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ŠKODA Vrchlabí Plant Awarded 'Factory of the Year'

- > Award: Victory in the 'Outstanding site development' category
- Prestigious competition organised by trade journal 'Production' and A.T.
 Kearney management consultancy
- > High-Tech site: €220 million investments in Vrchlabí DQ 200 manufacturing
- > Growth: Production capacity increases to 2,000 gearboxes per day
- > Success: 910,000 DQ 200 gearboxes produced in Vrchlabí to date

Mladá Boleslav, 13 November 2015 – ŠKODA's Vrchlabí plant has been awarded 'Factory of the Year 2015/Global Excellence in Operations (GEO)' in the 'Outstanding site development' category. ŠKODA has been manufacturing the modern DQ 200 direct-shift gearbox at Vrchlabí since 2012. The 'Factory of the Year' award is one of the most prestigious competitions for the manufacturing industry in Europe, and has been organised by the trade journal 'Production' and consultancy firm A.T. Kearney since 1992.

The plant was evaluated on five criteria: value appreciation, customer satisfaction, quality, innovation and efficiency. Awarding first place in the 'Outstanding site development' category, the expert jury recognised the ŠKODA Vrchlabí plant's transition from vehicle assembly to modern gearbox manufacturing this year. The DQ 200 seven-speed direct shift gearbox manufactured in Vrchlabí is used in ŠKODA vehicles as well as models from other group brands, and is one of the most innovative automatic transmissions in the automotive industry.

"We are delighted that our plant in Vrchlabí has been named 'Factory of the Year 2015'," says ŠKODA Production Director Michael Oeljeklaus. "In a joint effort among the employees, trade union and the company, we have transformed Vrchlabí over recent years into a high-tech location for gearbox manufacturing. The victory in the category 'Outstanding site development' is a tremendous recognition of this. The award also acknowledges the local production team's hard work in shaping the changes with great skill, commitment and flexibility. Today, the location is well-established producing direct shift gearboxes, and has excellent future prospects."

The Volkswagen Group awarded Vrchlabí the contract for DQ 200 production in early 2011. The first DQ 200 gearboxes ran off the production lines there in October 2012. ŠKODA invested around €220 million into the local DSG production in partnership with the Volkswagen Group. The majority of that sum went into technical facilities and other measures, such as the Training Centre in transmission production, the logistics area, the Measuring Centre, laboratories and the Centre for Quality Analysis. New buildings were constructed and existing facilities modernised at a cost of around €27 million.

ŠKODA is currently increasing the location's production capacity. By March, the daily manufacturing volume will have increased from 1500 to 2000 DQ 200 gearboxes. The













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manufacturer will be investing a further €25 million into the expansion. The production capacity had already increased from 1000 to 1500 DSG gearboxes per day in 2014.

Around 910,000 DQ 200 gearboxes have been produced at the site to date. Approximately 1000 people are employed in gearbox production at Vrchlabí, making ŠKODA one of the largest and most important employers in the region. Earlier this year, the company was honoured for their social contribution to the development of the Vrchlabí region in the competition 'Česká inovace' ('Czech Innovation').

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Media images:



ŠKODA Vrchlabí plant named 'Factory of the Year'

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<u>Download</u> Source: ŠKODA AUTO



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ŠKODA AUTO

- > is one of the longest-established vehicle production companies in the world. In 1895, the Czech headquarters in Mladá Boleslav began producing bicycles, followed by the production of motorbikes and cars.
- > currently offers the following models in the range: Citigo, Fabia, Roomster, Rapid, Octavia, Yeti and Superb.
- > in 2014 delivered more than 1 million vehicles to customers worldwide for the first time in a single year.
- has belonged to Volkswagen since 1991. The Volkswagen Group is one of the most successful automotive groups in the world. ŠKODA, in association with the Group, independently manufactures and develops vehicles, as well as components, engines and gear transmissions.
- > operates at three locations in the Czech Republic, produces in China, Russia, Slovakia and India mainly through Group partnerships, as well as in Ukraine and Kazakhstan through local partners.
- > employs over 25,900 people globally and is active in more than 100 markets.







