practically unimaginable. And if board games or Tai Chi exercises are offered





under blooming fruit trees, visitors could hardly ask for more. In the end, it always seems to be this very longing for a little nature within the megalopolis that makes these “green lungs” such coveted places, and why business people are unable to resist going there between meetings, even if it’s only for a couple of minutes.

**In the late 18th century, Munich’s English Garden was one of the first city gardens in the world to be opened to the general public.**

This is the way it is all over the world, including Sydney, Australia. For their lunch breaks, the city’s business people have several piers and highly stylish harbor cafés to choose from. But they prefer to lie on a picnic blanket in Hyde Park and watch the cockatoos as they scurry through the tops of the trees, swooping daringly like remote-controlled model planes.

**How very different Ryoan-ji Garden in Kyoto is!** It’s not a city park in the western sense, but rather a Zen garden about which books are written and philosophers ponder. You don’t have to know anything about the art of Zen to

enjoy it – a 20-minute lunch break is enough. Business people and ordinary Kyoto residents stroll through its finely raked gravel paths and gaze at its pruned shrubs or the famous gravel bed with stones that symbolize either the universe or vast emptiness – all or nothing. Zen gardens are places that have escaped from the world’s hustle and bustle. They have managed to thwart today’s hectic pace and get away from everyday commotion and the noise of machinery.

Interestingly, these sanctuaries of calm are often the very scene of turbulent activity. Places where the noise of the outside world has vanished – but the disquiet of the mind remains. You can observe this very well on a warm, late-summer’s day – on the grass of Munich’s English Garden, for example. This is also one of the world’s famous city gardens, and moreover was one of the first to be opened to the public at the end of the 18th century. Its popularity has continued to this day, with thousands of Munich residents taking advantage on beautiful late-summer days. Sitting there, with shoes and socks off and your toes in the grass, it is quiet, peaceful, and yet thoughts are running riot in your mind. They collide against each other, voices clatter, whisper, purr, scream and shriek. Those who seek quiet often only hear themselves to start with. But even this noise becomes muffled; it just takes a bit longer sometimes. Often we’re not even aware of it →



## Ryoan-ji Garden

KYOTO

- 1  Wabisuke camellia trees
- 2  Stone water basin
- 3  Zorokuan teahouse
- 4  West Garden
- 5  Buddha Hall

- 6  Hojo (abbot's quarters)
- 7  Zen rock garden
- 8  Kuri (priest's quarters)
- 9  Chokushi-Mon Gate
- 10  Kyoyochi pond
- 11  Sanmon (main gate)



**You don't have to know anything about the art of Zen to enjoy Ryoan-ji Garden in Kyoto – a 20-minute lunch break is enough.**

until we suddenly feel something is amiss, when in fact it's only the quiet. This is another thing that makes parks so important: the calming effect of the smell of grass, the sight of a flower or the quiet babbling of a distant brook. The fact that your own office building might be located right behind the trees doesn't bother anyone at all – it may as well be in another world.

**The visible proximity to the working world**, the skyline of skyscrapers behind and above the treetops and the feeling of being in a kind of bubble – this is also part of the magic of a visit to Central Park. You notice how the city presses in around the park, but rest assured that it can't be harmed. It's actually a miracle that Central Park still exists, given that inventive speculators have tried ever since it opened to use the green lawns for all manner of profitable projects. But New Yorkers love their park so

#### **JOURNEY OF DISCOVERY**

**Where can you go bathing in Central Park? Find the city sanctuary highlights at: [www.audi.com/ar2009/cityparks](http://www.audi.com/ar2009/cityparks)**

much that over the years they have prevented the construction of a horseracing track as well as that of an enormous theater. And when an online magazine recently published a satirical item about a planned city airport in the heart of Manhattan, a storm of protest followed. That says a lot about the love that people feel for their park. It should remain just the way it is, their Central Park – that's something New Yorkers are uncharacteristically unanimous on. And if another couple of benches are installed, all the better. ●

**Stefan Nink has won the Columbus prize for travel writers five times. The world is his home.**

**“Being cosmopolitan to me is ...**



**... not only having a tolerant attitude – naturally – toward other cultures and perspectives; it's also a fundamental value of our society. For a company, being cosmopolitan is also a crucial economic factor.**

Internationalization and globalization are aspects of great importance to Audi – especially for the purchasing division. And one of our strengths lies in being able to act within the framework of a worldwide group of companies.

Because a global manufacturing network also requires a global supplier environment, we want to acquire the world's best and strongest suppliers for ourselves.

Audi is also a company that feels and exhibits a strong sense of responsibility toward both its German home and its employees. 'German engineering' continues to be highly valued around the world. But 'made in Germany'

alone would lead us into a dead end. We have to ensure that profitable production will continue to be possible in our country.

This makes it essential to continue promoting our internationalization. Even so, outsourcing abroad is not an end in itself, but rather is subject to the same clear economic and quality requirements as purchasing in this country.

We must succeed in combining the potential of the German location with that in production plants all over the world. In sum, this enables us to bring attractive, top-quality products onto the market at competitive cost. And that can be one result of being cosmopolitan.”

**Ulf Berkenhagen, Member of the Board of Management for Purchasing, AUDI AG**

**SONU SHIVDASANI**

The entrepreneur with Indian roots, who grew up in Europe and Africa, today lives mostly in the Maldives and in Thailand.





# “Suddenly, space is luxury”

With his hotel resorts, Sonu Shivdasani redefines pleasure. His guests look for a consumption experience not based on golden faucets. No longer is superexpensive wine the ultimate luxury, but salad that one harvests oneself.

INTERVIEW/ALEXANDER GUTZMER  
PHOTOS/MICHAEL CLEMENT

**M**r. Shivdasani, you come from an international background, your family is wealthy. So the topic of luxury is not new to you. What does luxury mean for you personally?

**Sonu Shivdasani:** My current definition of luxury is different from what it was 15 years ago. The idea I have in mind today is that of intelligent luxury. Luxury is that which is rare to us. It is different from one person to another. It is influenced, for instance, by childhood memories and the culture you come from. For people living in Asia, it has always been a luxury to visit European cities like Lisbon, Barcelona, Florence – very old cities that reflect, through their unique cultural history, high civilization.

#### Art as luxury?

**S:** Yes, this cultural depth is what people are looking for today. In general, it is the small things that count, and that form a certain contrast to normal life. This is the way in which I think of intelligent luxury.

#### What exactly do you mean by intelligent luxury?

**S:** I mean a kind of sensitive, sustainable consumption, preserving resources and the environment. That's what I call intelligent. The idea of what is luxurious depends on an individual's circumstances. In the 21st century, many people live in cities,



leading a rather stressful life in a fast-changing world. In this situation, new things matter: Suddenly, space is luxury. Or let's stick with the topic of environment and pollution: The reliable availability of fresh and high-quality produce is a real challenge and therefore a luxury. There is a desire to be

more sensitive to the environment. People want to buy intelligently. This is what the hotel business has to respond to.

#### What consequences do you draw from that?

**S:** We try to offer our guests a great choice, a great holiday experience and great

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“Walking barefoot is very luxurious, because you can't do that easily in metropolises.”

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**Sonu Shivdasani, entrepreneur**

quality. But we achieve all this in a sustainable way.

#### What about the old ideas of luxury?

**S:** The traditional concept of luxury was defined in the 19th century. People then had more time, and most of them lived in the countryside. For them, fresh

organic salad for instance was not rare. Today it is. When you live in Paris, New York or Shanghai, getting an organic salad picked fresh from the garden can be more difficult than getting a 1982 Mouton Rothschild.

#### Expensive wine is no longer a luxury?

**S:** We offer fine wines, too and the 1982 Mouton Rothschild incidentally is available. But fresh rocket salad from our own garden is more rare to our guests. It is also “true” – in other words something that they can cherish. People want to buy intelligently. This is why we do not fly our products in, but produce them locally. In our resorts, the branches from trees are used as compost.

#### And your guests cherish that?

**S:** Some of our guests argue that the salad from this soil is the best salad they ever had. People want to feel the product, rather than just consuming it. This is why direct contact →



**“Human beings today are searching for a greater truth. They do not want to consume for the sake of consumption only.”**

**Sonu Shivdasani, entrepreneur**

with our customers is very important to me.

**You come from India. Does that influence your idea of luxury?**

**S:** In fact, my background is both Indian and highly international. My parents are both Indian. They come from an area that today belongs to Pakistan, and

had to migrate. I was brought up in England, in a very English establishment, and spent three years in Switzerland. In this time, I learned to live as a cosmopolitan. Now I mainly live in the Maldives and in Thailand. So my wife and I have always been exposed to different cultures. This openness to

different cultures influenced me a lot.

**Still, let me ask again: Are the ideas Indians have of luxury different from those of Western customers?**

**S:** I think the idea people have of luxury mainly depends on the economic development of their home country. When you come from a rural background and suddenly become wealthy, you want to travel to different cities, maybe even show off your wealth. In this situation, you might prefer ostentatious, ornate environments. After a while, this changes. You then want the complete opposite; you prefer to be exposed to local cultures, to local people. You want a fine dining concept but also a local influence. You want purity.

**And you satisfy this desire?**

**S:** One of our catch phrases at Soneva is: no news, no shoes. When our guests arrive at our resorts, their shoes are taken away. Walking barefoot is very luxurious, because you can't do that easily in metropolises like London. It's relaxing and has a therapeutic effect. This is what we understand by luxury today.

**Do the newly rich from the BRIC countries follow you in that?**

**S:** There are people in India who have been rich for sev-

eral generations. Now they have become the country's super rich. They mostly like our ideas. But certainly, some entrepreneurs don't understand what we do. Consequently, some of our competitors offer the more traditional luxury: polished bathrooms, gold and marble everywhere, air conditioning and so on. Our resorts in the Maldives don't have air conditioning in the restaurants. People from cities want one thing more than anything else: fresh air. Take Toronto in winter: People there spend all their time inside, so they have no exposure to fresh air at all. Therefore, space is important for them. Business people in China or India live in crowded cities. And you know what our guests from India appreciate most? A clear view of the sky. Due to pollution, you cannot see the stars in India any more. This makes looking at the sky the ultimate luxury. So we built an observatory with an extremely powerful telescope.

**So your Russian or Indian guests today have a different understanding of luxury than in earlier days?**

**S:** Both Russia and India have changed a lot. Today, it is the people who make intelligent decisions that achieve success. And these are precisely the people who are open to intelligent luxury.



## IDEAS OF A MODERN HOTELIER

Listen to the interview at:

[www.audi.com/ar2009/shivdasani](http://www.audi.com/ar2009/shivdasani)

**Your resorts mostly cater for wealthy people. Is intelligent luxury also a concept for the middle class?**

**S:** Absolutely. A lot of what we do is not terribly expensive, it just requires some initial thinking. Sand on the floor, for instance, is not expensive. Our philosophy SLOW LIFE is universal. SLOW LIFE stands for “sustainable, local, organic, wholesome”; and then

“learning, inspiring, fun and experience.” This is increasingly attractive also for less affluent people. Human beings today are searching for a greater truth. They do not want to consume for the sake of consumption only.

**Is this the new corporate responsibility?**

**S:** Definitely. We entrepreneurs have to be able to give

answers to our clients. People are not going to give up the idea of luxury, so we have to change the perception of what luxury is.

**And you act on this responsibility?**

**S:** One example: We have made our resorts carbon-neutral. We built a windmill in India that is supported by the money our guests pay. But we want more, we want to become a zero-carbon company. By early 2011 at the latest, the Soneva Fushi resort will rely completely on renewable energy.

**Where does this new responsible thinking on the part of companies and customers come from?**

**S:** From necessity. There aren't enough resources in

the world, we can't go on like this. 90 percent of predatory fish are said to have been fished already; we have to start restoring our oceans to the state they were once in.

**This rethinking is essential especially for the tourism industry.**

**S:** True. The environment is changing, and this has an impact on the travel industry. The Mediterranean Sea might at some point become unswimmable, being so full of jellyfish and algae.

**Apparently, there is a whole philosophy behind your business idea.**

**Can that philosophy have an impact beyond the resort business?**

**S:** Yes, we have such plans. We want to distribute the system that we have to produce Six Senses Water; and we would also like to supply the Maldives government with the solar panels that we use at Soneva Fushi. Also, we have designed a luxury boat with a diesel engine. Why not offer such boats for sale?

**We talked a lot about wishes in this interview.**

**What is your last big wish?**

**S:** I would be happy if our philosophy had a real impact, and if we could show the world what the SLOW LIFE concept can do. ●



### SONU SHIVDASANI

is founder and CEO of the hotel management company “Six Senses Resorts & Spas.” His company develops, builds and manages luxury resorts and spas primarily in Asia. Shivdasani is the son of Indian parents. He studied English Literature at Oxford, and he also spent some of his early childhood in Nigeria and Switzerland.



More space



A reflection of his culinary philosophy: Michelin-starred chef René Redzepi focuses on the essentials both in and away from "Noma," his eatery in Copenhagen.





## Less is more

More and more top chefs are developing an appetite for a new, down-to-earth form of cooking – and are elevating simplicity to an art form. Instead of lobster, foie gras and truffles, they are putting pumpkin soup on the menu.

COPY/PETER WAGNER  
PHOTOS/DITTE ISAGER

**H**e came up with the storyline for the international animated hit film “Ratatouille” and is a major role model for chefs all over the world. But anyone who manages to reserve a highly coveted table at one of top U.S. chef Thomas Keller’s restaurants needs to steel themselves before studying the menu. Instead of the usual prestige dishes of a classic three-star restaurant, they might find mussel stew with bacon being served, or even coffee and donuts. Keller, who runs two of the six top-rated gastronomic establishments in the United States, New York’s “Per Se” and the “French Laundry” in California, likes to transform typical everyday American fare such as macaroni and cheese or cashew butter and jam into an exquisite culinary experience.

Until recently, such escapades would have been unthinkable in Europe. Previously, the typical menu of a star-rated restaurant had to feature lobster, caviar or foie gras. The reason? “Because the Michelin Guide expects us to use French gourmet products.” That was the blunt explanation offered by leading chef Dieter Müller as recently as 2007 to explain why, apart from the Königsberger Klopse meat balls with deep-fried capers on his renowned amuse-bouche menu at Schlosshotel Lerbach in Bergisch Gladbach, “unfortunately there aren’t many regional specialties that work in a three-star restaurant.”

Quite a lot has changed in the meantime. More and more top chefs all over Europe are overturning the established canon of prestige ingredients. And in their vanguard are Germany’s elite chefs, who are developing a repertoire of home-style cooking capable at the very least of holding its own alongside the inevitable lobster, truffle and foie gras – and prepared with superb craftsmanship: Joachim Wissler from Bergisch Gladbach puts a new slant on lobscouse stew and cheesecake; at “Sonnora” Helmut Thieltege serves a variation on calf’s liver Berlin-style as an amuse-gueule, while Sven Elverfeld from Wolfsburg’s “Aqua” dares to put cod with mixed pickles, sauté potatoes and bacon on the menu.

It is important to point out that all these dishes bear little resemblance to the rib-sticking fare on which they are based, and in the hands of these top chefs they are certainly on a par with the haute cuisine old favorites such as lobster thermidor and glazed blood-stewed pigeon with foie gras and Alba truffles. Even though their ingredients seem simpler, they demand at least as much concentration, culinary expertise, and dedication to prepare. Assembling them sometimes even demands much more creativity than simply shaving a

stars in November 2008, closing down “Les Maisons de Bricourt” in Cancale, France, held by many to be the best fish restaurant in the world, so that he could prepare similar dishes without all the fuss at his second restaurant, “Le Coquillage.” His fellow chef Alain Alexanian sold his star-winning “L’Alexandrin” in Lyon, France, in 2007 and has since been touring regional producers to research old recipes and methods of preparation. He is using this lost and now rediscovered knowledge in his capacity as gastro advisor with an organic

**“Whoever dines in my restaurant should know that they’ll only find such food in Copenhagen.”**

René Redzepi, Michelin-starred chef in Copenhagen

100-euro truffle onto a plate – as Holger Stromberg, chef of the German soccer team, well knows: “Unfortunately, most young chefs coming to work for me still assume that quality means a high price tag. But the more costly the produce they are let loose on, the sloppier they get.”

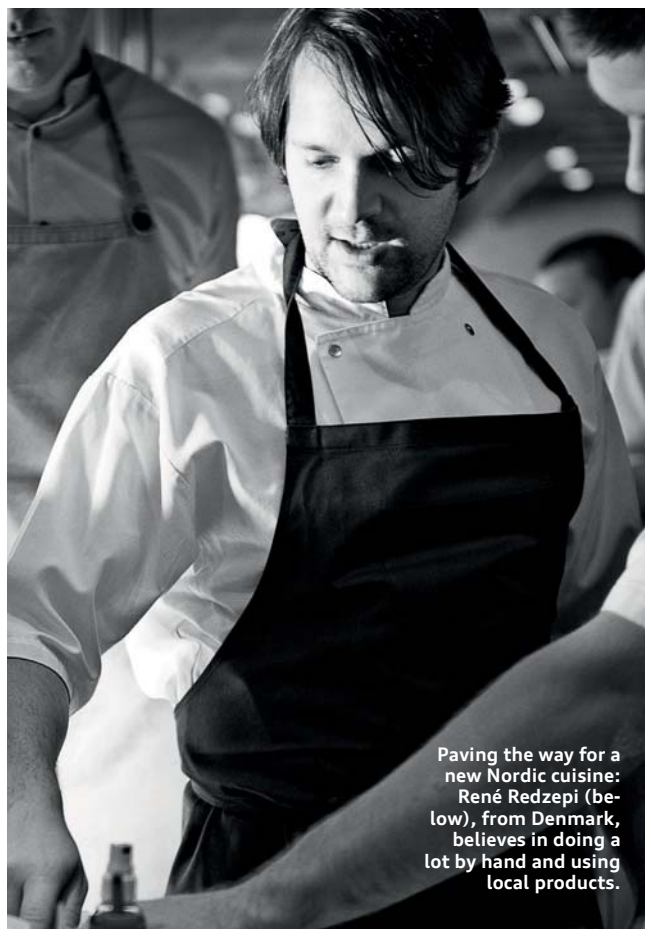
The main reason is the tradition of chasing Michelin stars. The Michelin Guide is an esteemed French institution that focuses squarely on the cuisine and luxury produce of its home country. The gourmet branch of the tire manufacturer has been awarding its legendary stars since 1926, according to the same time-honored model, as a guide to motorists with a penchant for fine food: Three stars means a restaurant is “worth the trip,” two stars means “worth a detour,” and one star rates as “interesting.”

**But even in the home** of the connoisseur, more and more gastronomes are becoming “gastrosophes” and rejecting all the toil and anguish of pursuing three stars in favor of rediscovering the pearls of traditional cuisine. Some of them have even gone so far as to close down a starred restaurant so that they can start cooking precisely what they want elsewhere, without the pressure. The Breton master of fish and spices Olivier Roellinger gave up his three

slant – for such clients as the “Hi Hotel” in Nice, on the French Riviera, and the public cafeteria of the St. Joseph Clinic in Lyon, which uses exclusively organic produce. “I want to offer the young generation a new, healthy form of cuisine that is in harmony with the environment and affordable.” The latter motive also prompted Alain Senderens to close his gourmet paradise, “Lucas Carton,” after 28 years and to reposition himself with the “Senderens” bistro: “I’ve lost my faith in a system that leaves diners with a bill of 400 euros. From now on I want to do simple cooking, without all the frills. I want a restaurant that is in keeping with the times but which still offers very good quality and has a few surprising innovations.”

