



# Audi



## MARKET

In business for more than 100 years, Audi is an automaker that makes luxury cars and SUVs. The company was born in Germany and has remained based there to this day.

"Audi Automobile Works" entered the German car-manufacturing business in 1910 and remained independent until the Great Depression. Because Audi's founder, August Horch, had left a ten year-old company bearing his own name, he chose a Latin form of his name - Audi - for his new company. Audi joined with three other auto manufacturers in 1932 to form Auto Union. Audi, the only surviving nameplate from that union, was purchased by Volkswagen in 1964.

Every manufacturer has its defining moments. For Audi, one such moment came in March 1980 at the Geneva Motor Show. The automaker unveiled the Audi quattro, an all-wheel-drive sport coupe. Previously, this drive concept had been seen only in trucks and off-road vehicles; the quattro was the first high-performance vehicle with all-wheel drive and it met with a wildly enthusiastic response on the show floor. The quattro's all-wheel-drive system went on to help Audi win accolades in motorsports and it was eventually integrated into the entire model range.

Those who have sat in a modern Audi are not likely to forget it. The manufacturer has

distinguished itself with its superbly crafted interiors, and an Audi cabin is a symphony of luxury and ergonomic design. Materials quality is beyond reproach, even in entry-luxury models like the A3 and A4. Those lucky enough to garner seat time in the top-of-the-line Audi A8 are treated to one of the most stylish cabins in existence, a plush cocoon of the finest wood and leather.

Audi vehicles offer levels of luxury and performance that meet and even exceed that of brands that are more widely coveted. Best of all, this outstanding quality doesn't demand a premium price,



and Audis typically have a lower price than those of the luxury cars from the company's chief competitors.

## ACHIEVEMENTS

Audi has succeeded in repeating its successes of recent years in the "Best Cars" reader poll sponsored by the magazine "auto motor und sport" (ams). The readers of ams voted Audi models the best cars in three separate categories: the

Audi A4, Audi A6 and the recently launched Audi Q5 were all among readers' favourites. Rounding off an outstanding set of results, the

Audi A3, A8 and R8 each secured second place in their respective categories.

The successful showing in the ams reader poll was rounded off by second places for the Audi A3 in the "Lower Midsize" category, the Audi

A8 in the "Luxury" category and the Audi R8 in "Sports Cars".

In Egypt Audi has increased its Market Share in the premium segment from 4% YTD 2008 to 6% YTD 2009.

## HISTORY

The company traces its origins back to 1899 and August Horch. The first Horch automobile was produced in 1901 in Zwickau. In 1909, Horch was forced out of the company he had founded but then started a new company in Zwickau and continued using the Horch brand.

His former partners sued him for trademark infringement and a court determined that the Horch brand belonged to his former company. August Horch was barred from using his own family name in his new car business, so he called a meeting at the apartment of Franz Fikentscher to come up with a new name for his company. During this meeting Franz's son was studying

Latin in a corner of the room and he finally said, "Father wouldn't it be a good idea to call it audi instead of horch?". "Horch!" in German means "hear", which is "Audi" in Latin. The idea was enthusiastically accepted by everyone attending the meeting.

In 1928 Jørgen Rasmussen, the owner of DKW, acquired the majority of shares in Audiwerke AG. In the same year, Rasmussen bought the remains of the US automobile manufacturer Rickenbacker, including the manufacturing equipment for eight cylinder engines.

In 1932 Audi merged with Horch, DKW and Wanderer, to form Auto Union.



Before World War II, Auto Union used the four interlinked rings that make up the Audi badge today, representing these four brands. This badge was used, however, only on Auto Union racing cars in that period while the member companies used their own names and emblems. The technological development became more concentrated and some Audi models were propelled by Horch or Wanderer built engines.

A new Auto Union was launched in 1949 in Ingolstadt, Bavaria with loans from government and Marshall Plan aid and continued DKW's tradition of producing front-wheel drive vehicles with two-stroke engines.

In 1958 Daimler-Benz acquired 87% of Auto Union and in the next year 100%.



## PRODUCT

**Audi A3 and Audi A3 Sportback**

In 1964 Volkswagen acquired the factory in Ingolstadt and the trademark rights of the Auto Union and relaunched the Audi brand.

