VW boss attacks Tesla for "barely selling 80,000 cars a year"

The remarks were made during a discussion of the future of the auto industry.

Jonathan M. Gitlin -



<u>Enlarge</u> / Matthias Müller, CEO of Volkswagen, at the Volkswagen Preview Night prior to the 2017 Frankfurt Auto Show.

Sean Gallup | Getty Images

181

Well, this one will certainly set the cat among the pigeons. Via the <u>Daily Kanban</u>, we came across this video of Volkswagen CEO Matthias Müller ripping Tesla during a panel discussion on <u>the future of the automotive industry</u>. Prompted by a comment from the moderator, Müller laid into the electric car company for its small production volumes, <u>regular quarterly losses</u>, and for <u>firing hundreds of workers</u>.

Per Daily Kanban's translation:

Now I really need to say a few words about Tesla: With all respect, there are some world champions of big announcements in this world—I don't want to name names. There are companies that barely sell 80,000 cars a year. Then there are companies like Volkswagen that sell 11 million cars this year, and produce a profit of 13 or 14 billion euro. If I am correctly informed, Tesla each quarter destroys millions of dollars in the three digits, and it willy-nilly fires its workers. Social responsibility? Please. We should not not get carried away and compare apples with oranges.

The attack comes at a tough time for Tesla. The Model 3, the company's new mass-market EV, is mired in "production hell," with Tesla having little chance of meeting its goal of <u>building 20,000 in the month of December</u>. And there has been a spate of allegations of harassment at the company's factory, with workers reporting <u>racial</u> and <u>now anti-LGBT abuse</u>.

Still, it's a brave move by Müller, as VW Group has not been without its own troubles. The diesel emissions scandal is now in its second year, with arrests made in both the US and Germany. And while the fallout resulted in Müller getting his job, it has also cost VW Group tens of billions of dollars in fines, write-offs, and losses. As a result, VW Group—which is one of the world's three largest automakers—is aggressively pivoting toward electric cars; at this year's Frankfurt auto show, Müller announced 50 battery EVs and 30 new plug-in hybrid EVs will be coming during the next 13 years.