

April 7th, 2016

Dear GBCC Teams,

Enclosed you will find the case for the 2015 Global Business Case Competition ***“Volkswagen Group: The Emissions Scandal and the Costs of Deception.”***

Assume that you are outside business consultants who have been hired by CEO Mathias Mueller to help prepare “Strategy 2025.” Assume that the judges are Mueller and other members of the Volkswagen Management Board. You have been tasked with answering the questions below.

Question 1 - What will be the costs of the emissions scandal for VW?

Specifically:

- What will be the total costs (in dollars)?
- Are there additional, non-quantifiable costs?
- Over what period of time will the costs accumulate?

Question 2 - Taking into account the constraints imposed by the costs of the scandal, what strategies do you recommend to be included in Strategy 2025?

Specifically:

- How can VW regain the trust of its customers?
- What products and technologies should be emphasized? Should VW abandon diesel?
- What geographies should VW focus on? What should they do about the US market?

Notes

Regarding Question 1, the judges will expect you to identify the different types of costs and to explain the assumptions underlying your calculations.

Regarding Question 2, your recommendations should be in the form of high-level strategies, not detailed tactics. You should be prepared for questions from the judges that require you to justify your recommendations.

Competition Guidelines & Rules

Obviously, you will need to do outside research in order to prepare your presentation. However, you may not conduct any personal interviews as part of that research. For example, do not call, visit, or e-mail anyone at the case company. The only sources that you may use are publicly available ones (print or electronic). Please note that you are allowed to ask librarians where reference materials are located, but not for help on your research strategy.

Do not discuss the case, your research, or your presentation with anyone outside your team (this includes your advisor, your ambassador, and GBCC managers) before Saturday’s competition.

If you have a question about the competition, the rules, these instructions or the case, contact Kathleen Hatch Allen (khatch@uw.edu or 206-543-3960).

I look forward to seeing your presentations on Saturday. Have fun!

Sincerely,



Debra Glassman, Faculty Director, Global Business Center