In 1969 Auto Union merged with NSU. The new merged company was known as Audi NSU Auto Union AG, and saw the emergence of Audi as a separate brand for the first time since the pre-war era.

The first new car of this regime was the Audi 100 of 1968.

This was soon joined by the Audi 80/Fox in 1972 and the Audi 50 in 1974. The Audi 50 was a seminal design in many ways, because it was the first incarnation of the Golf/Polo concept, one that led to a hugely successful world car.

The Audi image at this time was a conservative one, and so they developed the four-wheel drive technology in Volkswagen's military vehicle for an Audi performance car and rally racing car.

The performance car, introduced in 1980, was named the "Audi Quattro," a turbocharged coupé. Commonly referred to as the "Ur-Quattro" the model was a great success in rallying. Prominent wins proved the viability of all-wheel drive racecars, and the Audi name became associated with advances in automotive technology.

In 1985, with the Auto Union and NSU brands effectively dead, the company's official name was now shortened to simply Audi AG.

Currently, Audi's sales are growing strongly in Europe. 2004 marked the eleventh straight increase in sales, selling 779,441 vehicles worldwide. Record figures were recorded from 21 out of about 50 major sales markets. The largest sales increases came from Eastern Europe (+19.3%), Africa (+17.2%) and the Middle East (+58.5%). In March 2005, Audi built its first two dealerships in India following its high increase in sales in the region.



The Audi A3 Sportback is the sporty model in their class. Innovative technologies such as the S tronic seven-speed dual-clutch transmission are the key to the maximum level of driving pleasure they offer.

## Audi A4

Sporty and sophisticated, progressive and packed with emotion – with the A4 Audi sets new standards in the midsize class. Its engines perform supremely well but use very little fuel. Their high efficiency is an expression of Audi's technical expertise, as is their dynamic suspension and countless technological features from the luxury car class.

## Audi A6

A successful car is now even better: Powerful engines have been added to the lineup and innovative technologies reduce fuel consumption by some 15% for the engine range as a whole. A refined suspension system and new high-tech assistance systems have further enhanced the driving experience.

## Audi Q5

Audi is opening up a new market segment: the Audi Q5 performance SUV combines the



dynamism of a sport sedan with an impressively versatile interior and multiple talents for leisure and family use.

## RECENT DEVELOPMENTS

Audi produces 100% galvanised cars, to prevent corrosion, and was the first mass-market vehicle to do so. Along with other precautionary measures, the full-body zinc coating has proved to be very effective in preventing rust. The body's resulting durability even surpassed Audi's own expectations, causing the manufacturer to extend its original ten year warranty against corrosion perforation to currently twelve years (except for Aluminium bodies which don't rust).

In 1994 the Audi A8 was launched, which introduced aluminum space frame technology (called Audi Space Frame). Audi introduced a new series of vehicles in the mid-nineties and continues to pursue leading-edge technology and high performance.

## PROMOTION

The Audi emblem is four overlapping rings that represent the four marques of Auto Union.

The Audi emblem symbolises the amalgamation of Audi with DKW, Horch and Wanderer: the first ring represents Audi, the second represents DKW, third is Horch, and the fourth and last ring Wanderer.

Audi's corporate tagline is Vorsprung durch Technik, meaning "Advantage through Technology". The German-language tagline is used in many European countries, including the United Kingdom, and in other markets, such as Latin America, Oceania and parts of Asia including Japan. A few years ago, the North American tagline was "Innovation through technology", but in Canada the German tagline Vorsprung durch Technik was used in advertising. More recently, however, Audi has updated the tagline to "Truth in Engineering" in the US.

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



## Things you didn't know about Audi

The two firms Auto Union GmbH and NSU Motorenwerke AG merged in 1969. As a consequence of this, the product portfolio of "Audi NSU Auto Union AG" had expanded to more than ten model ranges encompassing a multitude of technical concepts. Marketing employee Hans Bauer put this technical diversity and finesse in a nutshell by coining an advertising slogan that was as brilliantly simple as it was ingenious: Vorsprung durch Technik!

Superbrands