

FEDERATION INTERNATIONALE DE L'AUTOMOBILE

#### **Press Information**

#### 2014 Spanish Grand Prix Friday Press Conference Transcript

#### 09.05.2014

TEAM REPRESENTATIVES – Cyril ABITEBOUL (Caterham), Robert FERNLEY (Force India), John BOOTH (Marussia), Monisha KALTENBORN (Sauber), Franz TOST (Toro Rosso)

**PRESS** CONFERENCE

A question to all of you to start with. What updates did you try on the car today? Obviously it's always a talking point at the first European round. How did they perform and will they stay on the car for the rest of the weekend? Cyril ABITEBOUL: Yeah, well, like every year and like most of the teams we brought an aerodynamic package, a typical race five, Barcelona package: front and rear, front wing, rear wing, floor and so on and so forth. Will we keep them? It's sad to say that through the lap time it's not working great. Will we keep them – I hope, because we don't really have an alternative. So the plan is really to make them work at that point in time.

#### Franz?

**Franz TOST:** A new rear wing, new rear wing endplates, a new diffuser and they will stay on the car during the race weekend.

#### OK. Robert?

**Robert FERNLEY:** Mainly floor but it's complementing a little bit what we did in China to finish off the package and they'll be staying on the car.

#### Monisha?

**Monisha KALTENBORN:** We have a new front wing, we have new sidepod deflectors, we have a new cooling system, all that aimed at reducing the weight of the car a little.

#### Will they stay on the car?

MK: They will stay for the weekend, yes.

#### And John?

**John BOOTH:** Yeah, we have a few small trims and gurneys but nothing major this weekend, but we're very pleased with what we've added and for sure they will be staying on.

Another question for all of you: obviously there were meetings last week on cost control – all the teams met and also the F1 Strategy Group met, so I'd like to ask all of you what you think of the progress so far, thoughts on next steps and the likelihood of a workable plan for 2015 as we stand here. Cyril?

**CA:** It was a good meeting; it's always good to meet, in particular when there is an opportunity for all teams to be represented. It was certainly that opportunity. So, yeah, we put on the table our position. When I say 'our', it's the position of the teams that are not in the Strategy Group and they are afforded less opportunity to make their position. So yeah, pretty much pleased to have that opportunity. Obviously an awful lot of work remains but pleased with that.

#### Franz?

**FT:** Yeah it was a good meeting, as Cyril already mentioned. The most important thing now is to find solutions how to reduce the costs. I think we are in a good way. I hope that at the end we will find possibilities to come down with the costs and to help the smaller teams to survive.

#### **Robert?**

**RF:** Yeah, I think it was a very good meeting; very positive. I think we shouldn't lose sight though of the fact that in Geneva we agreed a certain protocol in terms of unanimous agreement to look at cost cap and we believe that still applies today and that the FIA should continue that process.

#### Monisha?

**MK:** I pretty much agree with what Bob said. We could sense that there is an overall feeling to reduce costs significantly but now it's time that we really had concrete steps and of course there are different positions on the table but it's important that we find a solution now and implement it.

#### And John?

**JB:** Yeah, we support any moves that lead towards the ultimate goal of getting the costs under control. Last week's meeting was really a carry-on from Geneva in January. I think all teams are working hard to find the best way forward.

#### PRESS CONFERENCE

Q: (Kate Walker – Crash.net) It's a question for all you. Since the 1<sup>st</sup> of May meeting we've heard that you guys have been asked to table your own propositions with regards to cost-cutting without a cap, such as scrapping FP1. Could you tell us what sort of proposals you have made and what ones you've discussed possibly in the meeting this morning?

**MK:** I'd like to clarify that we've not been asked to put up a proposal without a cost cap, we've simply been asked to put forward a proposal, which we will be doing shortly. What we want to do really is achieve something that everyone can agree to, and that's what the FIA President asked for. So we are very gladly going to pick up the ideas, which were brought up but the Strategy Group. We're working on that, yet we still have the position that particularly in view of this Geneva meeting, where we have a unanimous decision to a cost cap in principle, we can put these add-ons to it and that's the basis we're going to continue to work on.

#### A couple of other perspectives on this: Franz?

**FT:** Regarding the cost cap, there are different views on this. The Strategy Group at the end, one month ago, refused the cost cap for various reasons and as the cost cap will not be any more in place, as the top teams from the beginning onwards said that it is difficult to police it and if something cannot be controlled it doesn't make sense to bring it in. I think we should find now a way with the Technical Regulations

and the Sporting Regulations to cut the costs. If I look for example, next week we have a test here in Barcelona and in my eyes it's a totally useless spend of money, because what do we bring in? We bring a car, an extra car, we bring in extra people. We are running here for two days and each kilometre in Formula One costs you three or four hundred euros or even more and if you calculate all this at the end we have spent a lot of money. That means we have to sit together, we have to find ways, with real examples, how to come down with the costs. This is for me not to do tests during the season, to limit upgrades, all this kind of stuff, which at the end will help us to come down with the dramatic costs which we have at the current time.

