

Audi appoints new chairman, development boss to bounce back from scandal



Staff and wire reports

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MUNICH -- Audi's supervisory board appointed Volkswagen Group CEO Matthias Mueller as chairman to replace Martin Winterkorn and Stefan Knirsch as development chief to succeed Ulrich Hackenberg.

Hackenberg was suspended two months ago together with two other executives closely associated with the development of the diesel engine at the center of VW Group's emissions rigging scandal.

Hackenberg has left the company by "mutual agreement," Audi said in a **statement** released after a supervisory board meeting Thursday.

Knirsch, who is currently head of engine development, will take Hackenberg's role on Jan. 1, Audi said in a separate **statement**.

Hackenberg, 65, was **suspended by Audi's parent, VW Group**, in September, along with VW brand r&d boss Heinz-Jakob Neusser and Porsche development head Wolfgang Hatz.

The suspensions came after VW Group admitted that 11 million vehicles fitted with 1.2-, 1.6- and 2.0-liter diesel engines from its EA 189 family and sold worldwide by the VW, Audi, Skoda and Seat brands had rigged software. The three executives denied they knew anything about the cheat software, reports said at the time.

In a separate development, Audi admitted two weeks ago that its 3.0-liter V-6 diesel engine was fitted with **emissions-control software deemed as illegal in the U.S.** The V-6 diesel was designed and built by Audi at its factory in Neckarsulm, Germany, and used in about 85,000 premium models sold by the VW, Audi and Porsche brands in model years 2009 through 2016.

Key player

Hackenberg was a **key player in VW Group product strategy** for more than a quarter century. He developed the automaker's modular platform strategy, first at Audi, then later extending the system to underpin models at VW Group brands. "He had that idea already in the early '90s at Audi. Today, the entire Group profits from it," Mueller said in a statement.

Mueller was named **chairman of Audi's supervisory board** on Thursday to replace Winterkorn who **resigned as Audi chairman** last month, further scaling back his ties with VW Group after he quit as CEO of VW Group in September.

The Audi board also picked Julia Kuhn Piech and Josef Ahorner, from the families that control Volkswagen, as new board members to replace former VW Chairman Ferdinand Piech and his wife Ursula, who resigned earlier this year.



Hackenberg, pictured, was the father of VW Group's modular platform system.

Hackenberg joined Audi in 1985 and held various posts within VW Group during his career. He was head of VW brand development from 2007 to 2013.

His successor, Knirsch, 49, has led powertrain development at Audi since late 2013. During the period when VW's emissions rigging

happened, Knirsch worked for Porsche and then German supplier Pierburg.

Knirsch's appointment comes as a surprise because Audi in June said he was **leaving the company at his own request**.

Audi CEO under pressure

U.S. law firm Jones Day, which has been leading external investigations of the scandal at VW, has also been tasked to clear up the manipulations at Audi. "The investigation is making progress," Audi Deputy Chairman Berthold Huber said. "That is a necessary and good sign."

Audi CEO Rupert Stadler is under pressure after his company's admission to U.S regulators earlier this month that its 3.0-liter diesel engine violated U.S. clean air laws.

After being questioned by the Audi board on Thursday, Stadler will also need to convince VW Group's 20-member controlling panel at a meeting on Dec. 9 to discuss the state of investigations. Audi contributes 40 percent to VW Group's profit. Stadler, a 25-year VW Group veteran, has led Audi for nine years.

"We pushed for action in the interest of workers and that's exactly what's happening now," Audi labor boss Peter Mosch, a member of the supervisory board said. "Further consequences need to be drawn now to ensure that this won't happen again."

VW plans to publish intermediate results of its probe into the scandal next week.