There is much more to this new desire for simple cuisine than just a resurgence of what the Germans call “luxe,” that modish blend of luxury and asceticism that culminated in tawdry concoctions such as curry wurst with gold leaf and champagne. Rather, the latest penchant for new luxury is more likely to focus on transforming regional products into delicacies using haute cuisine skills: chops instead of Kobe beef, and calf’s head instead of foie gras. For all the differences between their dishes and tastes, one belief above all unites leading gourmands →





Paving the way for a new Nordic cuisine: René Redzepi (below), from Denmark, believes in doing a lot by hand and using local products.

### VISIT TO A MICHELIN-STARRED CHEF

Take a look over René Redzepi's  
shoulder in the kitchen:

[www.audl.com/ar2009/topchefs](http://www.audl.com/ar2009/topchefs)

from North Cape to Sicily: Any chef aiming to achieve the very best will need to demonstrate profound background knowledge spanning product qualities, preparation techniques, cooking styles, and flavors in order to create dishes that can easily hold their own against the luxury specialties of the connoisseur's Mecca, by using honest, ecologically healthy ingredients, which are primarily local produce.

**One such chef** is at work in the Danish capital of Copenhagen. Despite his outright rejection of prestige ingredients, a radical focus on Scandinavian produce and the casual, relaxed decor of the restaurant, devoid of tablecloths or silverware, he has just been awarded two stars: René Redzepi's "Noma," voted one of the best eateries in the world in 2009 by the British magazine *Restaurant*, is one of the hottest tips on the planet for gourmets. This Danish chef, of Macedonian descent, views himself as a pioneer of "new Nordic cuisine" – wild cloudberries instead of tomatoes, rapeseed oil instead of olive oil, truffles

Berlin. Only in Copenhagen. Top-class cooking is entering a new phase. I like to call it the eco phase. Prior to that, it was all about opulent luxury: truffle pâtés, caviar with champagne sauce – all very heavy, and all very French." It should be said that for all its rigor, among its one-star restaurants the Michelin Guide has always demonstrated somewhat more latitude towards those choosing to do things their own way. The Hamburg-based Sicilian Anna Sgroi, for instance, earned a Michelin star for her "Anna e Sebastiano" restaurant in 1990 – the first Italian restaurant in Germany to receive that accolade. She now cooks with incomparably fearless purism and authentic produce at her current restaurant "Sgroi." Lentils, sardines, pumpkins – all ingredients from Italian peasant cooking that Sgroi prepares to sheer perfection and serves with sophisticated but unpretentious style. "In the end, I think I was awarded the star for what you taste with your tongue, and not for fancy arrangements of foams, dabs of sauce, towers and so on. I don't confuse flavor with pretty looks. For me, luxury is about bringing together three perfect ingredients on a plate." She has kindred spirits in Annie Féolde, legendary three-star chef at Enoteca

barren as the landscapes in northern Germany. Very little game is hunted, and the vegetables grown there are too rarely of a quality befitting a starred restaurant. Sgroi would love to obtain the meat for her signature dish, oven-roast kid, from the dyke farms along the North Sea coast, but they prefer to freeze the meat after slaughter for the most part. And "the Germans often let things grow too big. They grow their zucchini huge, by which time they don't have much taste, and if they rear a kid they let it get too big, and that makes the meat tough."

**Sgroi's soulmate down in Swabia,** Vincent Klink at Stuttgart's "Wielandshöhe," has been battling with the same problem for over 30 years. That is what prompted him to create a network of certified organic farmers, and he buys meat from producers such as the "Herrmannsdorfer Landwerkstätten" – among other reasons because they slaughter calves when they reach 80 kilograms, not the usual 120 (see page 71). Klink uses every part of the animal: "I'm not averse to serving up melts as a blanquette of veal. A lot of people still have some notion that there are 'inferior cuts of meat'. But if an animal is reared in a manner appropriate to its species, every part of it is of high quality. I even have sworn vegetarians coming to me to eat meat once a year." Klink, like Sgroi, rejects the primacy of the visual: "We are not a temple of gastronomy – in fact, the very expression turns me off. I avoid any ornamentation or artificiality. You always know exactly what product you have on your plate." Individuals such as Klink, Sgroi and Redzepi would therefore have no reason whatsoever to relinquish their stars. Strictly speaking, they cannot do so anyway. When Alain Senderens wanted to surrender his three-star status, the otherwise rather evasive Michelin Guide editors were moved to comment: "No, Michelin stars cannot be handed back because they belong to Michelin, not the person being honored." It then promptly admonished the chef in its own inimitable way: Just half a year after opening, the "Senderens" bistro was awarded ... two stars. ●

**"For me, luxury is about bringing together three perfect ingredients on a plate."**

Anna Sgroi, Michelin-starred Italian chef in Hamburg

from Gotland instead of Périgord, apple vinegar instead of balsamic, reindeer instead of Ibérico pork, served with musk oxen tartar on a bed of moss, or sheep's milk mousse with sorrel gratin. Writing in the weekly newspaper *DIE ZEIT*, Germany's most famous restaurant critic, Wolfram Siebeck, was blown away by the "incredibly painstaking cooking that is as impressive for the handiwork it requires as for its underlying vision of the future of cuisine." Redzepi discovered his self-imposed restrictions to be the key to a new concept of luxury: "I found out that there are 150 different types of horseradish here in Denmark. Whoever dines here should know that they'll only find such food here. Not in Paris, Amsterdam or

Pinchiorri in Florence, and the South Tyrol chef Herbert Hintner, who has held a star for 15 years in the northern Italian village of St. Michael/Eppan "by bringing tradition up to date" – and if that means using bacon, flat bread, and smoked meats as key ingredients, then so be it. Hintner knows full well that "it is illusory to believe we can cover all our requirements just by buying produce from the nearest farm." The "quest for a soul in our globalized society" that he perceives in his guests also reflects his own yearning for provenance and regionality – in products and recipes alike. While some colleagues are blessed with a bounty of ingredients at their disposal, Sgroi's local sources are as



# What else is there?

TEXTS AND INTERVIEWS / **TOBIAS MOORSTEDT**

An ever greater number of people are taking time out from the hustle and bustle of everyday life and work. Some even choose to leave their old life behind them forever. With great personal commitment they make use of the new found freedom to make the world that little bit better. Others focus on self-fulfillment or a complete lifestyle change. Here we present ten people who have realized their personal dreams. →



## SEBASTIAN COPELAND

Star photographer turns environmentalist

**I**t's a long way from Los Angeles to the polar ice. What takes a photographer from the capital of the stars and beach life to the North and South Poles?

**Sebastian Copeland:** I have been involved with the ecological movement for quite some time now, though most of the time in a passive capacity, fundraising in Hollywood. Then in 2003, more or less by chance, I was aboard a ship heading for Greenland, from which I was able to witness the

endangered ecosystem with my own eyes and through my own lens. A few weeks later I was in a production meeting for a cigarette ad, talking about lighting and backdrop design. And suddenly it dawned on me: I can't go on like this any longer. I have dedicated almost 100 percent of my time to protecting the environment ever since. Photography is now just a hobby.

**Your photographs in the illustrated book *Antarctica: The Global Warning* are breathtakingly beautiful.**

**C:** Antarctica is a foreign, exotic place. Anyone can take awesome photos there. The landscape takes its own picture. The iceberg drifting towards the sun is a powerful metaphor – the beholder senses that this enchanted world is in danger. I believe that in order to raise people's awareness of a problem as complex and long term as this, we need to connect to their emotions and higher spirit, and say: Look! This is how beautiful planet Earth is. And you are a small part of it.

**In December 2009, you attended the Copenhagen climate summit. Is mankind doing enough to stop climate change?**

**C:** Of course not. In early 2009 I was on an expedition to the geographic North Pole. We walked across the ice for 700 kilometers, on the legendary route taken by the North Pole explorer Robert Peary exactly 100 years ago. In another 100 years it will no longer be possible to take this route. The ice will have disappeared by then.

**What makes a guy from California want to travel to the (perhaps no longer so) eternal ice?**

**C:** I like places that cannot be reached by scheduled flight. I like expeditions, the preparation, the confrontation with antagonistic nature. At the North Pole you are so far removed from Earth you might as well be walking on the moon. Thousands of square kilometers of white void. Below me the deep sea. It is both the most magnificent and the worst moment you can experience.



## ARMIN DIECKMANN

### How I sold tea instead of cockpit modules

**T**aking time out in the midst of the 2009 crisis? As a development aid worker? I am a manager in the automotive industry, and in my opinion a crisis is perhaps the best moment to take a step back and reconsider what you are doing and how the system works. Until I turned 40 I had a pretty streamlined career as an industrial engineer, selling interior electronic systems and cockpit modules in Europe, China and the United States. But at some point I began to ask myself: What else is there? Faster, higher, further? Or alternatively: How can I let other people share in my knowledge? So I applied to “Managers Without Borders” and worked in Nepal for four months assisting a small social company that exports organic herbs to Europe to build up the business. The change from a global player’s headquarters to a small apartment in Kathmandu was obviously a shock to the

**“In the Himalayas I learned to take a bird’s eye view from time to time. Seen from above, problems tend to seem so small and easy to solve.”**

**Armin Dieckmann, manager and temporary drop-out**

system. The language. The deprivation. The chaos. I was lost. There was electricity for just four hours a day and no mobile phone network. But you learn from every experience: You don’t have to write 100 e-mails every day. The company runs a training farm and works with a small population of extremely poor forest nomads with superb knowledge of medicinal herbs and ancient trees. The young entrepreneurs help them harvest the forest plants in a sustainable way and market them internationally in order to secure their long-term livelihood. My tasks included visiting the village elders in the remote mountain regions, and developing a sales structure and a kind of quality management system to ensure that the products meet European standards. But just as important as the business meetings were the chats over tea with the natives and local staff. My reason for visiting Nepal was to give something to others, but I received so much more in return. In the Himalayan mountains I learned to take a bird’s eye view from time to time. Seen from above, problems tend to seem so small and easy to solve.



## ERICH STEKOVICS

### Savior of threatened tomato varieties

**D**o you actually have a favorite tomato?  
**Erich Stekovics:** Oh, that is difficult to say. After all, we have some 3,200 different seeds in store. I do like the “Yellow Currants,” however: small, yellow balls, very sweet, with a hint of hazelnut. The plant is originally from Peru and is over 1,400 years old.

**On your farm you grow all shapes and sizes of peppers, tomatoes and chilies. Are you building a kind of Noah’s Ark for vegetables?**

**S:** In recent decades, 80 percent of well-known tomato varieties have disappeared from cultivation. Future generations would be very reproachful if we were to lose this genetic resource. Many of the old varieties not only taste better, they are also easier and cheaper to cultivate as they need neither fertilizers nor pesticides.

**How did you discover your passion for collecting?**

**S:** When I was doing my community service I worked with cancer patients who kept telling me they wished they had time to do the things they loved. It was my wake-up call. I wanted to see a large variety of plants growing. Each year I could cultivate the best 50 varieties of tomatoes. But that is not enough. I want to grow something different on my land each year. I often travel to America or Eastern Europe to do research, to look for old varieties on farmers’ markets.

**You also run tasting events?**

**S:** Yes, I do. And many people actually have tears in their eyes when they experience the flavor of a tomato that seems to have come straight out of grandma’s garden.



## ANTHONY KENNEDY SHRIVER

### Working with the intellectually disabled instead of politics

**F**rom his desk, Anthony Kennedy Shriver can see his very own “Wall of Fame.” Photographs, newspaper clippings and election campaign posters featuring his famous relatives make up a collage of grand politics, human tragedies and modern myths. However, the souvenirs are not there to impress visitors but to remind him “that I come from a family in which public service forms an integral part of our upbringing.” Unusually for a Kennedy, the 44-year-old is not pursuing a career in politics. Since 1989 he has, instead, been running “Best Buddies,” whose aim is to integrate people with intellectual and developmental disabilities into society through one-to-one friendship matches and integrated employment

**“I established Best Buddies to make it possible for people with intellectual and developmental disabilities to live at the heart of our community.”**

**Anthony Kennedy Shriver, founder and chairman of Best Buddies**

Like everything the Kennedys set their minds to, Best Buddies also made it big, now has more than 200 employees in 46 countries and an annual turnover of 30 million US dollars. Kennedy Shriver himself regularly attends football games with his buddy, for whom he arranged a job in a hotel 15 years ago. “He earns his own money and uses it to buy the

tickets,” says Kennedy Shriver. “This independence is incredibly important for him.” Naturally, people often want to know why he did not become governor or at least a senator. His answer is simple: “It does not take a political office to change the world.” Even as a child, he tells us, he realized that people with an intellectual or developmental disability are people like you and me, with the same dreams and ambitions. “Each time we took our disabled aunt along with us to church there would be whispering and we would get nasty looks,” he remembers. He founded Best Buddies to enable people like his aunt “to live in the midst of our society.” It doesn’t matter to him that his old college friends have long since got jobs in prestigious law firms and corporate headquarters, earning big money. “There is nothing more rewarding than the feeling of having a positive influence on the life of a fellow human being,” he says.

**Kennedy Shriver is founder, Chairman and central figurehead** of Best Buddies. The organization’s growth plans are ambitious. By the year 2020, he intends to triple the number of members receiving support from 500,000 to 1.5 million and operate in 120 countries. Yet his real objective is rather different: “Ideally, I would wish for a society in which there was simply no need for an organization like Best Buddies. We are working towards a society in which people with special needs are able simply to lead ordinary lives. Once we have achieved this goal, we will happily retire.”



# KARL LUDWIG SCHWEISFURTH

## Industrialist meat producer turned organic farmer

**S**tooping over the model of the farm, Karl Ludwig Schweisfurth glances at the fields with their small hedgerows, the red-brick barns and the enclosure housing plastic pigs and cows side by side. “Isn’t this beautiful?” asks the 79-year-old, who for 25 years now has been working at the Herrmannsdorfer Landwerkstätten on the ideal farm that “cares for the soil, appreciates hand crafts and respects the animals.” The agricultural shops supply bread, meat, cheese and sausages of the highest taste and health quality standards primarily to organic stores and supermarkets in Bavaria. Until 1980 the model organic farmer, who even turns up at his foundation’s Munich headquarters in the traditional Bavarian attire of Janker jacket and check shirt, was Germany’s meat king, employing 5,000 people in ten factories.

**After World War II the trained butcher** and business graduate experienced industrial meat production first hand in Chicago’s slaughterhouses. “It was brilliant and exciting,” he remembers. “There were conveyor belts, machines and fleets of trucks. Totally modern.” Schweisfurth brought the cutting-edge technology to Germany and transformed his parents’ butcher’s shop into a giant sausage producer. However, from time to time, when he became aware of the noise in his factories and of the stench and animal masses in the sheds, he had a “funny feeling that something is not

quite right.” When in the mid-1980s his children, who were supposed to take over the business, told him they wanted nothing to do with the meat factory, it finally got him thinking: “In rejecting my lifetime achievements, they relentlessly held up the mirror to me.”

**Schweisfurth sold the company,** established a foundation and set up the concept for the agricultural workshops. In the 1980s many consumers had no idea what ecological farming was. “People gave me odd looks,” Schweisfurth remembers. This was partially due to the fact that on the estate in Glonn he not only experimented with animal-friendly husbandry and ecological agricultural methods, but also lent his employees a hand and lived together with them, propagating a different way of working together. His children, by the way, were happy to take over their father’s fast-growing second business after all. Now retired, Schweisfurth has “no interest in playing golf or going on one cruise after another,” but is committed tirelessly to a responsible attitude towards the use of food and resources. He still spends several days a week in Herrmannsdorf, observing his animals, among other things. He is stubbornly dedicated to further improving the forms of husbandry. One idea is symbiosis, keeping pigs together on a pasture with other animals. “There is no more fulfilling way of living life,” he says.





## BRITA KLAS

### My summer on a mountain farm



**T**hose who imagine life on an alpine farm as an idyll are unfortunately wrong. The ascent from the valley up to a height of 1,800 meters was for me, training to be a teacher, like a journey back in time. Not only because there is no cell phone reception, central heating or TV. At this altitude you are part of nature and live in rhythm with it. The work has to be done, day in, day out, no matter if it's dark outside, warm or cold, if the sun's shining or if it happens to be raining again. The farm I worked on as a dairymaid in 2007 has been run by a family for several decades. It's no surprise that people's values of discipline and hierarchy are very different up there. At least we have milking machines and electric fences now, which is more than can be said for 50 years ago. But the work is still hard: You get up at quarter to four every morning to milk the cows, muck out the sheds and make the cheese. During one summer, we turned 80,000 liters of milk from our 90 cows into 7.8 tons of cheese and 700 kilograms of butter. Although the farm is so far from the fast-moving, overcrowded city, you are never alone. You have to share the limited space there is with the other workers and hardly have any privacy at all. It's not easy, but the unity and sense of togetherness can certainly be a help when times get hard. I learned so much on the farm – and I don't just mean how to make cheese and mend fences. Above all I have become a good team leader and organizer. I have now spent my third season in the mountains.

## PATRICIA PETAPERMAL

### Broker starts over again

**T**he attic of an Art Nouveau style building located on Munich's east side conceals Patricia Petapermal's treasure. On a shelf there is a small box bearing an inscription that reads "Gold." However, the sparkling metal platelets, tubes of paint and threads are not part of the 46-year-old's pension fund, but are the raw materials for her paintings. The attic functions as the artist's storage space and studio. The real

she remembers. However, in 1993, she spent six months in hospital after being hit by a car in London. "The accident caused me to rethink my life," she says. Patricia Petapermal was fed up of categorizing life into debit and credit and as a result enrolled at an art school. Today, she often spends entire

nights working on her colorful, multi-layered paintings. Oil paint is not the only material applied to the canvas – she also uses photographs, newspaper clippings, rose petals and silver threads. "I remix the material of life. Each picture is a window into a world of its own."

**"The accident caused me to rethink my life."**

Patricia Petapermal, painter

treasure for Patricia Petapermal is not her gold leaf supplies or the artworks that now fetch several thousand euros at auctions, but the fact that she is alive and able to paint. Born in 1963 of French and Indian parents, the artist studied economics and later worked at the Paris Stock Exchange. "I had a good life, a nice apartment,"







#### CONQUERING AMERICA

14,000 kilometers, 13 punctures – join Dirk

Rohrbach on a tour across the United States at:

[www.audi.com/ar2009/lifedreams](http://www.audi.com/ar2009/lifedreams)

## DIRK ROHRBACH

### My cycling tour across the United States

**M**y journey began 30 years ago. I was eight years old and fascinated by the strange sounds and voices on the radio known as rock 'n' roll, as I was to find out later. In my adult life, I have paid numerous visits to the States: traveling by car, flying across the prairie and deserts by plane, taking in the beautiful scenery from above, and going to see the last of the Sioux Indians in their reservations several times. However, I only truly got to know America when I explored the country by bicycle – a mode of transport entirely untypical for Americans. For six months I traveled from Tampa to Seattle, saw the Pacific Ocean, turned around and cycled back to the East Coast.

