



EURO-NCAP crash testing. Also, the Yeti entered the narrow selection for the European car of the year 2009.

History

Škoda has been manufacturing automobiles for a long time now. To recount its history would be like telling the story about the global automotive industry. Several companies (only four in the world) can boast their 100-year knowledge and experience in design and production.

The story began in late 1895 when Václav Laurin, a mechanic, and Václav Klement, a librarian, both bicycle enthusiasts, launched the production of their own bicycles and, proudly and patriotically, called them Slavia. Things went extremely well for them. By 1899, Laurin & Klement Co. began manufacturing motorcycles. The first victories at international competitions were celebrated. In 1925 L&K merged with the largest industrial company in the country – Škoda Pilsen. This marked the end of the Laurin & Klement brand and the beginning of Škoda as a brand name. The result was the production of elegant automobiles on a car production line, decorated with many sophisticated details and with victories at international competitions. During the difficult years of World War II, Škoda became part of the economic system of the Third Reich. In spite of complex problems, Škoda managed to produce another recognisable model – the Škoda Superb. The end of World War II brought about more changes. Contacts and exchange of information with other countries were obstructed, while the West continued its development. The company's name changed to AZNP Škoda, national company, and the company took over monopoly over personal cars in Czechoslovakia. Thanks to a strong foundation, the traditional production process and its successful past, citizens of the post-war socialist Czechoslovakia managed to make progress despite the influence of the socialist system and information vacuum. New models were launched – the Tudor, Spartak and Octavia. In 1987, the launching of a new car – the Favorit, marked a turning point. Political changes in 1989 brought about a new economic and market reality. Škoda was in search of a strong foreign partner as a basis for the continuation of business and investment into the future.

In December 1990 the government decided to cooperate with the VW Concern. On 16 April 1991, Škoda joined VW, Audi and Seat as the Concern's fourth brand.

Further progress followed. Thanks to this collaboration and a new way of economic thinking, Škoda introduced extensive modernisation measures. The result was the Felicia, a model capable of withstanding

Market

From the global standpoint, Škoda is present in over 100 markets across the world. In its newer history Škoda has been present in Bosnia and Herzegovina since 1996. It took only two years for Škoda to become the highest sold automobile brand in the country. As soon as 1999, Škoda's market share in the sale of new models was 41.97 percent.

Its growth continued in the following ten years during which Škoda achieved sales results that gave it the status of absolute leader in the sale of new cars. Škoda's buyers are mostly middle class, but with the launching of new Škoda models such as Octavia and Superb, the target group is also expanding to business people, people with class, as well as family-oriented people who see a good investment in a car in Škoda. The sales carrier of Škoda cars on the Bosnia and Herzegovina market is the Fabia, which had a market share of 54.49 percent in its segment in 2002. However, in the past two years, the Octavia model has been gaining an increasing number of buyers, resulting in Octavia's market share of 33.65 percent in its segment in 2008. The coverage of the Bosnia and Herzegovina market was achieved thanks to 19 authorised sales personnel and workshop personnel. Despite the economic crisis that has affected the automotive industry, there are expectations that the growth of Škoda sales will continue in the years to come, primarily owing to tradition, quality, new models and accessible prices that the citizens of Bosnia and Herzegovina recognise.

Achievements

Areas in which Škoda is following its vision by demonstrating innovativeness and success are plentiful. Škoda's definite business achievement is its sales result for the year 2008. The total number of sold models across the world amounted to 677,000 cars. Its greatest achievement in Bosnia and Herzegovina is its sales result of 3,500 cars in 2008 and its market share of 23 percent.



Of course, the biggest contribution to the company's success is the launching of new models, such as the Fabia, Octavia and Superb. For many years now, Škoda models have been justifying their value by receiving prestigious international awards. In 2006 the Octavia Combi model won a European award for the most beautifully designed model – the Red Dot Award. In 2007 the Fabia and Octavia models were pronounced the best value for money cars.

In 2008 the Superb model won a prestigious European award "2008 Golden Steering Wheel" bestowed by the German magazine Bild am Sonntag. A prestigious British news site – Jd Power Indew, has been placing Škoda's models Octavia and Fabia among top best value for money cars, product quality and the price of maintenance. In 2009 the Roomster came in first in the class of minivans according to a survey in a renowned German automotive magazine (Auto, motor und sport). In 2009 the Superb model received a car of the year award in the Czech Republic, Slovakia, Estonia, Lithuania, Latvia, Bulgaria and Ukraine. In 2009 it also won the Car of the Year award in Bosnia and Herzegovina. It was handed the award by the Association of Automotive Journalists of Bosnia and Herzegovina (UANBIH). In late 2009, the Yeti model was presented which has already been declared as one of the safest cars in its class, having received five stars at the



global competitiveness. Even more successful models were to follow – the Octavia, Fabia, Roomster and the pride of the company – Škoda Superb.

Product

An automobile is a beautiful product that integrates the expertise of many professions. The production of an automobile requires a lot of combined effort, diligence and hard work of engineers, designers, technicians, artists and workers. Škoda has been producing automobiles for a long time. Škoda produces unique automobiles. "Simply Clever" is much more than a simple statement. Quality, performances, a high level of concern for the environment and many innovative solutions are an integral part of every Škoda model. Practicality and functionality are guidelines in the creation of Škoda automobiles. Each Škoda model is equipped with VW engines. The latest generations of VW gasoline engines with advanced FSI and TSI technologies, as well as diesel TDI and TDI Common Rail technologies are available in most Škoda models. The four-wheel drive option is also available in the Octavia Combi, Yeti and Superb models. The recent presentation of the Fabia S2000 model intended for rallies demonstrates the company's traditional orientation of the company to create sports automobiles as well. The current product portfolio comprises ten models. These are the Fabia / Fabia Combi, Octavia / Octavia Combi, Octavia Tour, Roomster, Yeti, Praktik, Superb / Superb Combi. Each of the mentioned models is present in Bosnia-Herzegovina, apart from the Superb Combi model, whose presentation is expected in January 2010.