#### **Robert?**

**RF:** I don't have a great deal more to add what Monisha said. I think she said it very eloquently. I think the question we have is that the FIA are comfortable that a cost cap can be administered and we respect their opinion and we question, as we always have done, the legitimacy of the Strategy Group to overturn the Geneva decision.

#### John, anything to add?

**JB:** No, not really. I would question the idea that we can control costs substantially by technical and sporting regulations. History shows the banning of testing and even of wind tunnel and we're spending more on Formula One than ever before. So I question whether it is possible to control costs with technical or sporting regulations.

#### And a final view on this, Cyril?

**CA:** No, no further comment.

#### Q: (Dieter Rencken – Racing Lines) One of the phrases that's kept on cropping up is Strategy Group. As the disenfranchised, do you believe that the Strategy Group actually has a constructive role to play at all in the future of Formula One and should it exist at all?

**RF**: Yes, I do. I think the Strategy Group does have a role to play. I think as it's name says it's for developing strategies and I genuinely believe that's very positive but I don't believe it substitutes, obviously, for unanimous decisions.

**JB:** I fully endorse what Bob says. I would just add that they have a real difficult task in the Strategy Group – developing strategies and ideas that are good for the sport as a whole, not just for the six people in the Strategy Group. So they have a really hard task achieving that.

**CA**: Yeah, I think the same thing. I think it is difficult to elaborate a strategy in particular in a sport which is as complex as Formula One, because each time you change something it has implications that you no necessarily foresee and therefore the feeling that you can elaborate a strategy without the opportunity to discuss thoroughly with all the teams first and secondly also with technical and sporting experts is maybe a bit short-sighted. The second thing I would say, though, is that it's good to have some opportunities to think long-term. Therefore, in a proper group and adding some sort of top-down approach rather than only a bottom-up approach I think is good and I find in that respect strategy is good, but I don't see why half of the grid, or most, should be kept away from the discussion - at least from the discussion. Then, in terms of voting, you know I can respect, from my perspective, the voice of Caterham does not count as much as the voice of Ferrari but it doesn't mean that we cannot be part of the discussion, at least for the sake of transparency. We have the same obligation as Ferrari, for instance towards regulation: we need to enter two cars, we need to comply with the regulations and we are just as exposed

from a cost perspective and therefore I think it would be fair that we have at least the opportunity to know what is being talked about and also the opportunity to express opposition. Then again, the voting mechanism can be a different issue.

#### Thanks. Franz?

**FT:** I think the system is OK, which we have currently. We have the Strategy Group, which works out strategies, and then we have the Formula One Commission and we are all sitting in there voting. It's anyway coming to the World Motor Sport Council and for me the system is fine.

#### Monisha?

**MK:** With the regard to the jobs, I'd say the duty of the Strategy Group, Bob's put it all in there as we see it. What gives rise to a lot of concern is what's happened now with regards to the cost decision, because a Strategy Group can look at certain things and make proposals but if there is a unanimous decision, and like Franz says, we have the Commission, we have our forums I'd say where all teams actually have the same voice and they all agree on something, we do not accept that another group can come up there and just overrule that decision.

### Q: (Ralf Bach – Sport Bild) A question for all of you: to make a long story short, is the cost cap now dead or not?

**RF**: I don't believe... from our point of view, I don't believe the cost cap is dead. I think as far as we're concerned it's still in the hands of the FIA to progress what was unanimously approved and we will do our very best to support other measures that can go in line, but I think you need the two.

#### John?

**JB:** Marussia very much share that view.

#### Cyril?

**CA:** Nothing to add.

#### Franz?

**FT:** For me the cost cap is dead because the top teams don't accept it. It's also complicated for them and as long as auditors are not allowed to look into the books it's useless to make a cost cap.

#### Monisha?

**MK:** I don't think it's dead because first of all, as it's been said already, there is a unanimous decision and I think it is very much possible to police it. Because it's something can be policed, it's figures – because they are pretty clear. It depends on the people that put down the figures if they are right or wrong. We do that all with our companies. I think there's no country where our teams are situated where we don't have book-keeping so I don't think it should be an issue.

We, at Sauber, definitely could live with a system where you first of all come into with trust, and not the lack of trust, and say if the teams put in the figures and you have a certain actual policing system. It can work, we've been saying that for long and I think it is very much doable.