**To the Americans** I was a nutcase, a hermit in cycling shorts. However, as soon as I had convinced people in Tennessee or Montana that I was harmless, they wanted to know more about my journey. I was overwhelmed by people's hospitality, many a time strangers offered me a couch or guestroom to stay, and a primary school in Texas even invited me to talk about my trip. The days on the Pacific coast and in the Great Plains were the toughest. The road cuts through the landscape for more than

100 kilometers – it is dead straight, there is no house, no tree, no bend, you are all alone, battling against the wind. You really need a good deal of inner balance to be able to brush off the sweat and the pain in your legs. But then I saw the desert and the horizon – space, nothing but vast empty space. My goal no longer mattered: I was at one with myself.

**“I only truly got to know America when I explored the country by bicycle.”**

**Dirk Rohrbach, radio presenter, photographer and medic**

**Ever since**, I have been organizing slide shows to try and share my experiences with other people and perhaps give them some inspiration. To start living your dreams is so important. For many years, I worked as a medic and radio journalist, telling myself: “I can't right now, my job is going so well. Maybe next year!” And before I knew it, ten years had gone by. I think differently today. Which is one of the reasons why in 2010 I will be going on my next adventure, a tour down the River Yukon in Alaska in a self-built birchbark canoe.



## MONICA JAMIESON

### My sabbatical after living in a convent for 51 years

**I**n 1956, I left the Glasgow School of Art to join Stanbrook Benedictine Monastery in Worcestershire. I never once doubted my decision to devote my life to God, even if initially convent life seemed very gloomy. We wore veils, were silent for most of the day and were only allowed to speak to visitors through metal grilles.

Throughout the years art remained a great passion of mine. However, because of community duties I was unable to spend much time in the studio. In 2007, after 24 years, I resigned as the abbess of Stanbrook. It is customary for the former abbess to leave the convent for a year to give her successor some time to settle in. This period is usually spent in a different convent; however, I knew this was my chance. So I asked for a sabbatical and enrolled

at a school of art and drawing in London. This plan took everyone by surprise. I spent a year working at the school, during which I lived in a small convent in Shoreditch. The culture shock was greater than expected.

**“The year spent at art school was an unexpected gift in my life.”**

**Monica Jamieson, nun**

London city life is very different from convent life. Every bus journey, every walk was an adventure for me. But after three months I had grown accustomed to my new way of living. I got up early and said my prayers, but obviously I could not practice the

monastic discipline of silence. Of course there was considerable interest in my lifestyle from staff and young fellow students. But that is only natural; for my part I was fascinated by the fast and cosmopolitan city life. My work as an artist was always the primary focus. It felt good. Soon I was able to enjoy what London had to offer. There were regular classes at the National Gallery and I visited many other galleries and several museums. I have been back at the convent for over a year now and I miss all the opportunities that I had in London: I miss being in touch with other artists. And I miss drawing: people, donkeys, parrots. Most importantly, however, I am today in a position to put what I learned into practice. Right now, I am working on a mural for another English abbey.



## DOUGLAS TOMPKINS

### The fashion mogul's second life

**D**ouglas Tompkins is wearing a beret and dark rubber boots. At 66 years old, he no longer fits the image of the fashion market superstar he once was, but then again the southern Patagonian wilderness is not exactly the right kind of backdrop for fashion and short-lived trends. Tompkins has long since swapped his executive office at textile groups The North Face and Esprit for a civilizing outpost in South America. From his window he no longer looks out at big city skyscrapers “but the snow-covered peak of a volcano situated at the end of our valley.”

**In his youth Tompkins**, who hails from the United States, was an excellent mountaineer and a world-class skier. Later he founded a climbing school in California, the equipment company The North Face and ultimately, together with his then wife, the lifestyle brand Esprit. Annual sales soon exceeded the one billion dollar mark, he was flying around the world opening one store after another. Until the turning point in the late 1980s, when Tompkins was angered by anything that was destroying the world. “I felt I was partly responsible for the socio-ecological crisis,” he says. Which is how his escape into real life began, as he refers to it. Having sold his stakes in the textile groups, he has since been trying to save the world – by buy-

ing part of it. He was primarily driven by the idea to purchase primeval forest in order to make it inaccessible for timber groups. He initially considered Canada, the United States and Norway, but then opted for Chile and Argentina. “I want to put a stop to this horrendous destruction of the countryside.” Since 1991 he has purchased more than 800,000 hectares of land in Patagonia and Northeast Argentina through a system of foundations – primeval forests, steppes, lakes, rivers, volcanoes, rugged coastal areas – and combined them to form several nature reserves. Parque Pumalín alone spans an area larger than the German federal state of Saarland. One of the biggest private landowners in the world, Tompkins does not use the area to grow raw materials or develop real estate projects. Rather, he prefers to leave nature to itself.

**Today he lives in a modest house** located on the edge of Parque Pumalín. “Luxury to me means being able to live in the rugged, unspoiled countryside,” he says. “As far as I am concerned there is nothing as poor as city life.” His first life as a businessman and fashion mogul now strikes him “as being somewhat surreal and long since past. In fact, that period of my life has become so remote that I sometimes wonder if that was really me.”



We are rethinking luxury.  
What does that have to do with time?  
Anyone who leaves time for their  
senses will 'see' the world through  
new eyes. For a doll carver in Prague,  
every second spent at work is a  
moment of self-fulfillment. In the  
Audi Youth Choir Academy, young  
people discover their voices.



MORE  
TIME:  
ENJOY MORE  
CONSCIOUSLY,  
DECIDE MORE  
CONFIDENTLY,  
LIVE MORE  
INTENSELY.



The background of the entire page is a photograph of a forest. Sunlight is streaming through the trees at the top, creating a warm, hazy atmosphere. In the foreground, there is a field of young saplings, each marked with a red tag. The ground is covered with dry leaves and grass.

# Economic (r)evolution

An environmental foundation established by Audi is working to protect the resources needed for the survival of humans, animals and plants. As evolutionary economists know, industry can also learn from nature.



COPY/ERICH SCHNEIDER

**W**hen the Audi Environmental Foundation was established, the occasion was marked by the planting of 36,000 oak trees northeast of Ingolstadt. Storms and drought had destroyed a forest of spruce trees there; now broadleaf trees are growing to replace them. In the course of the reforestation, AUDI AG will work together with scientists to determine the most favorable density of plants with regard to storing carbon and biological diversity. With projects like this, the Audi Environmental Foundation uses its five million euro endowment to promote development of environmentally sound strategies and technologies outside the realm of automobiles.

We can salvage our natural resources – and achieve much more – by using innovation to protect the environment. Over millions of years, nature has developed survival strategies that companies can also profit from. Professor Carsten Herrmann-Pillath performs research in evolutionary economics at the Frankfurt School of Finance and Management. Psychologist Dr. Klaus-Stephan Otto developed the concept of evolution management, and offers consulting services to companies and organizations. These two experts explain here how nature can act as a guide for economic systems.

## 1 Diversity sparks the imagination

When many different organisms live together in nature, they produce both more and better innovations than do populations with low diversity. Hardly any ecosystem contains as many animals as the forest – with the tropical rainforest being an extreme example. Rich resources enable an enormous variety of species here. Crossbreeding between organisms constantly produces new prototypes, with only the best-adapted ones able to survive.

Diversity also promotes innovation in economic systems. The application of evolutionary economics is known as diversity management. “The more diverse the members of a group are,

the more effectively they can tackle a challenge,” says Herrmann-Pillath. For this reason, teams should consist of experts with different cultural backgrounds, specialty areas and personalities. The experts exchange ideas in a group and combine the individual aspects of their proposed approaches until they find the optimal solution. Nature produces innovations according to the same principle. If two organisms crossbreed, parts of their chromosomes, and the chromosomes themselves, are reconfigured. Only the best assimilated organisms survive – resulting in a continuous optimization process.

## 2 Crisis as an opportunity

A crisis can occur in nature, just as it does within an economic system. “During an ice age, many species die out; afterward, the rate of development for new species skyrockets,” Otto says. Nature reacts to a crisis with new construction plans, and organisms develop innovative ways to handle resources. Similarly, a crisis both sends shockwaves through an economic system and presents it with opportunities. Those that adapt quickly to changing conditions can also experience swift growth.

The potential in a crisis lies in its disorder. One example of this is seen in how metals form crystals. “Heat causes the structures to jumble together. New arrangements are created from this disarray during the cooling process, and at some point, crystal is produced,” Herrmann-Pillath explains. In an economic system, good things also often emerge from disorder. A crisis knocks markets out of their routines – creating an opportunity to leave old paths, seek new approaches and reshape the future.

## 3 Strength through partnership

Evolution means a merciless fight for survival. But the idea that only individual fighters are involved is misguided. Often, the successful organisms are those that enter into partnerships. One example from



↑ Green offspring: These seedlings will grow into robust oak trees.

← The Environmental Foundation supervises the reforestation of a forest near Ingolstadt.

nature is the bird that cleans the skin of hippos. Both sides profit, with the bird receiving nourishment and the hippo maintaining good hygiene. The sum of this symbiosis is the production of an ecosystem. Symbiosis can also lead to success in economic systems such as networks. This has been seen in California’s flourishing Silicon Valley (see page 94), a loose network of high-tech companies. “On the one hand, the companies compete with each other, but on the other, they are also networked through things like research projects,” Herrmann-Pillath says. As in nature, a healthy balance between competition and cooperation determines the stability of an economic system.

## 4 Courage to fill a niche

Evolution is the mother of invention. “Plants and organisms continuously reinvent their environments. In this way, they create niches where they can grow,” Herrmann-Pillath says. Darwin’s finches are a famous example of the development of new niches. To survive on the barren Galapagos Islands off the coast of Ecuador, these songbirds divided themselves into subspecies with different eating habits. Each type of finch has a different beak so that it can →

## THINKING GREEN

How Audi integrates climate protection long term into its processes. Find out for yourself:

[www.audi.com/ar2009/environment](http://www.audi.com/ar2009/environment)

focus on a certain kind of food. Specialization in a niche segment is also a proven strategy for success in an economic system. "A company needs to consider whether it should wear itself down in cut-throat competition, or create new niches," Otto says. However, there has never been a guarantee for successful innovation. For this reason, nature's strategy primarily demands one thing: courage.

### 5 Success through adaptation

As the environment changes, so do its inhabitants. When white dunes emerged out of the loamy ground of the Chihuahuan Desert some 6,000 years ago, the indigenous lizards wasted no time in shedding their dark skin in favor of a paler tone, thus camouflaging themselves from birds of prey. This holds true for an economic system as well: Those that adapt quickly and intelligently to conditions can not only survive, but can also outpace

their competition. Companies that ignored the Internet as a sales channel, for example, began to stumble in comparison with those that deployed online sales from the start. "If the environment changes, this creates selection pressure," explains Herrmann-Pillath. Two strategies are possible: Businesses may develop new technologies, or optimize existing ones. Usually, a combination of both strategies leads to success. Electric engines are not the only way to reduce CO<sub>2</sub>; optimization of combustion engines is another option.

### 6 Sustainable use of materials

Even before a dying leaf has fallen from the branch, a tree begins withdrawing the nutritional elements contained therein. Once it falls to the ground, fungi, bacteria and worms break down the foliage, thus releasing valuable nutrients. Thanks to this perfect recycling process, one of

the oldest and biggest ecosystems of all – the forest – is able to maintain itself almost exclusively on its own. "In nature, there are many circular-flow economies of this type. A business can orient itself on that in order to conserve resources," Otto says. Recycling and reuse have long been a tradition at Audi as well, with most production waste being reintroduced for reutilization.

**In sum**, evolution means continuous progress – in nature and economic systems alike. A company that creates room for diversity, relies on partners, develops niches through innovation, reacts flexibly to change and conserves resources – such a company can not only survive, but can grow and flourish. Toward this end, the non-profit making company Audi Stiftung für Umwelt GmbH (Audi Environmental Foundation) actively works for the protection of our natural resources for survival. ●

## "Sophistication to me is ...



... synonymous with: no compromising. And this is exactly how we manufacture each of our cars: in an unconditional pursuit of perfection.

This philosophy guides the processes of all of our production units; from toolmaking via the press and body shops to assembly, we focus on maximum precision. This is what accounts for the singular beauty that distinguishes every Audi. It's the result of the focused work and passion for automotive construction shared by each one of our employees.

Sophistication also refers to luxurious, exclusive materials that are precision-crafted to the highest technical standards. Our flagship, the new Audi A8, embodies our great passion for the finest details: unsurpassed handcrafting. We dedicate utmost care to even the smallest component.

For the wood inlay work, for example, the grains harmonize extremely well with each other – each edge is touched up once more by hand. The switches are fitted precisely and are free-moving; their quiet 'click' is the sound of technical perfection, as is the solid sound made when a door is closed. After all, sophistication is precision that you can experience with all of the senses – that you can see, hear, feel and smell.

To me, sophistication is emotion. Not empty words, but a true mindset. We at Audi build cars with utmost precision for people who experience them with all of their senses – without compromise."

Frank Dreves, Member of the Board of Management for Production, AUDI AG



More time

**DESIGN ART**

Designer Tom Dixon created the "Light Light" installation exclusively for the world premiere of the A8.

# Leading-edge design as a new art form

Audi presented its flagship, the new Audi A8, at the very heart of the "Art of Progress" exhibition in Miami Beach. The brand thus forged a link to art and architecture.

*\* Fuel consumption and emission figures at the end of the Annual Report*



Glamour and style: Audi boss Rupert Stadler and U.S. actress Lucy Liu present the new Audi A8\*.



TEXT/VOLKER RACHOW

**M**iami is the pearl of Florida, the “Sunshine State.” And ever since Samuel Keller, at that time director of the renowned “Art Basel” fair, invented the “Art Basel Miami” in 2002, not only has the trade fair itself really taken off. The annual festival of art and design has made Miami a hub of the art world. Be it established artists or young design talents – they all flock to the American Riviera. To enjoy the platform afforded by the “Adrienne Arsht Center for the Performing Arts.” And with a little good fortune they may kindle enthusiasm for their work among the Rubell family, who in the Wynwood Arts District owns one of the world’s most important private collections of contemporary art. If trends get set anywhere, then here in Miami – and the art world could hardly have chosen a more pleasant spot. What better place to chat about art than between the 15 km sandy beach and the world-famous Design District north of

## ILLUSTRIOUS GUEST LIST

The world premiere of the new A8\* attracted many famous faces to Miami Beach.



**Craig Robins,**  
property  
investor

**Christina Ricci,**  
American actress

**Ben McKenzie,**  
American actor in  
“O.C., California”

**Tom Dixon,**  
British  
designer

**Ambra Medda,**  
Director of  
Design Miami/

**Don and Mera  
Rubell,** Rubell  
Family Art  
Collection

**Keellan Lutz,** American  
actor (“Twilight”)

**Louise Griffiths,**  
British actress

**Chris Noth,** American  
actor (“Mr. Big”)

Downtown. Americans, Europeans, and Asians love this leisurely atmosphere.

In December 2009, a very special building suddenly appeared in the midst of this melting pot of art and design. Audi erected an extravagant black pavilion directly next to the promenade on South Beach. It was ‘wrapped’ in white strips that fluttered gently in the wind and imbued the building with a real sense of lightness in the evening light. Hardly anyone could guess that inside, about 4,000 square meters of exhibition area were being created. The work of Munich-based architectural office “Design Company,” the edifice formed the exquisite backdrop for some 20 exhibits from the “Beg Borrow and Steal” exhibition of the Rubell Family Collection. Moreover, the 12-meter-high hall provided masses of space for the 850 or so international VIP guests. And placed the brand’s flagship, the new Audi A8, firmly in the limelight. The auto’s world premiere took place the evening before the “Design Miami/” and “Art Basel Miami” exhibitions opened. Five vehicles stood bathed in light in the white exhibition area. They included the aluminum space frame, the backbone of the new sedan – and an artwork in its own right. “Since leading-edge design has long since been acknowledged as being an art form, we see the link to art and architecture as a logical step towards the refinement of our brand,” said Audi Chairman Rupert Stadler, when welcoming guests to the evening. The motto of the private view: “The Art of Progress” – progress as an expression of art.

The evening was anchored by Lucy Liu, known for her role in the movie “Charlie’s Angels.” She welcomed on-stage among others Craig Robins, who has made a name for himself as the savior of many a historic building in Miami Beach’s Art Déco district. And countless Hollywood stars wandered about the show, such as Chris Noth (known for his role as Mr. Big in “Sex and the City”) and Christina Ricci (“Sleepy Hollow,” “Casper”). Needless to say, the Rubells were present.

As was Tom Dixon. The London-based designer created an impressive structure for Audi consisting of 159 aluminum lights and silver liquid lame fabric with weighted helium and hanging air balloons inside.

“Light Light” is, as it were, the lightweight version of light, gleaming expansively in the Audi Pavilion and dusting a series of fluoro-colored Dixon tables and benches as well as the neighboring A8 in a tender aura of lux and lumen. A few meters further and, peering over Mao Zedong’s shoulder, Joseph Beuys welcomed the guests. Life-size, made of synthetic resin. Part of an installation named “History Observed” by Li Zhanyang from Chongqing in China. And the real magnet among the works on loan from the Rubell Collection. Alluding to the exhibition title of “Beg Borrow and Steal,” the Audi brand borrows selected artworks and places them in a new context outside the world of art. And that functions both ways. “If our homes and apartments were only big enough, I imagine we would have cars all over the place as design objects,” declared renowned design professor Paolo Tumminelli. ●

\* Fuel consumption and emission figures at the end of the Annual Report



## THE FOCUS OF THE ART WORLD

Art Basel Miami is now widely considered one of the high-points of cultural life around the globe. The exhibitors include all the world's leading art dealers representing established artists and emerging talent alike. Design Miami/, which took place for the fifth time in 2009, is held parallel to the art fair. Audi is the exclusive auto sponsor of both trade fairs and also an exhibitor. The Audi Pavilion with the special exhibition on "The Art of Progress" – staged together with the Rubell Family Collection and Tom Dixon – was a satellite of Design Miami/ and Art Basel Miami.



Perfectly staged in the Audi Lounge: Audi also presented its new flagship at Design Miami/ itself.\*



# “Change is our mantra”

Audi Group design chief Wolfgang Egger speaks with design legend Hartmut Esslinger about the genius of simplicity, the crisis as an opportunity, the role of prototypes as test objects, and the stroke of luck to design a piano.

INTERVIEW / SUSANNE HOFBAUER  
PHOTOS / DOMINIK GIGLER

**T**he importance of design as a factor for the market success of innovative technology has been no secret ever since the triumph of Apple. The Californian computer maker first caused a stir in the mid-1980s with its Snow White design language. This design strategy was the brainchild of Hartmut Esslinger, who established the “frog design” agency in Germany in 1969. At the time computers were unattractive professional devices, their use by the masses nothing more than a vision. Today Apple is considered an example of how revolutionary product concepts implemented with uncompromising style can lead to sustainable social change. The Audi brand has also used design expertise to channel its powers of technological innovation in new directions. Socially, driving an Audi has become a synonym for style-consciousness and an affinity for technology. Design prizes and awards further underscore this success. Wolfgang Egger has been responsible for design at the Audi Group since May 2007. Showcars such as the Audi A1 project quattro, the Audi Sportback Concept and the Audi e-tron electric car study were created under his supervision.