Recent Developments

With regards to the development of its products, Škoda's achievements are plentiful. The entire past decade was marked by the constant and progressive development of Škoda automobiles. Many Škoda models, such as the Octavia and Fabia, are entering



history as best buy cars. Czech tradition combined with German technology proved itself as the ideal combination for the production of high quality, yet accessible in price automobiles. Innovative solutions such as the Varioflex system of moveable back seats or the TwinDoor system of closing the trunk are just some of which Škoda introduced with its Roomster and Superb models. In 2009 Škoda Auto rounded up its range of products present on the market with its latest compact SUV model, the Yeti. The new Škoda Yeti is characterised by several elements that complement each other. They are a unique design, security, functionality and comfort. In late 2009 Škoda presented its Superb Combi model that was given the epithet of



the most comfortable car among Škoda models, but also in the entire middle class of business sedans. Regarding the development of the company, it constructed a latest centre for technological research which will serve not only Škoda, but also all other members of the VW Group. The centre was built in Mlada Boleslava, a town that is also a seat of a factory for the production of certain Škoda models.

Promotion

Škoda Auto is a company that is constantly working on promoting the value of the brand itself and of its automobiles. Its promotional activities are focused on several directions. Škoda's contribution to sports is part of its vision of helping sports activities on the global level. It is the official sponsor of bicycle races Tour de France, Giro d'Italia, Tour de Suisse and Tour de Romandie. Škoda's contribution is also pronounced through sponsorship of the Czech national Olympic team, the Czech Philharmonic Orchestra, the International Children's Film Festival, as well as sponsorship of the famous Czech National Theatre. The establishment of friendly values in Bosnia and Herzegovina is best expressed through its support of sports. Škoda has for many years been the official sponsor of the pioneer, cadet and junior teams of the Bosna basketball club from Sarajevo. With regards to marketing activities, Škoda constantly advertises in all important electronic and printed media in order to raise interest in potential buyers in the best way possible and draw to the buyers closer to buying Škoda models. The best invested value in relation to product quality is the basic motto with which Škoda is present on the Bosnia and Herzegovina market. In presenting its new models, Škoda organises high standard events. The presentation of Škoda's most luxurious model, the Superb, on the Bosnia and Herzegovina's market was attended by a large number of high-ranking officials and was covered by all important electronic and printed media in Bosnia and Herzegovina. The presentation of the new model, the Škoda Yeti, was organised in a unique fashion. Potential buyers had the opportunity to test drive Škoda's new compact SUV in areas such as Bjelašnica, Kozara and Podveležje and so experience a unique adventure and satisfaction driving a model which is intended for off – road driving conditions. The crown of promoting Škoda as the leader in the sales of cars on the Bosnia-

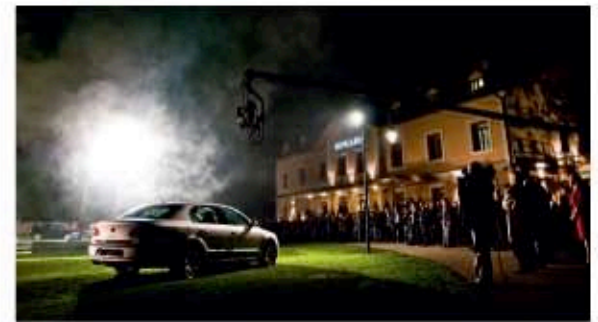
Herzegovina market is signing a contract with the famous Bosnia and Herzegovina singer Halid Bešlić on his use of Škoda cars for promotional purposes. The strength of Škoda in Bosnia and Herzegovina lies in the quality of its cars, their favourable prices, as well as the most widespread sales and workshop network in Bosnia and Herzegovina. Today Škoda has a total of 19 authorised sales and workshop facilities across Bosnia and Herzegovina. In June 2009 a new dealership was opened – Parts-Široki Brijeg, while the EL-GO dealership from Stolac built a modern sales and workshop facility with standards that meets Škoda's highest criteria with regards to the infrastructural characteristics of sales facilities.

Brand Values

Škoda is focused on people and their needs. The buyers of Škoda automobiles can be sure to always get value for their money; reliable, technically advanced cars with original design and which can be fully comparable to competitive products by their parameters and user characteristics. "Simply clever", innovative solutions make Škoda cars a recognisable and unique product on the automobile market.

As an equal partner in the community of other VW corporation brands, Škoda maintains its spot among the most attractive automobile producers. Creativity, integrity, quality, reliability, openness and a serious attitude in relations with buyers and the public – these are the primary characteristics of the Škoda brand today, which will continue in the future.

www.skoda.ba



THINGS YOU DIDN'T KNOW ABOUT...

Škoda

- The first new automobile imported after the war in Bosnia and Herzegovina was the Škoda Felicia.
- Every fourth newly sold car in Bosnia and Herzegovina is a Škoda.
- Octavia is marking its 50th anniversary. The first model was created in 1959.
- The option of the variable opening of the trunk on the Superb model, called Twin door, was patented by Škoda's engineers and there is already great interest shown by many other automobile companies to buy the patent and use it in their cars.