#### Q: Are there any timetables or deadlines on this?

**MK:** Well, we have the natural deadline by the rules that you have to agree to it by the 30<sup>th</sup> of June. So, I still hope we can agree to it. Of course you can achieve certain cost reductions through rules, maybe sporting or technical but I think you will not achieve that kind of drastic cost saving you want to. And at the end of the day it doesn't matter how you get there because you're looking at a figure. You have to ask yourself, do you want one figure at the end or do you want to have 20 different figures which just calculate again to one figure, so you always come to the same.

Q: (Mike Doodson – Honorary) I have a question about the viability of the Russian Grand Prix only a weekend after the Japanese. I put the question to Bob and John possibly first: there are serious concerns about the political situation in Sochi. The Superbike Championship round there has already been cancelled. My question is: do you think that Formula One should do the same? And on a practical note, have you yet confirmed your travel arrangements to go to that race.

**JB:** First of all, travel arrangements have been confirmed. There's a charter going straight from Japan to Sochi. As to whether we go to Sochi or not, as with Bahrain over the last couple of years, we'll follow our Government guidelines on whether its safe to travel or not, or whether we should go or not.

#### Q: British Government guidelines you mean?

JB: Yes

#### **Robert?**

**RF:** Yeah, I agree with that. I think there were certain criticisms that came to the teams and the organisation going to Bahrain but we were clearly in line and in accordance with British Government guidelines. I think unless the British Government advise otherwise and then from that obviously the FIA and FOM, then we are obliged to go, we are contracted to go.

#### Does anybody else have a view to put across on this?

**FT:** I personally just hope that we can go there because the Russian market is quite important for us. I hope that we will have this race. Until October there is a long time and I hope they can sort out all the troubles that they have currently.

#### Q: (Vladamir Rogovets – SB Belarus Segondnya ) For all participants: I started my season yesterday. Today, I heard Formula One engines for the first time and I'm really disappointed. It's not Formula One, it sounds more like GP2 and GP3. What do you think can be done, in reality, to change this situation and restore it for the journalists and public?

**MK:** Actually I don't agree with this that this is not Formula One. This is actually a good era of Formula One. We've got into this very exciting new era with very complex, sophisticated hybrid engines which are exactly doing what they were expected to do, that is showcase the highest level of technology. We're always meant to be bringing it to a certain edge which we are doing and some people might like the sound or not but there's too much of importance in this matter that you just reduce it to the sound; it would be a bit sad if we just look at that. Otherwise, I think the show has, on a couple of occasions, been exciting and it's just the start of the season. I think it's still an excellent platform, one of the best in the world, it's one of the biggest. You look at the fans, you look at the global reach we have, how we are spread throughout the year so I think it is going in the right direction.

**CA:** I would agree with Monisha but it's a bit too much left brain or right brain for me and Formula One is very much a compliment of emotion and intellectual exercise. so I think from a technology perspective we are set up now. We have been saying for a while that Formula One needed to do something with its engine formula and that's ???? I think we should not forget also that it's a show business so it's a show and it has to satisfy the end customer who at the end of the day are not only the car makers but also the fans and if, in order to address that and continue to tick that box, we need to address something with the noise. There are ways to do it, and if indeed there is a test that is planned for next week, and I understand that it's almost doubling the sound that you can feel when you are near the track and therefore I think that's something that should be done, that can be done easily. Obviously there will be some cost implications and there we go again about cost cuts but we should do it. The last point is that obviously Formula One is also moving towards other media where sound is almost irrelevant. If I ask you what is the sound of Twitter, we see that we have to think a little bit differently to a certain degree. But the sound has to be right.

**RF:** I think you should always remember that the increase in sound is just loss of power and I think that when you're harnessing all the power and it means that the engines are quieter then you're actually doing a more efficient job and as I've said before, the show has been quite fantastic and I think that it would be very disappointing if we're just judging Formula One purely on the fact that it makes a lot of noise.

**JB:** I think Formula One should really be applauded for managing to bring this modern technology to Formula One. As Monisha said, we showcase the cutting edge technology and the reliability that's been achieved with these power plants in such a short time, I think is an incredible achievement.

**FT:** First of all, I think the most important part is that people write... the fans, Formula One fans with interesting races, with fights, with overtaking manoeuvres and Formula One is the peak of motor sports. That means the music that you hear now from Formula One, is what they will also hear in the future, because I think also the other categories will, sooner or later, come out with the same technology. A turbo engine doesn't have the same sound as a 12 cylinder which was twenty years ago. We're in another period of time and we have to adapt also what the automotive industry wants to see.

#### Q: (Renan do Couto – Warm-Up) To all of you; we've had new names coming into the direction of teams, like Marco Mattiacci, Eric Boullier leaving Lotus to go to McLaren and other ones. How does the arrival of new names on the pit wall affect the racing and the business in Formula One?