**Wolfgang Egger:** We follow two approaches with our design work: First, we strive for a logical continuation of the product portfolio. Second, we regard design as provocation and as a vision of how a team contemplates innovations and explores all aspects of the car that can suggest changing use or a

changing environment. We want to provide answers to questions of mobility in the cities of the future, to questions of fuel consumption and potential drive systems. New drive systems, for example, lead to changes in vehicle architecture which we can explore in design experiments.

**Hartmut Esslinger:** The design processes differ relatively little from one area of technology to the next – leaving aside specific fields of expertise. Technology is often much more evolutionary than one thinks. Software systems, for example, are nearly eternal. The basic technology behind the Macintosh operating system has been continuously improved since 1984, but in principle has not changed fundamentally. It is therefore imperative that designers have the ability to imagine multiple options that could come to fruition in the future – more specifically, five to ten years ahead of their time – and nevertheless remain flexible in their creative strategies. Change is the mantra of the designer.

**Egger:** We Audi designers are also interested in creating dreams by making a car into an extremely emotional experience. In a sports car, it is the archaic experience of feeling speed and controlling lateral and linear acceleration. Because the engine makes this experience possible, we went to extreme detail with the engine of the R8, for example, to best maximize this potential for emotion. At the same time, we think about how we can also refine this deep emotionality for →



More time



Two creative minds on the same wavelength: Audi Group design chief Wolfgang Egger (left) and Hartmut Esslinger, the founder of "frog design," share an enthusiasm for simple and authentic designs.



concepts to save fuel and, as in the case of the Audi e-tron, how we can represent this with electrical energy.

**Esslinger:** The most important thing is to create something that people find to be fun. By the way, you can find out whether you have succeeded in doing so as early as the development phase by using children as test persons: Children are ruthlessly honest.

**“Sometimes the return to simplicity and logic is the right step.”**

**Hartmut Esslinger, design legend**

*Hartmut Esslinger, 65, has shaped the modern world of consumer goods like no other. His more than 40 years of experience as a designer flowed into the 2009 book “A Fine Line: How Design Strategies Are Shaping the Future of Business.” The most important theses: To be successful as an innovative brand, design must be an integral component of corporate strategy. Creative strategies must be prepared thoroughly and well in advance. It is also necessary to form strategic reserves in case an idea doesn’t work out. Generally speaking, you should learn from setbacks, and adaptation can prove to be a clever move. In addition, only the best is good enough. Being content with mediocrity is the beginning of the end. Design has nothing*

*to do with democracy, and everything to do with quality.*

**Esslinger:** As a rule, every new company starts out innovative – for example with a new idea or a new business model. As the company becomes more successful, there is the danger that it will go on the defensive and try to preserve what it has achieved instead of continuing its pioneering work. The worst-case scenario is that the company ends up being all about figures and is run purely by controllers. As far as luxury is concerned, I also consider it an illusion that there can be luxury for everyone. In my opinion, something is not luxury unless the buyer has to make a certain sacrifice in order to afford the product – but can then take pleasure in an exclusive and exceptional object.

**Egger:** I feel that the premium concept is best embodied by plainness and simplicity. The authenticity of the materials also plays an important role. Customers are willing to spend money for natural leather tanned with rhubarb, for example, because it allows them to take a bit of their quality of life into the car with them.

**Esslinger:** Sometimes the return to absolute simplicity and logic is the right step. A keyboard on which you could type had long been considered essential for a telephone. Yet people are so much more skilled with their hands and are capable of playing the piano and creating sculptures. So we devel-

**Audi Group design chief Wolfgang Egger met with design legend Hartmut Esslinger in a Munich loft to discuss the future of design language and creative strategies. Both agree: Less is often more, and only the best is good enough.**

oped a telephone that reacts to gestures and specific hand and finger movements. At first our customer thought we were crazy, but in tests people thought it was great. If you are always making compromises, ultimately no one will believe you. And sometimes you just have to risk going for broke. To do this, you need courage and expertise.

**Egger:** The Audi A1 is a fantastic example of this. Looking back in time: Three years ago, we had a very advanced design study in the pipeline that we still didn’t find to be very emotionally satisfying, so we presented an entirely different concept car at the 2007 Tokyo Motor Show: the “Audi A1 project quattro.” As we always do with showcars, we observed how people reacted to the model. This gave us feedback as to which design aspects we should continue to pursue in the future. In any case, the public’s reaction to the concept car was overwhelming. Immediately after returning from Tokyo, we held an emergency meeting at which we completely revised the project and converted it into the new model that is familiar today. This change in course enabled us to develop a sense of future requirements before there was any talk





of a crisis, and today we are in a position to introduce a car to the market that is in step with the times.

*Speaking of the crisis: Crisis is generally understood to mean a difficult and dangerous time. The Greek word krisis also means "decision or decisive turn." In other words, you can look at a crisis as a turning point at which a new course is set and a new idea can be accepted that would otherwise not have had a chance. The Audi A2, for example, showed the way of the future with its economical and ecological radicality: technically sophisticated lightweight design, a true five-door car with fuel consumption of three liters per 100 kilometers and a coefficient of drag of only 0.28. The Audi A2 was far ahead of its time, and production was stopped in 2005 after 170,000 units had been sold.*

**Egger:** For me the Audi A2 is a vision whose sustainability is only now becoming apparent. In this respect I consider the crisis to be an enrichment, because we are now again focusing more closely on the true values of life. It is important to use energy prudently. That applies equally to our daily lives and to the car. However, this doesn't mean a change of direction at Audi. Lightweight design, driveability,

authentic materials – these all belong to our brand values. The A8 allows us today to look back on decades of experience with all-aluminum Audi Space Frame bodies.

**Esslinger:** One unintended positive effect of the crisis is the interruption of several completely senseless consumption cycles. Instead of simply buying "something new," people expect "something better and more sensible." Many companies are finally seeing the opportunity of extensive innovation, for example making digital products more user-friendly. It is also important to redefine the emotional quality of the products. We have to change our thinking and identify usage patterns that may initially appear unorthodox. We have a great chance to generate enthusiasm among our customers with a better and more cultured design.

**Egger:** Precisely. We are therefore essentially open to anything and are full of ideas. We believe that urban mobility in particular, allied with the necessarily compact vehicle architectures, and also micromobility are the important topics of the future. We observe how our customers' personal values and therefore their needs change. As part of the process of devising a concept for our vehicles, we conduct so-called "home stays" which enable us to get to know customers in their own surroundings. In this way we find out about their wishes, aesthetic preferences and – most importantly – their dreams.

We then translate this knowledge into actual mobility concepts and draw conclusions for our premium brand. Audi maintains an "external" design studio in the Schwabing district of Munich, where Egger and his people work

**"We Audi designers are interested in creating dreams by making cars an extremely emotional experience."**

**Wolfgang Egger, Audi Group design chief**

*on innovative vehicle concepts as well as projects that have nothing to do with the car business. The Audi design team has designed skis, watches, sailboats and a concert piano, of which Egger is particularly proud. He pulls drawings out of a black portfolio, spreads them out on the table, points to the distinctive black cover that extends seamlessly to the floor on the left side of the grand piano. This wall reflects the bass toward the listeners.*

**Egger:** When Lang Lang played this grand piano for the first time at our 100-year anniversary, a shiver ran down my spine. That was a new and entirely different dimension of the emotional experience associated with the Audi brand. ●

Susanne Hofbauer is an editor for *Autorevue* in Vienna. She is particularly interested in car design.

#### DESIGN SUMMIT

See Wolfgang Egger and Hartmut

Esslinger on video at:

[www.audi.com/ar2009/design](http://www.audi.com/ar2009/design)

# Setting off for the world of tomorrow

The road to an electric vehicle suitable for everyday use remains a long one. Audi engineers, technicians, designers and economists are working on the subject at the e-performance project house. Suppliers are also involved. The e-tron sports car concept marks the first step.



Attention: Side mirrors are death to aerodynamics.  
Suggestion: Install LED monitors in the A-pillars instead – because of viewing habits!





**T**heir day normally revolves around gaps, aerodynamics and revs. But carmakers sometimes also have to contend with philosophical issues. One existential question is of particular concern to Stefan Sielaff, chief designer of the Audi brand: "Do we want to make an ecological statement with the electric vehicle, or do we want to follow the accustomed automobile aesthetic?" Not even Sielaff knows the final answer yet, but one thing is certain: "We are standing at the threshold of a paradigm shift," he says. "Times haven't been this exciting since the first cars replaced the carriage. We have the opportunity to make design history and engineering history at the same time."

This feeling that the time is ripe for groundbreaking ideas can be found everywhere throughout the Audi Group. Take Franciscus van Meel, for instance. The head of Project Steering/Strategy for Vehicle Electrification regularly withdraws at the end of the work day into a "secret war room" with other managers. The room is so secret that only the participants know if they have to leave the plant to get there. Once there they get down to the serious business: electrically powered cars.

**Electricity has been a powerful topic for years** at Audi. The e-performance project house was established in January 2009. Ricky Hudi, head of Electrics and Electronics Development, describes it as a "cross-unit pooling of expertise in order to address the essential themes of electromobility in project structures in an extremely short period of time." The project house's interdisciplinary groundwork includes launching in 2012 a small series of the e-tron electric sports car introduced at the 2009 Frankfurt Motor Show (IAA). Or the development of a plug-in hybrid – a drive system that combines a combustion engine with an electric motor, whose battery can also be charged through an electrical outlet.

"While other companies completely isolate the specialists for a certain period of time for such projects, our group constantly maintains a very strong connection with the company," adds vehicle concept chief Roman Schindlmaister. But it's about more than just the technology. "It's also a matter of changing something in the minds of the employees." Audi is taking a holistic approach and reinventing the electromobile from the ground up rather than simply retrofitting conventional vehicles. "And that means starting almost from scratch," says van Meel. Taking leave of the combustion engine, fuel tank, transmission and other

components provides more creative scope for the engineers. However, the core competence of lightweight construction remains crucial for efficient use of the available energy.

Everyone is forced to change their thinking, and that requires new forms of cooperation. Audi is using the project house to tap into the ideas and expertise of experienced supplier employees who are familiar with the peculiarities of batteries, for example, because they have been working for years at their companies on storage capacity. Also in demand is the expertise of telecommunications experts, who are pondering how to optimally integrate car-2-car communication.

Since October 2009, the e-performance project house has also enjoyed the support of a three-

**"We try to put ourselves into the position of people who will drive an electric vehicle."**

**Franciscus van Meel: head of Project Steering/Strategy for Vehicle Electrification, AUDI AG**

year, publicly funded project of the same name in which Audi is networking with scientists and industry partners. According to van Meel, "No one needs to be able to serve a finished meal to the others, but everyone should be able to cook." To make sure that no outsider oversalts the power-packed soup while seasoning it, the project house location is a completely secured area.

**Even if Audi quickly manages** to win the employees over to the idea of a new era, there still remains some rethinking to be done. More is required: It is not enough to simply drive an electric car. With respect to the CO<sub>2</sub> balance, the electricity used as fuel must also be generated in an eco-friendly manner. The holistic Audi approach therefore addresses not only the further development of all the systems associated with the vehicle, the Group is also working with energy suppliers and is analyzing investments in solar energy farms in the Sahara and wind farms in northern Germany. In short, the team appreciates any and all free and creative thinkers. Of course, zero emission does not mean zero emotion. "You have to possess the ability to fly off into orbit every once in a while," say Schindlmaister in explanation of the project house philosophy. Van Meel, who is ultimately responsible for putting the project house results into series production, sums it up: "We have to try to put ourselves into the position of people →



who will drive an electric vehicle so that we can identify what we need to do from a technical standpoint so that they feel good while driving it." Even the originators of electric vehicles, which have been on the streets since Thomas Davenport invented the electric motor in 1834, had to contend with battery problems: reliability, weight and of course range. Electronics enable today's batteries to last for roughly ten years, and new lightweight construction materials can offset the weight of the batteries, but range? The battery of a typical compact electric car can easily store the energy required for a trip of around 100 kilometers, and the

**"A break with viewing habits needs time before it is accepted by the customer, of course."**

**Stefan Sielaff, chief designer of the Audi brand**

average driver in Germany does not drive more than 70 per day – roughly equivalent to four liters of gasoline in a conventional gas tank. However: "Drivers get nervous with only four liters of fuel in the tank and immediately go to the nearest gas station. But suddenly they don't have more than that available to them when they set out in a fully charged electric vehicle," explains van Meel. Stefan Sielaff as a designer is also concerned with breaking conventions. "We are in the process of inventing a separate electric design language with the aim of completely breaking previous patterns. You have to imagine it like the change from the Renaissance to Baroque. Such a quantum leap needs time before it is accepted, of course." An important step on the road to acceptance and everyday practicality is that the electric vehicle must become a reliable partner. It must communicate the driving style and the route that will make

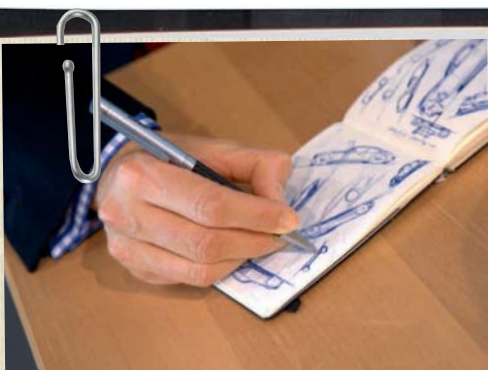
it possible to cover the entire distance out and back. It has to record locations where an electrical outlet might be available. It must signal if the driver forgets to hook it up to the electrical network in the evening. Why not by text message to the driver's cell phone? When charging, it must indicate when the electrical system is too weak and the charging process will take twice as long as planned – the requirement specification is long.

**There is one thing that Audi customers** will not have to give up: the accustomed level of comfort. At Audi an electric drive system does not automatically equate with austerity, although every additional kilogram of vehicle weight has a noticeable and adverse effect on the supply of energy on board and thus reduces the range. After all, the Group has a long tradition of lightweight construction with the aluminum Audi Space Frame, and this tradition is being carried on by the Audi Lightweight Design Center in Neckarsulm, where the engineers are also developing expertise with carbon fiber. Each part of the new electric vehicle is being developed specifically, all the way through to the optional extras. Innovation has priority over sacrifice. "The electric vehicle will become a status symbol," predicts Dr. Michael Korte, who heads the project house. Take the air conditioning system, for example. The Audi technicians developed something entirely new: a heat pump for the car that uses the waste heat of the electric engines to heat and warm up the interior. The e-tron also demonstrates that Audi will tolerate no compromises when it comes to dynamics. "Today your car is an expression of your position in society," says Sielaff knowingly. "Our sporty positioning plays right into the hands of the 'forever young' social megatrend."

As solid as some of the technical solutions already are, the specialists have to look into their crystal ball to see if demand for them exists and how the future will look. "If you believe the oil industry forecasts, the oil supply will be running low by the year 2050. We'll presumably be traveling under electric power by then, particularly in the megacities. Traffic will certainly be much quieter, and also safer due to advanced driver assistance systems and sophisticated car-2-car communication," says van Meel. By that time the e-tron will long have achieved cult status. But there will still be the secret war room – just like today. Because research never ends. ●

**Roland Löwisch writes for Auto Bild, Ramp, brand eins, Focus, Playboy and Die Welt, among others.**





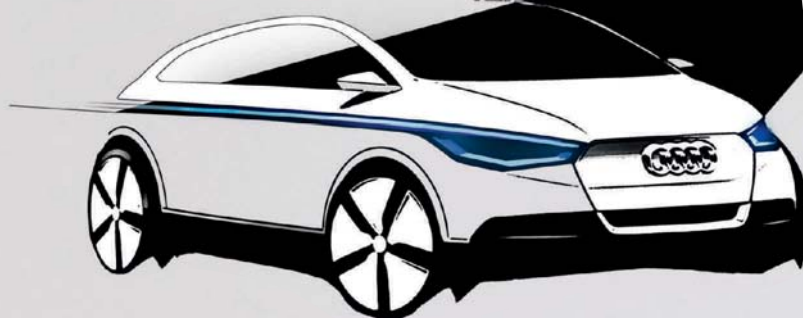
↑ Farewell to the engine block, transmission and fuel tank: Stefan Sielaff, chief designer of the Audi brand, is developing the first ideas for an electric design language.

← Discovery phase: Stefan Sielaff sees the opportunity for a design revolution.

LOOKING AHEAD  
Rethinking the car –  
more design sketches at:  
[www.audi.com/ar2009/  
e-performance](http://www.audi.com/ar2009/e-performance)

More time

Important: Electrical energy can best be visualized as light. What solutions do the technicians still have in the pipeline?



“Lightness to me is ...



... essential. It has been more than 15 years since we developed the first Audi A8. Its aluminum body based on the Audi Space Frame (ASF) was a revolutionary project. We took the long route of the pioneers, but we reached our destination. Audi is the leading brand worldwide in lightweight automotive construction. To date we have produced roughly 600,000 cars based on the ASF, far more than any other manufacturer. These bodies are up to 40 percent lighter than a comparable body made of steel, allowing us to reverse the weight spiral. Audi currently produces five models whose bodies are made entirely or primarily of aluminum: the R8, the R8 Spyder, the TT, the TT Roadster and naturally our flagship, the new A8.\* Lightweight construction plays an important role in the efficiency of these cars. We reduced the fuel consumption of the soon-to-be-available 3.0 TDI with front-wheel drive to an average of only six liters of diesel fuel per 100 kilometers –

a sensational value for a sporty sedan that impresses with its exceptional quality and craftsmanship. Lightweight construction remains a comprehensive task and a strategic project for Audi. Even though our efficient TDI and TFSI engines will continue to play a major role for a long time to come, we are trusting in electrification in the long term. For instance, we are currently hard at work on hybrid versions of the A8 and Q5, and also our fully electric Audi e-tron. However, an electric drive system comes at the cost of substantial additional weight. In order to nevertheless provide the dynamics and efficiency typical of Audi, we cut this weight from other areas. Our expertise in lightweight construction already gives us a huge lead today, and we will continue to extend this lead.”

Michael Dick, Member of the Board of Management for Technical Development, AUDI AG

\* Fuel consumption and emission figures at the end of the Annual Report

A CAR FOR THE ROAD  
Come along on the maiden outing on the Pacific Coast Highway near Los Angeles:

[www.audi.com/ar2009/e-tron](http://www.audi.com/ar2009/e-tron)

Explosive acceleration, an amazing 4,500 newton meters of torque – and all you hear is a light humming.

# High-voltage on the asphalt

The Audi e-tron concept car gives you a foretaste of the sports-oriented future of electromobility. A test drive with watts, volts and emotions.

COPY/MICHAEL KIRCHBERGER

A delicate hum fills the air. The selector lever clicks into the "Forward" position and a gentle jolt causes the body to tremble. And then the pressure on the accelerator in the footwell dials up the thrust that quickly brings the car up to speed from a standing start. The high-tech drive system accelerates the car, which weighs around 1,600 kilograms, from 0 to 100 kilometers per hour in 4.8 seconds. The pressure pushing your upper body back into the contoured seat must be similar to that in a supersonic jet. Yet all you can hear is the mumbling of the passenger. Isolated words like "unbelievable" or "amazing" can be plainly heard because

the drive keeps the noise down to a subdued whistle hardly louder than when a computer fan is switched on. At higher speeds the only sounds are the rolling noise of the tires or the tempestuous rush of the slipstream. There's no multi-cylinder V engine screaming under the sloping rear hatch of the vehicle – the heart of this car is a battery. The drivetrain puts out 230 kW (313 hp) and 4,500 newton meters of torque. For comparison: Among the ranks of the supercars and muscle engines, torque values greater than 1,000 newton meters are considered to be physically difficult to contain. Audi therefore drew upon long-standing virtues. The wheels are powered directly by elec-



tric motors. The short distances that the torque has to travel between its generation and meeting the asphalt reduce friction losses. Hardly a newton meter is left behind. As much as the acceleration promotes the rush of adrenaline, the innovative drive system does just as much to bring the pulse back down. Depending on the driving situation, the assembly supports, brakes or corrects. The intelligent electronics direct power to the wheels to always ensure the best possible dynamics and safety. This also provides maximum enjoyment for the driver when they discover how delivering more torque to the outside wheels while accelerating out of a corner pulls the car around the corners as if it were on rails. The e-tron is glued to the road and pulls through corners as if the gods of driving physics had braced their hands against the flanks of the tires in support. The electronics already begin monitoring traction while accelerating from rest because "there isn't a mass-produced tire available today that could withstand it if the motors delivered their maximum torque unfettered," explains an Audi engineer. The controller therefore monitors the steering angle of the wheels – to prevent damage to the suspension mountings, for example – and measures wheel slip, from which it derives the grip on the road surface.

**The suspension** plays along charmingly. Taut, but not uncomfortable. Very few prototypes exhibit such balance – and even more can be expected of the production vehicle. The brakes bite hard and powerfully, yet their calipers are applied with great precision to the four lightweight composite disks. The disks shimmer with a delicate gray through the spokes of the high-performance wheels developed specifically for the e-tron. They are however only used for severe braking. As soon as the driver backs off the thrust, the polarity of the electric motors is reversed and they act as generators. The recuperated energy is fed back into the batteries as electric current. This is good for a few more kilometers of range.

The Audi e-tron electric supercar is based on the lightweight aluminum body of the R8, which is ideally suited as the platform for the innovative electric technology. Lightweight construction and sophisticated aerodynamics are important properties that reduce energy consumption and thus increase range. The e-tron has to lug around a heavy load, which is located directly behind the

tailored seats covered in soft, exquisite leather. The lithium ion battery weighs in at 470 kilograms (a powerful V8 engine weighs barely half that), has an electrical capacity of 42.2 kilowatt hours at a voltage of 400 volts and is good for a range of 248 kilometers. The placement of the battery is excellent in terms of driving dynamics and is also safe in the event of a crash, as already computed by the developers in countless computer simulations.

**But the charged battery** has another entirely different set of requirements and exhibits almost human traits. Its capacity decreases if it gets too hot or too cold. 25 degrees Celsius is optimal. The battery therefore has its own water-filled cooling loop. Three additional loops provide thermal management for the motors and the power electronics. A series of flaps in the single-frame grille and in the flanks, as well as extensible cooling ribs above the rear of the 4.26-meter-long and only 1.23-meter-tall electromobile direct cooling air from the slipstream to the motors. Side mirrors are death to aerodynamics, which is why the designers have done away with them on the e-tron. Instead, tiny cameras snuggle tightly against the outside of the A-pillars and project their images into the cabin. The small four-inch displays sit at the exact point to which the driver's eyes move while changing lanes: to the front window frame of the driver's and the passenger's door. The break with our viewing habits shouldn't be too sharp.

A heat pump system regulates the cabin temperature to relieve some of the burden on the energy system. Lightweight, quiet and very responsive, the heat pump helps e-tron drivers to keep a cool head, while an LED charge status indicator mounted on the center console (which no longer houses a cardan shaft but gives the body greater torsional rigidity) keeps them informed at all times. The charge status of the battery is represented by either a flashing red light or a steady green light.

Although the e-tron units in existence already have a decidedly sporty character, the developers still have a long way to go. The car is scheduled to go into series production in 2012. ●

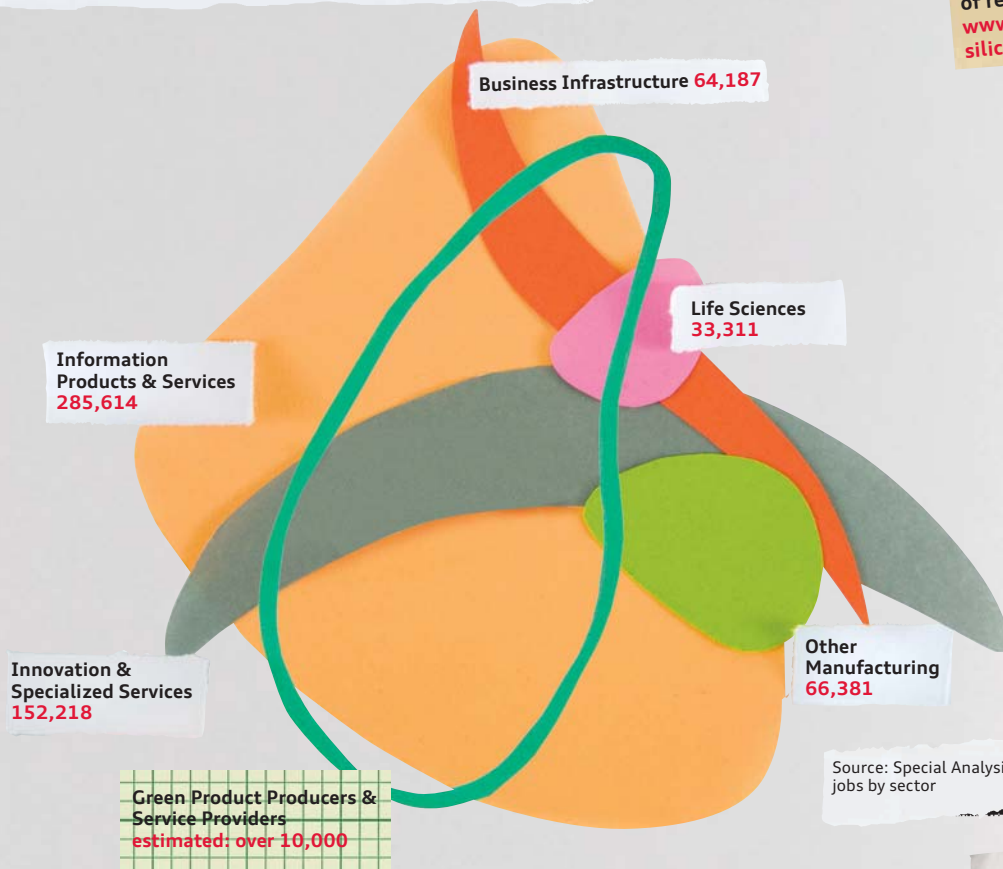
**Automotive journalist Michael Kirchberger enjoyed the test drive in the Audi e-tron along the Pacific coast of California.**



### **JOBS IN SILICON VALLEY BROKEN DOWN BY SECTOR**

Green business is also taking advantage of the high degree of network integration: According to current estimates, more than 10,000 jobs in the green tech sector (represented by the green line) have already been created at almost 700 companies and startups across all sectors.

**POWER FROM SUGAR CANE**  
The future belongs to alternative fuels. Find out about the current state of research:  
[www.audi.com/ar2009/siliconvalley](http://www.audi.com/ar2009/siliconvalley)



Source: Special Analysis 2009, Silicon Valley Index, jobs by sector



## **Greenhouse for cleantech**

Silicon Valley is transforming from an IT hotbed to a worldwide mecca for environmental and energy technology. Amidst all the green idea foundries, Audi is conducting research into the long-term future of efficient mobility.



COPY/STEFFAN HEUER

**T**he new building on the campus of the elite Stanford University in California appears at first glance to be a simple car workshop. Roughly 800 square meters of workspace, seven spots with pits and jacks, and a few meeting rooms in between. But looks can be deceiving. The green future is being assembled here bolt by bolt and line by line of code: autonomous vehicles, artificial intelligence for low-emissions navigation and other exciting cleantech ideas. Stanford's CarLab brings sociologists together with software engineers and solar technicians; robotics experts with engine developers. The think tank demonstrates how closely academics, pioneers and corporations work together in Silicon Valley. "Everyone knows everybody else and is curious – it's a constant cycle," says Valley expert Paul Saffo. CarLab, established with the support of Audi, is a symbol of the green evolution in Silicon Valley.

The conurbation between San Francisco and San Jose has been considered an IT hotbed for decades. However, bold ideas for new environmental and energy technologies have been ripening in the shade of the computer and Internet industry. Projects range from computer-designed microbes for new biofuels to ultra-thin solar cells and software to make the power grid or the flow of traffic more efficient.

**In the middle of this green technology mecca,** the Volkswagen Group operates an internal think tank dedicated to the interdisciplinary study of the mobility of tomorrow. The Electronics Research Lab (ERL) in Palo Alto employs around 50 engineers and researchers searching for new ideas and innovation partners for Audi and the other Group companies. "The people here invest in ideas, not finished business plans, even if the chances of success are only 1:20. The willingness to take risks leads to astonishing innovations," says the lab's director, Dr. Burkhard Huhnke. "We want to get in on this cycle as soon as possible and drive it forward." One important project at the lab located in the immediate vicinity of Stanford is the "Audi Clean Air" research program that was established in 2007 as a multi-year collaboration with Stanford University and the University of California (UC) campuses at Berkeley and Riverside. A team under Riverside professor Matthew Barth is working together with the ERL on navigation systems which aim to reduce emissions and fuel consumption without significantly extending

driving time. Barth has developed an algorithm that processes consumption data from 15 years of laboratory tests with current road information. The program can suggest an appropriate "green route" in just a few seconds.

**Coupled with this is the project** for intelligent engines at UC Berkeley under the direction of Professor Karl Hedrick. The software can look three kilometers ahead and uses information about the route, change in elevation, the current flow of traffic to set the optimal torque and best speed using the vehicle's adaptive cruise control. Both innovations can each reduce fuel consumption by between five and seven percent, and according to Hedrick are just the first of a number of efficiency improvements still to come. The two academics next want to address green navigation and engine control on smaller streets. In contrast to expressways, there is little real-time data available for urban and interurban roads, but these routes also harbor substantial savings potential once vehicles can communicate with each other and traffic signals, for example. Just as important, if not more so, is the development of new, more powerful batteries and the corresponding software for the

**"The people in Silicon Valley invest in ideas, not finished business plans."**

**Dr. Burkhard Huhnke, director of the Electronics Research Lab**

electric vehicles of the future. Silicon Valley is very fertile ground for innovation in this field thanks to prominent startups and the existing technical expertise from the PC industry. An internal ERL team has been working since early 2009 on the development of a new battery pack for the Audi e-tron concept car, for example. Besides green technology, the engineers in Palo Alto who develop for Audi are also very interested in the people behind the wheel. Together with Stanford, they have developed a self-steering Audi TTS with which they hope to fully exploit the potential of the driver assistance systems. It is hoped that the technology will later be able to accept route instructions, such as to drive into a parking garage. ●

**Steffan Heuer is the U.S. correspondent of the business magazine brand eins. He lives in San Francisco.**



A photograph of a dense forest. The scene is filled with tall, slender trees, many of which have thick, moss-covered trunks. The forest floor is covered in lush green ferns and other vegetation. Sunlight filters through the canopy, creating a dappled light effect. The overall atmosphere is serene and natural.

# smell

A forest in which we smell: oxygen, wood, resin, leaves, moss. Over all this hovers the fine scent of fresh leather – impressive.



# Chasing the senses

Seeing, smelling, hearing, feeling, tasting – above and beyond ecology and economy, driving a car is primarily a sensual pleasure. Test driving the new R8 Spyder\* we set out for Galicia in northern Spain.







**In the tunnel, the 343 meters per second of the speed of sound battle it out against the 313 km per hour of the R8 Spyder\*. We listen closely. Is there a winner? One reason for trying to beat it.**





taste



**Blurred becomes clear. Salty kisses  
from mermaids, even though the bay is  
20 meters below us. We taste the  
waves, our mouths dry with amazement.**









More time

# touch

The feeling of security and acceleration  
as if touching the world for the very first time.  
With your hands and whole body. Unobtrusive  
power mixed with a powerful lightness.



# sight

**Seeing time as if it were the reflections of stars in the paintwork. Glances fall like theater curtains on the design of the R8 Spyder\*. Fixed gazes, not fleeting.**

*\* Fuel consumption and emission figures at the end of the Annual Report*





## SENSE AND SENSIBILITY

When winding roads send a tingle down your spine. For a multimedia experience of the R8 Spyder visit: [www.audi.com/ar2009/senses](http://www.audi.com/ar2009/senses)

COPY/ SVEN SCHULTE-RUMMEL  
PHOTOS/ SORIN MORAR

Our senses precede us like our shadow when the sun shines from behind. We use our eyes, for example, to permanently look towards the future, calculating what to do in the next second. Carefully turn the steering wheel a little further? Our eardrums work faster than our pupils, warning us to pay attention as the sound of a horn approaches. With our skin sensors, which react to vibration, we sense the hairpin bend and decide whether our foot should overcome the resistance of the accelerator. But how close can we get to our senses if they are constantly preceding us?

**Sight, smell, hearing, touch and taste.** It is primarily through the classic five senses that we perceive the outside world. Our sense organs long for information. They grasp anything in their vicinity, drawing it in like children drawing their parents to a carousel. Rods and cones in the eyes, receptors in the nose, the taste buds on the tongue, the sensitive eardrum, the network of nerves in the skin which are sensitive to warmth and touch, with which we taste, feel and sense ourselves. When our senses perceive weather conditions they use data-nerve highways to send electrical impulses to the brain, where, following an initial selection process, we become aware of the information. We make use of our wealth of experience – and then make a decision. Our grip firmly on the steering wheel: Can I squeeze another 20 horsepower out of the ten-cylinder engine in the Audi R8 Spyder\* – after all, 525 stallions (386 kW) are waiting in the stalls, just raring to go?

Stop. Imagine that for just a moment your powers of perception were doubly intensive. Taste, smell, noise, colors and touch.

The senses no longer have a chance to look forward, they exist in the here

and now. They huddle against the experience like the leather of the R8 sport seats around the receptors in the shoulder region. A new dimension emerges from which there is no way back. Only a return to a normal life that is duller. Having been bombarded with fresh sensual impressions, nothing is the same, as a new climax of intensity has branded itself on our consciousness. An experience which leaves its mark, like holding hands with your first true love. This is the moment we captured our senses, and now you are close to your first trip in the R8 Spyder. Driving a car is a sensual experience – in virtually no other everyday situation are our senses called on more forcibly: Through the seat our tense body feels at one with the car, perceiving the slightest of changes, its roadholding and lateral acceleration as the four wheels dance across the asphalt. Together with our eyes and muscles a tiny organ in the inner ear is responsible for our equilibrium and right now is working full out so that we remain in control of the road. Depth sensitivity checks that everything is still in the right place.

**Through our hearing** we can check how fast the engine is running and whether the wheels are holding the road in tight bends. And decide whether it is time to shift up a gear with a tiny movement of the second and third fingers at the shift paddle on the steering wheel. When the comforting sound of the V10 engine reaches our eardrums, our nervous system injects adrenaline into the bloodstream, goose bumps cover the length of our arms, whereupon we reach out a hand and start feeling our way forward. Despite wanting to open our mouth in amazement, it remains firmly closed to preserve our sense of taste; our lips pressed together as if to protect them from

the slight tang of the sea air. Our nose monitors the surroundings, testing air for the smell of hot brake pads and fresh leather. We take a deep breath and even if the wind does not hit us directly in the Spyder, the scent of the world wafts its way past the tiny hair cells to the 30 million olfactory cells. Just as well our sense of smell is sharper when sitting than when lying. We keep to the road using our eyes, even when the road markings become blurred at twilight, like footprints in the sand in a rising tide.

**But the ride in an R8 Spyder** is just the first sensual dimension. Few other means of transport make it so easy to reach classically “sensory” destinations in such a short space of time. Leave the loud, garish city with its permanent sense overkill, head for the even, rhythmical sound of the ocean, through dark forests to the shimmering green heartland, past rusty red cliffs on the way to deceptive silent peaks. Stop. Switch off the engine.

The open-roof R8 succeeds in bridging the supposed gap between technology and nature. Supposed, because it is not about evaluating the antithesis of machine and environment, but about the intensity of our perception using all the senses. And beyond any evaluation, perception requires contrasts. The R8 Spyder and nature are not on different scales, but at different ends of one and the same scale. There is no light without darkness, no heat without cold, no sour without bitter and no hard without soft. Whispering can only become loud if the pleasantly sonorous sound of the V10 engine fades. The lack of wind is only perceived as intensively warm after your face has been whipped by the fresh sea air, when the convertible roof quietly closes over driver and passenger. ●



# Time/Space

Dimensions of luxury: taking time, creating space



**01/20th Audi Summer Concerts** The Audi Summer Concerts celebrated their 20th season in 2009. The title itself, “A Feast of Music,” promised the best musical offerings, with international stars and famous orchestras and ensembles heading for the city on the Danube – including a first visit by Kent Nagano and the Bavarian State Orchestra. As a birthday treat the Summer Concerts series also included two free concerts held in Ingolstadt’s Klenze Park. Last summer, the 20 performances attracted a total audience of more than 25,000. The concert series has therefore enchanted over a quarter of a million people since its inception. **02/The giant of Ingolstadt** More than ten meters long, four and a half meters wide and a good three meters tall: These are the dimensions of the Audi TT sculpture. The ten ton structure, built upon a steel frame, has adorned the center of the Audi roundabout, a road junction very close to the Ingolstadt plant, since July 2009, where it aptly symbolizes the company’s strong ties to the city and the region. The over-sized design icon was first shown at Berlin’s Brandenburg Gate in 2006, before visiting Beijing and Hong Kong. **03/Bayreuth Festival** The Bayreuth Festival is a major event in the international cultural calendar. Audi has been principal sponsor of the music festival since the 2009 season. Alongside classics like “Tristan and Isolde,” the season’s highlights included the premiere of a children’s version of the opera “The Flying Dutchman.” In forging this partnership AUDI AG has extended its long tradition of cultural involvement. The Company for instance has already been principal sponsor of the Salzburg Festival since 1995.

**01/STAR-STUDED SUMMER**  
Kent Nagano with the Bavarian State Orchestra opened the Audi Summer Concerts.



**02/HANDOVER OF TT SCULPTURE**





# New German Wave

The Web 2.0 generation hits the right note. Anyone who makes it into the Audi Youth Choir Academy is given artistic polish. Preconditions are natural talent, a love for classical music and the willingness to work hard.

COPY/JAKOB SCHRENK  
PHOTOS/URBAN ZINTEL

70 voices become one. While rehearsing for the Berlin Fairy Tale Days festival, the Audi youth choir grows close, with many new friendships formed.

**T**There are some things that are even more important than chatting about boys or the best disco in Berlin. Clara Horbach, 19, who studies music and mathematics in Munich, pushes away her half-eaten portion of schnitzel, gets up from the table, says “see you later” to her friends, with whom she has been talking animatedly, and steals out from the dining room as unobtrusively as possible. Outside, Clara crosses the lobby of the Berlin-Wannsee Youth Hostel, opens the heavy wooden door of the re-

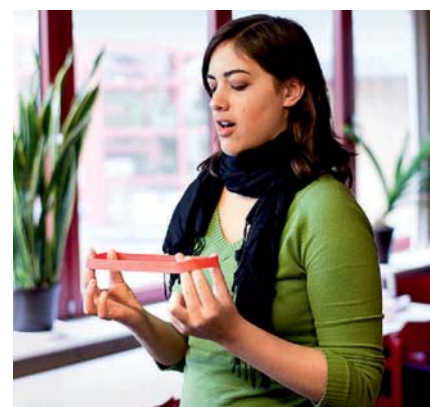
hearsal room, sits down behind a grand piano, takes out her music and starts to play Bach’s “English Suite No. 3 in G minor.” From the start of the opening bars, Clara closes her eyes, lowers her head, and gently bends her back as if she were a diver preparing to jump into a sea of music that accompanies her, into the deep where she can be alone. Just her and the music. Choir director Martin Steidler claps his hands loudly to bring Clara back from the depths of her musical bliss. Gone unnoticed by Clara, he has been stand-



ing in the doorway, listening for quite some time. He now forces himself to say in a stern voice, “We told you that you should relax for at least two hours to prepare yourself for the concert tomorrow.” “But I’ve hardly had a chance to play the piano this week,” Clara pleads. “Please. Just another ten minutes.” The corners of Steidler’s mouth twitch as he tries very hard not to smile.

**Any choir director** who is unable to stop his students from practicing for even two hours can count himself a happy man. “It is incredibly fun working here,” says Steidler. A professor at the University for Music and Performing Arts in Munich, he has been conducting the Audi Youth Choir Academy since its inception in the fall of 2007. Twice a year, gifted students aged 16 to 26 are given the opportunity to rehearse and perform under intensive professional supervision. During the week of rehearsal in Berlin, during which Clara hasn’t been able to forget Johann Sebastian Bach for even a moment during her lunch break, the choir is studying the “Creation” by Joseph Haydn, which will then be performed as part of the Berlin Fairy Tale Days.

**Singers for the youth choir audition** shortly before the week of rehearsals begin, and are selected by Martin Steidler, Sebastian Wieser (a cultural studies graduate working at Audi) and the pianist Jean-Pierre Faber, who among other things teaches at the Mozarteum university in Salzburg. It is the type of audition known so well from TV casting shows where the members of the jury try to upstage each other in pure rudeness. Steidler, on the other hand, always remains friendly. Even so, it doesn’t make his verdict sting any less. He often likes to interrupt, sometimes singing one of the passages himself. “Now do it again, and make it better this time.” Steidler can be both hard and fair at the same time. That’s because – unlike pop music – classical music has a clear set of criteria, which have nothing to do with such vague terms as



**Exercises for the vocal cords:** Clara Horbach works with voice teacher Barbara Bübl on her singing technique and trains her vocal cords.

“charisma” or “star appeal,” but rather with intonation and musical interpretation. A soprano can either hit a note or not. A bass is able to reach the D below middle C, or only a G.

Quirin Würfl can even go down to the second D below middle C. The 19-year-old studies history and Latin in Regensburg. With his brown locks, open smile and strong shoulders, he looks like he has just stepped out of the pages of Heidi. As his deep, mellifluous voice fills the room – “The heavens declare the glory of God” – Steidler leans back in his chair for the first time that day and folds his hands over across his lap. For just one moment, he is no longer a

member of the jury, but a fan who does not know what he should admire most: Quirin’s talent or his pure love of music.

**The Youth Choir Academy** has 70 members, including Quirin and Clara. 70 music fanatics. 70 arguments against the conventional wisdom that choral singing and classical music have run their course and that TV casting shows are all the rage with young people. The Youth Choir Academy is the complete antithesis of the pop universe. “I would never do that,” says Quirin. The things that matter in these casting programs are show, appearance, and how crazy a person is. The youth choir, on the →

#### BEHIND THE SCENES

Experience the young choir singers at rehearsals of Haydn’s *Creation*:

[www.audi.com/ar2009/youthchoir](http://www.audi.com/ar2009/youthchoir)



**Cool not crazy:** Choir director Martin Steidler is enthralled by 19-year-old Quirin Würfl's deep, mellifluous voice and love of music.

other hand, is about “a willingness to work hard,” says Steidler, as well as talent and a deep passion for music. The choir director’s ambition is not to shape soloists. He is looking to take individual voices, as perfect as they may be, and mold them into a larger whole that is greater than the sum of its parts. “Many young people are beginning to take an interest in choral singing again,” he says. “A broad public is beginning to rediscover the value of classical music.” While in Berlin, Clara, Quirin and the other choir members rehearse for up to eight hours a day. Either with the choir as a whole, with their individual sections – soprano, alto, tenor and bass –

or on their own in private singing lessons, where Clara is now, balancing on a rubber teeter-board while vocalizing through her scales. Balancing is going well enough. From the way Clara moves, it is clear that she often likes to dance the salsa, sometimes several times in a week. But as for singing, there is still room for improvement. “Clara is like a diamond in the rough. She has a wonderful voice quality, but she needs to hone her technique. That’s where I come in,” says voice teacher Barbara Bübl. Clara has brought along the alto aria “Prepare yourself, Zion” which they are working on together from Bach’s Christmas Oratorio. Clara is

not allowed to sing through the consonants. She is only allowed to vocalize using e-ei-e-i-i-o. “So that you learn how the ‘i’ is formed right at the front of the mouth and nose area in the mask, and how with the ‘o’ the tone should remain the same and only the articulation changes,” explains Bübl. She goes on to say that a singer has to train their vocal chords just like a 100-meter runner has to train their quadriceps. “Learning to sing is like going to the gym.”

**During the few breaks,** the singers stand together in small groups outside the rehearsal room. Almost all of them have a water bottle in hand, like soccer players after a game or a model between photo shoots.

And almost all the choir members are wearing the typical uniform of the Web 2.0 generation: skinny jeans, XXL sneakers and piercings. One boy, in baggy pants, opens up his silver laptop as carefully as if it were a treasure chest, and loads up a couple of pictures from the rehearsals. Clara is also sitting at a computer, updating her profile on a social network. She answers a few friend requests, mostly from other choir members. The singers will keep in contact. They are bound together not just by Web 2.0, but also by the experiences they have had during this long week of rehearsals.

And the sense of achievement from the concert. The choir has just finished singing the last note of Haydn’s Creation in the Berlin Cathedral. Their audience is made up of over 1,000 Berlin schoolchildren who are clapping, screaming and stamping their feet. Just like at a pop concert. Clara’s cheeks are flushed with excitement and pride. She took note of the alto’s clear and beautiful resonance, noticed how precise each and every entrance of the bass had been, and was thrilled by the soprano’s shimmering joyfulness, just as they had rehearsed time and time again. Quirin just cannot stop laughing. Like a high-jumper who knows the bar has been set very high and has cleared it anyway. He revels in the magic of the moment. ●

**Jakob Schrenk is working as an editor at Neon while he completes his doctoral thesis in sociology.**



# Time/Space

Dimensions of luxury: taking time, creating space

**01/“Design Oscar” for A5 Coupé** Audi remains the design pioneer in the automotive sector. The A5 Coupé\* became the fourth Audi model to win the coveted “Design Award of the Federal Republic of Germany 2010” (October 23, 2009). Few awards are more difficult to win. The German Design Council only considers candidates that have already won another award and have been nominated by the Ministry of Economic Affairs of one of the federal states. “This award comes as emphatic proof of the Audi brand’s design expertise,” declared Stefan Sielaff, Head of Audi Design.

**02/Number One among engineers** Audi remains a favorite employer among specialists. In both the trendence 2009 study (published August 21, 2009) and the Universum 2009 Study (published May 18, 2009), future engineering graduates again voted Audi Germany’s most popular employer. Among economists, AUDI AG has climbed from third to second in the trendence study. “We are on course to become the most attractive employer in the automotive industry,” remarked Dr. Werner Widuckel, Member of the Board of Management for Human Resources at AUDI AG. In 2009 the Company created 400 jobs for experts as well as a further 100 apprenticeships, in each case mainly in the area of electrification.

**03/Awards far and wide** Voted the winner over 100 times: The Audi brand again received numerous awards in 2009. The A4 car line was a particularly frequent recipient of accolades, winning over 25 awards, including the title “Best Car” for the A4 Sedan\* in the reader poll staged by the trade publication *auto motor und sport* (issue 4/2009, page 135). The weekly newspaper *Bild am Sonntag* awarded the A5 Sportback\* a “Golden Steering Wheel” (issue 45/2009, page 16). In the new, tougher Euro-NCAP safety test the assessors concluded that the A4 and Q5\* both merited the top score of five stars out of five.

*\* Fuel consumption and emission figures at the end of the Annual Report*



03/ONE OF MANY AWARDS

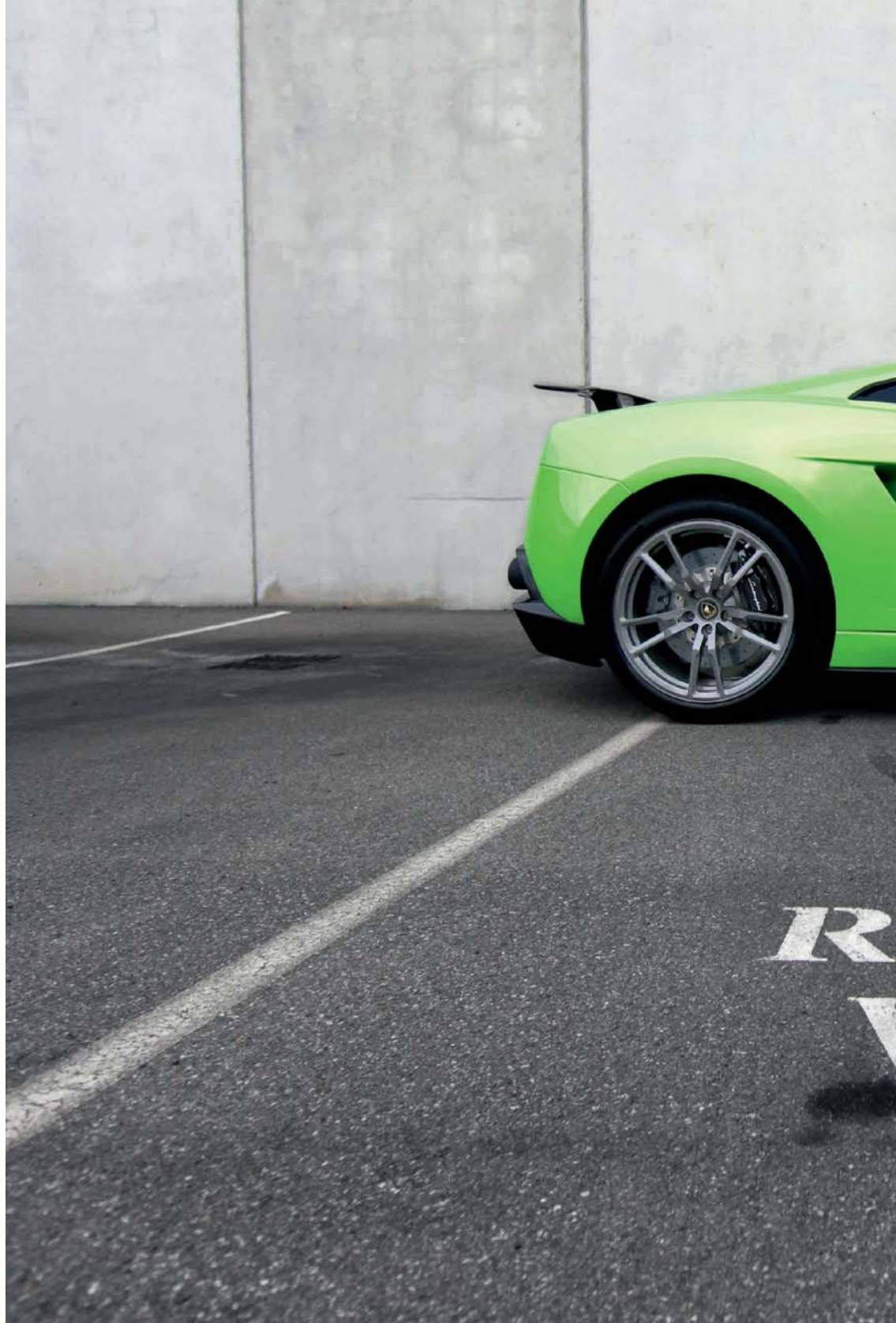
**01/DESIGN OF THE FUTURE** Audi received the “Design Award of the Federal Republic of Germany” on February 12, 2010 for the formal idiom of the A5 Coupé.



→ A striking color for a supercar: Lamborghini presents its new Gallardo top model, resplendent in Verde Ithaca.

↓ On the move: The new Superleggera's front fenders are even more flared than before.

↘ Reversing the weight spiral: The interior has also been slimmed down considerably.







ISERVATO  
VETTURE  
DEMA

## Dangerously addictive

More power, less fuel: In building the new Gallardo LP 570-4 Superleggera\*, Lamborghini has indulged in the luxury of absolute purism – thanks to the use of carbon fiber, the new top model from Sant'Agata Bolognese weighs an impressive 70 kilograms less than the basic version.

## A TRULY GRIPPING SUPERCAR

Fascinating images of the new Gallardo top model from Sant'Agata can be found at: [www.audi.com/ar2009/lamborghini](http://www.audi.com/ar2009/lamborghini)

COPY/MATTHIAS PFANNMÜLLER  
PHOTOS/SJOERD TEN KATE

**R**esplendent in bright green, the car is standing – or rather crouching – in a corner of the closely guarded factory building. My pulse starts racing even before I see it. I approach the new speedster from Sant'Agata Bolognese, never taking my eyes off it. The mere name is a promise: Gallardo LP 570-4 Superleggera\* – Italian for ultra-light. Compared to the basic version of the Gallardo – the LP 560-4 – the new coupe weighs another 70 kilograms less. This may sound like a mere number, but it embodies everything that is so thrilling about this new supercar. From a standing start, the Superleggera catapults the driver to 100 km/h in just 3.5 seconds – a whole two tenths of a second faster than the basic version. And in sports car terms, that's worlds apart.

**Automobili Lamborghini** is all about an extreme form of motion on the road. The sports car manufacturer has always had a somewhat rebellious, wild, unruly image. This sense of otherness is not self-serving, it is invariably a driving force behind the company's search for innovative solutions. Think for example of the legendary Miura's V12 engine installed transversely in front of the rear axle – at a time when other sports car manufacturers were still building cars with front-mounted engine and rigid rear axle. Equally unforgettable is the Countach, unveiled in 1971. This uncompromising "wedge on wheels" was not only regarded as a style icon. It was also the first Lamborghini to feature a 12-cylinder engine mounted longitudinally to the rear and

scissor doors that opened upwards. The "small" Gallardo may "only" have ten cylinders pounding away behind the seats, but the two-seater is by some distance the most successful model in the Italian brand's 47-year history. It has permanent all-wheel drive and features an aluminum space frame.

**But to achieve a weight reduction of 70 kilograms** for the new lightweight version, the car had to go on a radical diet – of carbon fiber. Woven from many thousands of microscopic carbon fibers, impregnated with resins and hardened in enormous furnaces, it is lighter and yet more stable than most other materials used to make cars. Its disadvantage is that it is very expensive due to the considerable time and labor that went into manufacturing it. This lightweight material – familiar from the aerospace industry – has quite a tradition at Lamborghini. 1988 saw the launch of the Countach "25 Anniversario" model, a supercar with carbon-fiber components. Today, Lamborghini's carbon-fiber design department employs 30 specialists, who have coaxed the brand essence out of the new Superleggera: extreme sportiness. And the amazing ultra-light material actually performs a dual function, because lower weight automatically means lower fuel consumption. That's why lightweight construction is increasingly regarded as being synonymous with efficiency.

The engineers saved weight where they could and placed great emphasis on the reduction of unsprung masses. For



↑ Striking design: The rear lights and spoiler underscore the car's aggressive character.

→ Carbon-fiber styling: The lightweight material also lends a touch of style to the cockpit.





High-performance unit: A 5.2-liter mid-engine goes about its work under the transparent hood.



example, the two-seater features ten-spoke forged magnesium wheels, which reduce weight by 13 kilograms. Carbon-fiber ceramic brake disks and carbon fiber-coated tailpipes also play their part; there are now four straight tailpipes, arranged in pairs in a stepped configuration. The side mirrors and door sill trims are also made of carbon fiber, as is the rear spoiler. The car once again has a relatively large, fixed spoiler, which puts even more pressure on the rear wheels. Another typical Superleggera feature is the dark line down the sides; on the LP 570-4 this line has a flatter trajectory and bears the colors of the Italian flag.

**A further, particularly striking touch** is the composite front spoiler. It is painted matt black and has rounded contours that provide a fascinating contrast to the angular front end. On the LP 570-4, the nose extends two centimeters further forward and also reaches somewhat further down. In conjunction with the carbon-fiber rear diffuser, which has also been revised, and the fully enclosed underbody that has been modified at both front and rear, downforce was increased once again and aerodynamic drag reduced further. This had the effect of generating more grip – especially when cornering fast – and an even higher maximum speed. With a possible top speed of 325 km/h, this car, just like previous versions, is one of the quickest and also most uncompromising supercars.

**The interior, too, is all about purism.** This is the area which has slimmed down the most – 43 kilograms, to be precise. The door panels, bucket seats and other parts are made of carbon fiber, and the dashboard is upholstered in Alcantara. Just like on the first Gallardo Superleggera, part of the greenhouse is made of polycarbonate. The transparent hood provides a great view of the beautiful 5.2-liter engine, which now has an output of 570 hp (419 kW) – an increase of 10 hp. This results in an outstanding power-to-weight ratio of just 2.35 kg/hp. Bearing in mind that many vehicles which themselves are not short on power have a ratio of over 10 kg/hp, these figures give you a rough idea of what happens when you accelerate – no matter what speed you're traveling at. What's more, the Superleggera features an e-gear transmission as standard, with gear shifts performed via shift paddles on the steering wheel, so you can flick through the gears in milliseconds. And perhaps the best thing of all is the throaty, muffled – not to mention eager – roar of the engine, which blips the throttle precisely every time you shift down a gear. The new Superleggera delivers a spectacle of sound that will bring tears to the eyes even of die-hard sports car fans – *bella macchina*, as the Italians would say! ●

Matthias Pfannmüller is an editor for the Swiss motoring journal *Automobil Revue*. He is currently also working on a chronicle of Lamborghini.

# Guardians of knowledge nearly lost

They work with their hands to keep a tradition alive: In a world of progress, a few people still rely on what they learned from their forefathers. Their craftsmanship is in demand – because no machine can ever replace them.

COPY/KILIAN KIRCHGESSNER  
PHOTOS/NIKOLA TACEVSKI

**W**hat he looks at first every morning is the water, the endless expanse of the sea. Arne Larsen built his house high above the skerries on the northwest point of Norway – on the Lofoten Islands. Huge windows afford an outside view from every room, like a frame for a great painting: the surf, rolling gently or raging wildly, depending on the season – displayed here in a panoramic format.

“In my profession,” says Arne Larsen, “you never know in the morning what the day will bring.” The 38-year-old Lofoten fisherman has a calm voice, which has turned a trifle rough over the years. He is a merchant on the Lofoten Islands, trading in fish. His work keeps him outside regardless of wind and weather. “Even as a boy I used to accompany my grandfather when he went sea fishing,” he says. It was his grandfather who established the family tradition. Today the grandson runs the third-generation business, which has grown over the years: Arne Larsen employs a small fishing fleet. But even the largest vessel measures a mere 22 meters. After all, nothing in this work has really changed since his grandfather’s time: Here on the Lofoten Islands, fishing has remained manual labor – a job so hard you can feel it to the bones and you need to put your heart and soul into it.

Winter is the fishing season. The boats head out to sea early in the morning from the small landing pier in front of the wooden building where the company office is located. “Our people ride far out to sea for four or sometimes five hours,” says Larson. They only return at night, sometimes as late as three in the morning. “That’s the moment of truth: when the guys dock and open the hatches. It’s only then that I know whether we’ve had a good day or not.” Many more hours are then required to process the catch. The company’s specialty has been the same for three generations: the famous Lofoten stockfish – prepared by splitting the fish and hanging them out to dry in the fresh air for the entire spring. Arne Larsen’s lines would span two

kilometers if they were tied end to end. He sells his stockfish mostly in the south, with customers around Venice and lately also in Croatia. Even now, after more than 12 years in the business, he still gets a craving for seafood on occasion. But there was a time when he wanted nothing to do with the sea and the fish. He spent several years living in big cities, in Norway and even in Italy. But then he grew nostalgic for his native village of Sørvangen. “The water is so wonderfully clear, and I never tire of admiring the landscape,” he says. “I’ve seen much of the world, but now I know this: I’m just a Lofoten fisherman.” During school vacations in Norway, Arne Larsen takes his eldest son out to sea. His son is nine years old, and he too is destined to grow up in the mysterious world hidden behind the gates of the boathouse.

**“Even as a boy I used to accompany my grandfather when he went sea fishing. In my profession you never know in the morning what the day will bring.”**

Arne Larsen, Lofoten fisherman

**The next generation also plays a very active role in Pavel Truhlář’s work.** He lives in Prague, around 2,000 kilometers directly south of the Lofoten Islands. To visit him you have to climb the stairs five floors up to his apartment in the elegant district of Vinohrady. Up there under the roof is a realm of fantasy and art: Shelves reaching all the way to the ceiling are filled with marionettes suspended from their long strings. Wooden boxes are filled with hand-sewn doll clothes, tufts of hair, and delicate parts of puppets still needing to be painted. Mounted to the wall above his workbench is a marionette that’s especially important to Truhlář: “That’s the first marionette my daughter made,” he says.

For Truhlář himself, the path to the puppets wasn’t as straightforward as it was for his three daughters. Shortly after the fall of Communism he found a job in one of Prague’s famous marionette theaters – selling →

**BOUND BY TRADITION**

**Impressions from the puppet workshop in Prague and the ski run at Kitzbühel at: [www.audi.com/ar2009/occupations](http://www.audi.com/ar2009/occupations)**





#### REALM OF FANTASY

In his Prague studio Pavel Truhlář makes marionettes. Every puppet is unique. His love for detail is rewarded with special orders from all over the world.





#### MASTER OF THE STONES

**Hard manual labor:** Each of the Beola stones Roberto Bionda cuts into tiles and uses to cover roofs in Piedmont, Italy, weighs 50 kilograms. These stones survive wind and weather for generations.

marionettes to the tourists during intermissions. “I found that most of the puppets were assembled carelessly, and many of the parts were machine-made,” he recalls. This aroused his ambition: There should be a better way than that! He had always been good at handicrafts, so he decided to change jobs: The salesman turned into the artist, the employee became the boss of his own business. “In the early years I’d sit in my workshop in the evenings, and during the day I’d occupy my customary spot on the Old Town Square in front of the Astronomical Clock where tourists always pass by,” he says with a little smile. “I’d strap on a vendor’s tray, and that’s how I sold my marionettes.” At some point in time he leased his first store near the Charles Bridge, and a few years later he opened a second store. Today he carries several dozen different puppets in his regular product line. The top sellers are Kaspar and the Witch, but Truhlář even makes a scuba diver, complete with the oxygen bottle on his back. Each figure is unique: If you take a closer look, you’ll notice that one Kaspar is sticking out his tongue while another gives you a mischievous wink. Pavel Truhlář faces a real challenge when he receives special orders from marionette theaters around the world. They request characters such as Pinocchios, dragon-riding devils and Don Quixote on his horse. “Creating such a puppet takes weeks,” Truhlář explains. But these artistic mari-



#### KING OF THE STREIF

**His handicraft makes records possible:** Michael Huber converts the “Streif” in Kitzbühel into one of the ski world’s most spectacular downhill venues. For the legendary World Cup race in January, it must be hard and highly resistant.

onettes are a challenge for the players as well: In the case of Don Quixote, for instance, every limb of both horse and rider and even the horse’s ears have to be separately moveable, requiring the player to manually control a multitude of strings simultaneously. “Being able to do that takes hours of practice in front of a mirror,” says Truhlář. He himself succumbed to the charm of the marionettes long ago,

**“This work has remained exactly the same as it was 1,000 years ago. There is almost nobody left today who is skilled in our forefathers’ old technique.”**

**Roberto Bionda, tiler and expert on Beola stone**

even in his spare time: After work he joins some friends to perform his own plays with his marionettes. Pavel Truhlář just returned from a world tour with his little theater, and even performed in China.

**The scale on which Dr. Michael Huber works** is a good deal larger than Truhlář’s puppets: His masterpiece spans exactly 3,312 meters and is the subject of breathless admiration among experts in his field. Huber, who himself has a doc-



torate in sports science, is in charge of the “Streif” – the ski run on the Hahnenkamm mountain in Kitzbühel, Austria. This is considered one of the most spectacular downhill courses in the entire history of winter sports. As soon as they leave the starting gate, this race turns into a hellish ride for the ski pros: The steepest section has a gradient of 85 percent, and the skiers accelerate as if in freefall to up to 140 kilometers per hour. They whizz through wooded sections with rapid changes in lighting. Sudden bumps get them airborne for 80 meters. Yet they must stay on the perfect line at all costs – mere centimeters off course would mean a head-on collision with the safety fence. “I’ve skied down it myself,” says Huber, who is 44 years old, with a brief grin. “But that was before the slope was fully groomed.” Huber heads the organizing committee and is

therefore also in charge of the grooming team that prepares this downhill course in Kitzbühel for the skiers. When his people set to work they augment the snow cover as needed, and they squirt water into the deeper snow layers under the surface so that the moisture rises upward to create a hard and highly resistant surface. Creating the perfect ski slope is a science like no other. “We’ve got years of experience that gets passed on from the older to the younger generations,” says Huber. Skills of the trade, precise timing and inch-perfect work are prime requirements. His team can determine the precise altitude above sea level on each section of the course by using a new GPS system. “And if too much snow has fallen anywhere and the slope is 20 centimeters higher than it should be we’ll make sure to remove the excess,” says Huber. →

## EFFICIENT FROM Å TO BEE

COPY/SUSANNE STEININGER

A strong wind drives dark clouds across the sky. It’s pouring with rain. A small fishing boat casts off into the bay, where the sea crashes into the rocks. It’s a typical late fall day in Å, a village of about 100 people on Norway’s Lofoten Islands. Yet one thing is different today. 20 cars are moving along the narrow coastal roads along the fjords: The starting signal has just been given for the Audi Efficiency Challenge A to B 2009. The object is to drive 4,182 kilometers across Europe in nine days. From Å to Bee. The participants on this tour from Norway to Italy include 120 international journalists and Audi customers from Germany.

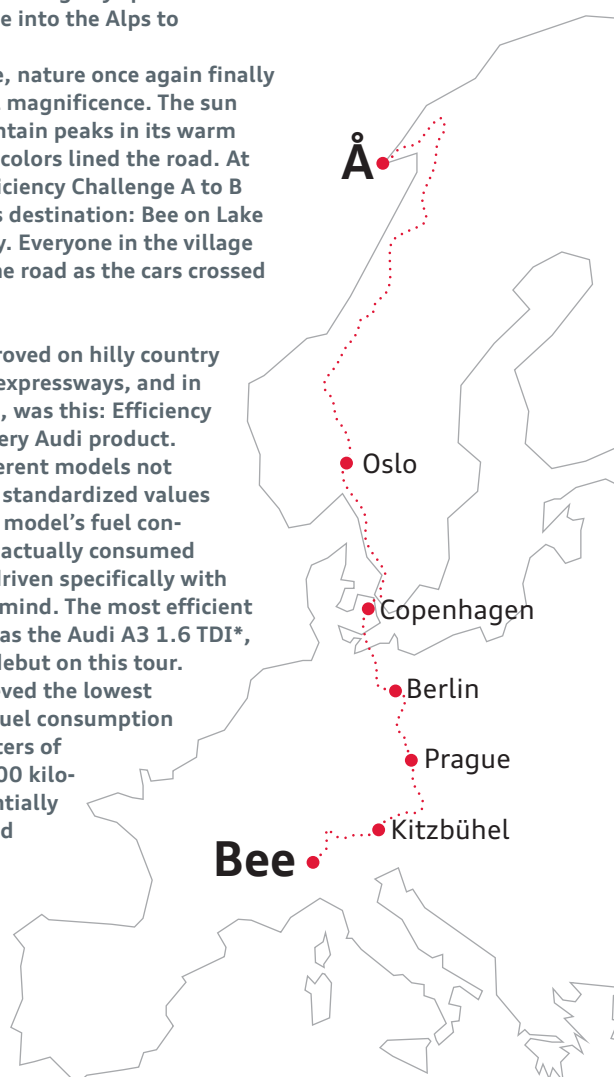
The Audi brand’s goal is to prove the efficiency of its vehicles. The tour therefore includes not only those versions of a model line that are configured with especially low fuel consumption in mind, such as the A4 2.0 TDI e\*, but also the sportiest versions, such as the Audi S4\*. The objective is to finish each stage not as the fastest car but with the best fuel consumption (at a specified average speed). Ten different Audi models, each represented by two identical vehicles, were available to the drivers. Each driver’s objective was to beat the other, equivalent vehicle’s fuel consumption. So during each stage the teams of two vied for the best efficiency score.

On this journey they encountered very different roads: After the ride through the wild, romantic landscape of Norway, the road from Oslo to Copenhagen seemed like a return to civilization: four-lane expressways, legal speeds over 100 kilometers per

hour, industrial areas left and right. The stages on the following days proceeded via Berlin and Prague into the Alps to Kitzbühel.

On the last stage, nature once again finally displayed its full magnificence. The sun bathed the mountain peaks in its warm light. Autumnal colors lined the road. At last the Audi Efficiency Challenge A to B 2009 reached its destination: Bee on Lake Maggiore in Italy. Everyone in the village was out lining the road as the cars crossed the finish line.

What the tour proved on hilly country roads and rapid expressways, and in dense city traffic, was this: Efficiency is standard in every Audi product. Because the different models not only verified the standardized values claimed for each model’s fuel consumption – they actually consumed even less when driven specifically with fuel economy in mind. The most efficient vehicle overall was the Audi A3 1.6 TDI\*, which made its debut on this tour. This model achieved the lowest overall average fuel consumption of all with 3.3 liters of diesel fuel per 100 kilometers – substantially less than its rated consumption of 3.8 liters.



Precision is vital on the Hahnenkamm. A particular contribution is made by the drivers of the snow cats, who do their job even in inaccessible areas and thus provide the groundwork for deciding who wins and loses. If snow then falls on the resulting hard-packed surface, up to 200 people set about clearing it again and restoring it to its original state. Michael Huber's own work in preparing for the few days of competition takes months. "It's a wonderful feeling when the work is done and the races start," he says. "But I really can't breathe easy again until the last racer has crossed the finish line." World-class skiers complete the 3.3-kilometer run in less than two minutes.

**Speed is not important to Roberto Bionda.** He lives in the northernmost tip of Piedmont, above the west bank of Lake Maggiore. If you want to visit him at his workplace in his little village of Bee, you have to leave the lakeshore route to wind your way ever higher up on a mountain road past breathtaking vistas and through the villages of Cresseglio and Arizzano. What has influenced the character of this area ever since antiquity is an elegant sort of stone known as Beola, either white or gray, which is quarried nearby. Here in Piedmont entire houses, chapels, wayside shrines, fountains and bridges are built of Beola. For Roberto Bionda this remarkable stone has become his life's work. He is one of the few remaining craftsmen who tile

entire roofs with Beola. "Virtually nobody still masters the ancient technique of our forefathers," he says. Beola has become expensive as the present demand for the natural building material of this region has become global. And above all, the craft Roberto Bionda has chosen is very hard work: A single stone weighs up to 50 kilograms, and a Beola roof is eight times heavier than a modern tile roof. Bionda has to lug such loads up to the roof truss, where he installs the tiles on massive beams. Such Beola tiles are four centimeters thick and they are kept in place on the roof just by their own weight. "This work has remained exactly the same as it was 1,000 years ago," says Bionda. He splits the enormous chunks of stone from the quarries with a hammer and chisel – pure manual labor. "Even as children we used to take my father's tools and chisel toys out of the stone," Bionda recalls.

Today his craftsmanship is particularly in demand for the renovation of historic buildings. Beola stone remains intact for centuries and withstands Piedmont's sunshine and autumnal storms for generations. Roberto Bionda devoted his entire passion to his own house: He chose the precious Beola stone not only for his roof, but also for the stairs, floors and even the balcony. And of course he shaped all the stones himself with a hammer and chisel, just the way they've been doing it in Piedmont since antiquity. ●

## "Individuality to me is ...



... the decisive argument for buying a premium product. Standing out from the crowd, having to adhere only to your own style – those are powerful motivations of our customers. Your very own personal expression, your own fingerprint, will continue to gain in importance. In ever-growing social networks traditional status symbols are losing much of their allure. Substance is regaining its importance. In the future, value-added will mean this: responses to my very individual requirements. Solutions for my life that make my crowded timetable less stressful. Personal contacts who know where I'm coming from and – even more importantly – where I want to go. Our new models have been designed with a focus on the Audi driver's personality. For styling the interior of the A1, for example, customers have a wide range of options for customizing their car. And after buying the car, they can still get the latest updates for the infotainment system. In the new Audi A8 as

well as in the Audi A7, which we will be launching in 2010, the interior virtually becomes your very own living room. The navigation system plus with speech recognition system can connect to the Internet via Bluetooth telephone, and uses a wide range of information from Google and Google Maps to let you find what you're really looking for. The revolutionary "MMI touch" operating system, available as an option, lets you activate functions in your own handwriting. Even in our after-sales service we follow individual routes: In the future, our employees will be available wherever our customers need us – with an extensive range of services. Our cars are individualists – just like our customers. Our service must give our customers what is probably the most precious personal possession of all: time."

Peter Schwarzenbauer, Member of the Board of Management for Marketing and Sales, AUDI AG



# Time/Space

Dimensions of luxury: taking time, creating space



## **01/PRECISION WORK**

The Neckarsulm press shop was formally inaugurated with a display of acrobatics. The modern equipment it houses operates precisely to one hundredth of a millimeter.

**01/New Neckarsulm press shop** Superlative standards of productivity and quality: The most advanced press shop in Europe went into operation in Neckarsulm in October 2009 after two years of construction. Up to 800 metric tons of steel and aluminum are processed each day and pressed into some 200,000 body components. In ecological terms the spotlight is on improving the processes used: An automated system for the disposal of leftover metal parts permits aluminum and steel parts to be completely separated. These are then taken away by rail and melted down again. **02/Assembly hall opened in Changchun** Construction work kicked off in 2008 and operations started in September 2009. Audi has erected an assembly hall at Changchun together with its joint-venture partner China FAW Group Corporation. The long-wheelbase version of the A4 and the Q5 are built in this hall, which has a floor area of around 82,000 square meters. The assembly plant meets the requirements of the standardized worldwide Audi Production System: As well as the manufacturing process itself, workplace ergonomics have been optimized to maximize efficiency and quality.

**03/New body manufacturing plant for Audi A3** Audi lays the foundation stone for the future of the A3: Construction of the new A3 body shop began at the end of October 2009 at the north end of the Ingolstadt plant. When finished, the modern plant will have a daily capacity in excess of 800 bodies. Audi has manufactured over two million units of the A3 in Ingolstadt since 1996 – making this car line one of the Company's all-time best-sellers.



**02/CHANGCHUN ASSEMBLY LINE**



**VISIONARY**

A life dedicated to mobility: Born on October 12, 1868, August Horch built his first automobile in 1901.



# “That’s what I call luxury!”

Without him, there would have been no Audi brand: In 1909 August Horch established an automotive tradition that stretches back more than a century now. High time for an imaginary conversation with him about mobility today.

COPY//ANDREAS FINGAS/INA HÄMMERLING/ELISE PHAM

**M**r. Horch, you once said: “I always tried to build only powerful, good cars using top-quality materials.” Has your wish been fulfilled?

**August Horch:** Of course! 70 years ago, the business of body manufacturing was a very different affair altogether. Precise drawings were a rarity and the individual processes performed by leatherworkers, coach-builders and cartwrights were not clearly defined. Every working process involved handicraft. I like to regard engineering as a matter of craftsmanship, too. I believe that is a value that will survive, no matter how much technical progress we make. Today’s Audi R8 Spyder\* is a prime example. The V10 engine is largely assembled by hand. That gives a brand a very special quality.

**But tell us, what was the maiden voyage in your very first car like?**

**H:** My first self-developed Horch car set out from my workshop in the Ehrenfeld district of Cologne in 1901. Workshop, however, is exaggerated. Strictly speaking, we worked in a former stable. And it was January, but despite the cold I could hardly wait to take a test run. Looking back, it must be difficult for you to imagine how I spent the maiden voyage with my teeth chattering. Today you simply switch on the heating, and even if it’s ten below outside you’re soon nice and warm. That’s what I call luxury! All the same, I relished every moment of the drive, and that car was ultimately the reason why I set out to build even better cars.

**People often talk of “the Audi mystique.” What do you think is the key to it?**

**H:** Something acquires mystique when it has both a past and an emotional pull. Major feats, or “top performances” as you would say today, are the source of mystique. Do you remember those silver, streamlined Auto Union racing cars? They are still a milestone in motor sport history. So they are part of the Audi mystique. As indeed are many other famous cars, such as the Urquattro and the Audi 100. But there is more to the Audi mystique than cars. It also includes outstanding personalities and pioneers such as Jørgen Skafte Rasmussen, Bernd Rosemeyer and maybe myself too.

**How important was motor sport to you, and what does it give Audi today?**

**H:** A race demands everything of a car. With rather childlike spirit, the engineer wants to test the limits of how far he can push it. And ideally, he can take it beyond those limits. We started sending our cars out onto the racetrack very early on. We won the Austrian Alpine Run three years in a row: with the Audi Type B in 1912, and with the Audi Type C in the two subsequent years. And I did the driving – without a driver’s license. In fact, I never even took the test (laughs). What we learned from that experience was immediately translated into new designs. Just think how many innovations from the world of motor sport have found their way into production models, and vice versa. The basic unit for the diesel en-



An Alpine winner is born: August Horch (left) wins the Alpine Run in the Audi Type C.

gine with which Audi won Le Mans in 2006 was a production engine. Conversely, the production version of the R8 is a direct result of Audi’s tremendous achievements in motor sport.

**To what extent do findings from motor racing and decades of research influence our mobility?**

**H:** The words automobile and mobility are of course related. “Automobility” means having more liberty to discover the world, and more time to enjoy it. This used to be a pleasure that was only open to the privileged few. At the beginning of the 20th century a Horch chassis cost around 9,400 marks – at least 100,000 euros in today’s money. But the truly important things in life are priceless. For 15 years I drove a convertible whose folding roof only protected you from above. So I was sitting outside exposed to the elements, and whenever I had a long journey I always hoped it wouldn’t rain. If you want to, you can still go driving today with only the sky above you, for instance in a beautiful A5 Cabriolet\*. →

## “Responsibility to me is ...



... thinking about our children's future. Audi's centennial provides a high-profile opportunity to look to the future. The past 100 years have been shaped by a passion and hunger for driving developments forward. Looking forwards and acting with the future in mind is, above all, about sustainability. You can only act sustainably if you act responsibly. If we as a company adopt a responsible approach towards society, our products and above all our workforce. After all, they are the key to the trailblazing technological developments, perfection and quality that Audi symbolizes. The development of our human resources paves the way for the future development of our company. We therefore give people the prospect of a successful career for their whole working life, from apprenticeship to retire-

ment. That involves providing a corporate culture and working conditions that enable our employees to remain effective and motivated throughout their entire career. Learning – a whole life long – and showing esteem and respect are part and parcel of this, because they safeguard the company's success. This success creates scope for secure jobs, challenging tasks and opportunities for personal development. The success of the company thus becomes the success of the individual employee. And it shores up the prospects for Audi to develop for future generations, too. Social responsibility and corporate success thus become inseparably linked.”

Dr. Werner Widuckel, Member of the Board of Management for Human Resources, AUDI AG

### So do you think that what people expect from life has changed?

**H:** Yes, I do. People used to invest first and foremost in material possessions; today, they invest their time and money in experiences and enduring values. A car is no longer simply a means of transportation, it is also always an expression of personality. And I think that is a perfectly normal development in a world in which real luxury is the ability to realize your dreams and be at one with yourself.

### Would you say that a compact car is compatible with the brand's premium models?

**H:** Compact and premium are not a contradiction in terms! The A1 is an appropriate response to the challenges of today's world, and has everything that is expected of a high-

quality car. I already pointed the way with the Horch 11/22 hp. In 1906 Dr. Rudolf Stöss drove it to victory in the Herkomer Run, which is acknowledged as the 20th century's most important reliability test – even though it was the smallest car taking part!

### So when it comes to cars, you believe luxury is not a matter of size or price. Do you apply the same maxim to your private life?

**H:** I come from a family of blacksmiths and had a simple upbringing. Of course I appreciate things of beauty. But for me, genuine luxury is about something else.

### Why do you find the new A8 so exciting?

**H:** I have very fond recollections of Horch cars and, above all, the Pullman sedan. That was a truly classic example of opulent luxury. Those cars have become legendary, the stuff of dreams. They are our heritage, even if they are no longer right for today. And then you look at the

new A8. What makes this car so special is its simple elegance. It has just a hint of the luxury of yesteryear. But it is reinterpreted in such a modern way that it fulfills the requirements of your present day. All those sophisticated materials are not just used for their own sake; they always have a specific purpose. It is always a sheer delight for an engineer to see a component's function given top priority.

### We've discussed the past and the present. How do you view the future? Will it be electric?

**H:** You mean electric drive? As far as I'm concerned, there is nothing new about it – it's merely waiting to be rediscovered. Audi built the Audi duo back in 1989. That was a genuine hybrid because it was powered by both a 100 kW (136 hp) five-cylinder gasoline engine and a 9.3 kW (12.6 hp) DC electric motor. I think history often throws up intriguing ironies. The Audi duo was already a plug-in hybrid long before anyone had thought up that term. ●

#### LEAP IN TIME

Listen to August Horch in an imaginary radio interview at:  
[www.audi.com/ar2009/horch](http://www.audi.com/ar2009/horch)



# Time/Space

Dimensions of luxury: taking time, creating space



02/DONAU RING RACE



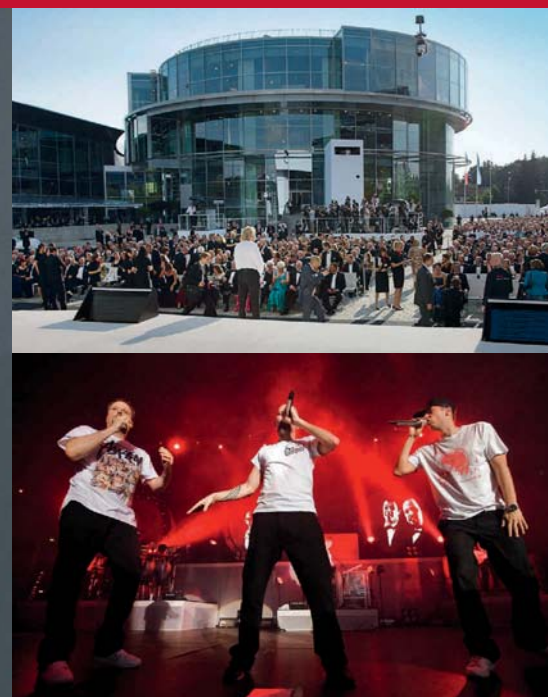
03/BAYERN MUNICH WINS AUDI CUP

**01/CELEBRATION TIME**  
Numerous VIP guests attended the centennial celebrations in Ingolstadt. Audi boss Rupert Stadler was particularly pleased to welcome German Chancellor Angela Merkel as the guest of honor. "Die Fantastischen Vier" (bottom right) also gave an anniversary concert.

**01/Year of anniversaries** The Audi brand celebrated its 100th anniversary on July 16, 2009 with a spectacular gala. German Chancellor Angela Merkel delivered the official speech as the guest of honor. Audi boss Rupert Stadler then officially unveiled the new Audi A5 Sportback\*. Star pianist Lang Lang played a musical prelude to the evening. And the next day, "Die Fantastischen Vier" got the week of celebrations really rocking with a concert in Ingolstadt. In the fall, it was time for Audi to say thank you to its employees: The Audi workforce at Neckarsulm celebrated 40 years of the Neckarsulm plant, while over on the Danube the spotlight was on 60 years of Audi in Ingolstadt.

**02/Meeting of generations** How better to mark a centenary than with the cars that made history? The Donauring Race, the Heidelberg Historic, the Goodwood Festival of Speed and the Donau Classic gave spectators the chance to witness Audi Tradition's historic treasures in action, including the Alpine winner Audi Type C 14/35 hp from 1919, and the first Audi built in Ingolstadt, the Audi 72 from 1965. Motor sport enthusiasts were well served with the Auto Union Type A 16-cylinder racing car, the Auto Union Type D from 1938, and the R10 TDI and R15 TDI racing cars that featured at Le Mans.

**03/Battle of champions** The sporting highlight of the centennial year was the Audi Cup soccer tournament. Four top teams took up the Company's invitation to compete for the trophy at Munich's Allianz Arena at the end of July 2009. FC Bayern Munich, Manchester United, AC Milan and the Argentinean Club Atlético Boca Juniors took part in the two-day tournament for the Audi Cup 2009. In an exciting final, Bayern edged out United to win the trophy specially created by Audi Design.



One is an advocate for global responsibility, the other a manager with financial responsibility for a company: Professor Franz Josef Radermacher (right) and Axel Strotbek at the Audi Forum at Munich Airport.





# “The time must be ripe for a product”

Axel Strotbek, Member of the Board of Management for Finance and Organization at AUDI AG, meets Professor Franz Josef Radermacher. A renowned mathematician, economist and polymath, Radermacher advances the case for a worldwide socio-ecological market economy. From the rear seat of the new Audi A8, they discuss entrepreneurial and ecological responsibility.

INTERVIEW/ANDREAS MOLITOR  
PHOTOS/ENNO KAPITZA

**Axel Strotbek:** Are you sitting comfortably, Mr. Radermacher?

**Franz Josef Radermacher:** Perfectly. There is ample space in this car even for people who are much taller than me. But we're not here to talk about comfortable seats, safety or working conditions for passengers. We want to discuss responsibility. What's the fuel consumption of one of these cars?

**S:** When it comes to efficiency, we've achieved something of a quantum leap with the new A8. With the 258 kW (350 hp) eight-cylinder diesel engine, this car averages 7.6 liters per 100 kilometers.\* For the six-cylinder diesel version with quattro drive, we have improved the average figure to 6.6 liters. Not that long ago, many manufacturers of compact cars would have been proud to achieve such levels of fuel economy with their cars. And in the premium category, such figures were truly wishful thinking.

**R:** I don't doubt that this progress in fuel economy is the impressive result of an outstanding feat of engineering. But without public pressure on industry, and carmakers in particular, to face up to their environmental responsibilities in helping to combat climate change, such progress probably would not have been achieved up to this day.

**S:** But such expectations of us are nothing new. Audi engineers first combined diesel direct injection, featuring fully electronic control, with turbocharging in a production model back at the end of the 1980s, redefining the benchmark for fuel economy. Lightweight construction appeared on the scene a short time afterwards, and in 2001 Audi unveiled the A2 – the first five-door car in the premium segment to achieve fuel consumption of three liters per 100 kilometers. We have never flagged in our efforts to use resources efficiently. Advances in engine technology alone have enabled us to realize fuel savings of around 15 percent since 2006. That's a huge leap. And we are still on the job. Hybrid technology and electric drive play a major role at Audi. They will provide the answers to future mobility. Along with the Audi e-tron (see page 92), the purely electric high-

performance sports car that we unveiled at last year's Frankfurt Motor Show, we will be promoting electrification in other vehicle segments, too. The same applies to future developments in hybrid technology. For example, we are currently working all-out on full-hybrid versions of the Audi Q5 and A8.

**R:** Such innovations mean you are taking decisive action and embracing corporate responsibility in a manner that is appropriate for a company from the car industry. What you are doing is looking for a better technological solution that translates less input into more output. You are doing what is necessary in this area. But let's not fool ourselves: Technological innovation alone will not solve the world's problems.

**S:** But is that solely the responsibility of carmakers?

**R:** No, of course not. We shouldn't confuse the various levels of responsibility. It is primarily up to politicians, states and governments worldwide to provide a future-proof framework within which natural resources are used wisely and the climate is protected. Such pacts cannot be conjured up by a car manufacturer, let alone a

“Let's not fool ourselves. Technological innovation alone will not solve the world's problems.”

Professor Franz Josef Radermacher, globalization expert

single manager. The car manufacturer can at most help everyone understand why such pacts are necessary. Anything else would be overstepping the mark. You can only be responsible for something you are actually in a position to influence. The public debate often overlooks that fact. However, companies often forget that they are also obliged to initiate public activities for a better regulatory framework.

**S:** Thinking it through, if Audi were to decide unilaterally only to build three-liter cars from now on ...

**R:** ... it would go bankrupt within a few years. If the general conditions are not right, an individual →

manufacturer cannot afford to opt out and act as if those conditions did not exist. It has to operate in accordance with the market conditions and at most can test out how much room for maneuver it has. In mathematical economics, we call that a prisoner's dilemma. In such a situation, it is neither wise nor responsible to do what you actually consider to be sensible. In order to safeguard its very existence, a company may even have to act in a way that is at odds with its own convictions.

**S:** That reminds me of an example from our own corporate history. In the late 1980s we unveiled a vehicle with hybrid drive. It was 15 years ahead of its time, as there simply wasn't a market for such a concept. Ten years later we then launched the A2, our three-liter car. And we discovered yet again that not enough customers were prepared to pay the necessary premium for this efficiency innovation and technically pioneering product. We learned from the experience that the time must be ripe for every product – the customer calls the shots.

**R:** I agree entirely. If you weaken your company's position, you undermine its ability to dictate the rules that all the others follow and to spearhead the appropriate initiatives. Only winners can push for the rules to be changed. Let me illustrate my point like this: If a Formula One racing team whose cars always come last kicks up a big fuss about a circuit being too dangerous, who is going to listen to them? On the other hand, if the best racing team voices the same concerns and pushes for safety improvements to a circuit on which its cars have always won up to now, its arguments will sound a whole lot more convincing. That's what you'd call a dual strategy.

**“A premium brand cannot position itself simply on the strength of fuel economy. It is vitally important for Audi to live out the elements which define it as a brand.”**

**Axel Strotbek, Member of the Board of Management for Finance and Organization, AUDI AG**

**S:** Definitely! “Vorsprung durch Technik” is our brand essence and our commitment. Audi aims to lead the way, including when it comes to fuel economy. But any brand – let alone a premium brand – cannot position itself simply on the strength of fuel economy. It is vitally important for Audi to live out the elements which define it as a brand – the things that its customers identify with, feel at ease with, and associate with the brand. If I might take up your Formula One analogy, Mr. Radermacher, sportiness is indisputably one of our brand values. Cars must appeal to reason, but they must also excite people. And I agree entirely with you that a company enjoying a run of success is infinitely better placed to influence and change the rules of the game than one that is constantly playing catch-up. My job is about ensuring that Audi remains a leading player. That, for me, is one of the core responsibilities of a manager.

**R:** Yes, that often gets overlooked in the present difficult financial and economic climate, with so many people pointing accusingly at managers and saying they are to blame for not fulfilling their responsibilities properly. From a psychological viewpoint, such a reaction is understandable, but it doesn't help to solve the problem. Managers cannot change the rules on their own. We currently do not have the right control mechanisms for that, nor the right incentives for management. How can a manager opt out of the system? One level higher up, the same applies to companies: They can only opt out by sacrificing the very basis of their existence. In my view, apart from a few spectacular exceptions, for example in the financial sector, most managers have met their responsibilities competently within the existing system, playing by the rules of the game.

**S:** The crisis of the past 18 months has raised many questions, including for me personally. The topic of sustainability has acquired an entirely new relevance. But I believe the rules of the game, particularly in the financial system, have still only been adjusted and reformed to a very limited extent. We have not yet reached the point where we can say with any certainty that we won't see a repeat of such excesses.

**R:** No, we're definitely not there yet. And there may yet be a “sting in the tail.” But at least we are seeing a shift in perspective, a fundamentally different way of looking at things. Just think back ten years. Then, many regarded the shareholder value principle as the only school of thought meriting any serious consideration. It was part of a misguided philosophy and misguided faith in the markets that led us headlong into the global economic crisis. The crisis now has to bring us back to sustainable stances and attitudes, to an ordoliberal view of a social market economy with a strong ecological emphasis. It can restore a clear sense of direction for the players. For companies, that means focusing on their stakeholders: their customers, their employees, their owners and, for example, their manufacturing locations. If we're talking about responsibility, this is a much broader context than merely satisfying the interests of shareholders.

**S:** These questions are nothing fundamentally new for us at Audi, and indeed for the entire VW Group. We have never focused exclusively on the shareholders or on return on investment. It is of course important that lenders can expect and achieve a satisfactory return. But we should naturally also place our customers, our employees, and the local communities at our production sites at the very center of everything we do.

**R:** It is also my impression from many years of involvement in the automotive industry that car manufacturers have not been driven primarily by short-term returns. This appears to me to stem from the very nature of the products they make. An automobile is a long-life product. The value of such a company depends not on its current market capitalization, but on its cars and brand name. A manufacturer that builds



Winning streak: Audi is increasing its long-term brand value with examples of innovation such as the new A8.\*



great cars knows very well that its cars are the embodiment of its real value added. It assumes responsibility for that product and establishes a brand value. That takes decades to accomplish – and decades more to consolidate. In such a context, any short-term focus on market capitalization or returns ...

**S:** ... is pointless. I think such considerations are part of our responsibilities in the running of an automotive manufacturer. I personally have to ask myself every day whether the decisions we are making – e.g. on development projects and new products – can be reconciled with the goals and values we have set ourselves, such as the requirement of sustainability. After all, we don't just want to be a success today and tomorrow, but in the longer term, too. That is why I repeatedly have to scrutinize how sustainable our decisions are.

**R:** I was recently asked whether I could imagine ever

taking up a post like yours, and what I would tackle in my first week.

**S:** And what did you reply?

**R:** I said I didn't think I would manage to accomplish very much of use or that would make much difference in one week. It would be presumptuous of me to be able to, want to, or have to make significant changes in such a short time, in a field of which I only have a limited understanding. If I were ever to take on such a role, I would first need plenty of time to learn about it and understand it. Looking back over the financial crisis, many managers remark today that they were continually deciding on matters and dealing with products that they didn't understand. That is truly frightening. You can only account for something that you understand, and therefore you cannot make a responsible decision for something that you do not understand. What you must do instead is admit when you don't understand something, and keep on asking questions until you fully understand it. I think that this is a key aspect of exercising responsibility. ●

Economics graduate and business journalist Andreas Molitor works for DIE ZEIT, Berliner Zeitung and GEO, among others.

**"LET'S TALK ABOUT CORPORATE RESPONSIBILITY."**

You can find a video recording  
of the discussion at:

[www.audi.com/ar2009/strotbek](http://www.audi.com/ar2009/strotbek)

## *Luxury to me is ...*

... being out on my racing bike and feeling nature, having a clear mind – without being under any time pressure.

Rupert Stadler, Chairman of the Board of Management, AUDI AG

... having the first hour of the day to myself.

Axel Strotbek, Member of the Board of Management for Finance and Organization, AUDI AG

... to find what the soul is searching for – in relationships, in literature, in music, in nature.

Dr. Werner Widuckel, Member of the Board of Management for Human Resources, AUDI AG

... being able to live my passion every day in my job.

Michael Dick, Member of the Board of Management for Technical Development, AUDI AG

... spending time together with my family and friends.

Frank Dreves, Member of the Board of Management for Production, AUDI AG

... having colleagues who I work together with in friendship.

Ulf Berkenhagen, Member of the Board of Management for Purchasing, AUDI AG

... a day without appointments, a day without a clock or telephone.

Peter Schwarzenbauer, Member of the Board of Management for Marketing and Sales, AUDI AG