**MK:** I don't really see any direct effect now. Some of the names that have been mentioned have been in other teams before and they are from the automotive business, so it's always good if you have a certain new mix coming in there, maybe some new ideas come but I think Formula One teams are pretty independent. If you look at now the positions from new people coming in I think would have been a bit different if you look at team owners coming in, establishing their own team. That could still have maybe more effect how the team is run and what the team stands for. But I think it's now really of no relevance.

**FT:** It's a normal process. I don't see anything special in this. Formula One is a very fast business, people are coming in, people are going and this is how it is. **JB:** Some of the people who are no longer on the pit wall were very big characters, always sorely missed, but I don't think it will change the show at all.

**RF:** I agree with John, there. From a personal point of view, I will dearly miss the people who are no longer here but Formula One will continue without even us and everyone else who matters. The sport is always bigger than any individual. **CA:** Yeah, unfortunately I don't there are many different ways to operate Formula One. I think there is a model. Maybe it can be perceived by people outside the sport that it is a bit old-fashioned but actually even the people making the comment that it is old-fashioned which would change it once they are within the sport, they go back to the old model.

Q: (Ian Parks – Press Assocation) Cyril and Franz; Jean-Michel Jalinier has revealed today that at least one of Renault's customers has not paid its bill this season for the power unit supply and if that bill is not paid, has threatened to withdraw the power units for future races. Can you reveal whether you have or haven't paid the bill and if not, what you make of Jean-Michel's threat?

FT: As far as I'm aware we have paid everything.

**CA:** It's a confidential issue but I'm happy since I'm on time to say that we are settled with invoices with Renault Sport F1.

Q: (Dieter Rencken – Racing Lines) One of the fall-outs of this cost-cap versus improvements plans or whatever have been threats maybe that this will end up at the EU. Do you people – particularly Robert because you've been one of the most outspoken about this – do you believe that it will or should end up with the EU? Should there be EU intervention in these matters?

**RF:** I don't think that's for Force India, Dieter. Force India doesn't receive any subsidy payments, so it's not in any possible contravention of any rules. I think that people who receive subsidy payments should be asking the questions themselves. I think you know, generally, between the teams that are receiving additional payments or subsidy payments as opposed to the teams that are receiving the standard column one, column two payments, so the teams that are receiving those extra payments need to look into it themselves. It's not a case for us. Even there was contravention, we're not doing it because we're not receiving anything, but they need to look at it through their legal teams.

**MK:** I think this topic regarding the European Union is not something that has just come up today. I think it goes back to a couple of Concorde Agreements before, it always just keeps coming up. At least I can say that the teams that have written to the ??? are certainly not threatened, excluding Franz here, he was not part of that, they've not threatened anyone. It's just something which is very much there, as Bob has said. We don't see ourselves in any danger. It's more for the others to know what they're doing or not and to assess the legal effects of that.

FT: I think there's enough politics in Formula One, we don't need an additional party.

Q: (Kate Walker – crash.net) I wanted to touch again on the F1 Strategy Group haves and have-nots kind of situation. Late last year when we discovered that this Strategy Group was coming into play, several of you made comments about the need for trust in a relationship where five of you weren't going to be represented so for everyone except for Franz – because you are sort of represented – has the abandonment of the cost cap violated your trust in the Strategy Group moving forward?

**CA:** It depends what comes next. As we say, we still believe that there was an unanimous agreement that would explore the possibility of a cost-cap. We understand that some experts from the FIA believe that it's entirely possible, so on

that basis we feel that we need to look at the issue properly and not stop in the middle of the bridge, so on that basis, we continue to trust the F1 Strategy Group. Obviously the first thing that we saw from the F1 Strategy Group was double points-scoring at the last race, so we would like to think that they can do better than that. **MK:** I agree with that. I think that as the name, and it's been said already, as the name says, you do need always a smaller group and that's very common for any bigger corporation which sits down and looks at strategy. We can understand certain memberships given in there because certainly they are bigger teams and can come up with the right ideas but as I said before, we have concerns now since we've seen what has happened with the cost cap.

**RF:** I think that one has to question that when you have a group that it is clearly, from our point of view, bringing in recommendations that are favouring the people that are involved in that group then one has to question it and that is where we are at the moment.

**JB:** First of all, we don't accept that the cost cap is dead. We're still working very much towards achieving that. I think it's too early to say how successful the Strategy Group will or won't be.

FT: I trust the Strategy Group!

#### Q: (Daniel Johnson – Daily Telegraph) Question first to Monisha and then Franz and then John; back to the crisis in Ukraine, have you seen any effects? You have relationships with companies inside Russia. Have you seen any effect on any potential partners or sponsors from the crisis and how will that affect you going forward?

**MK:** We've definitely seen an effect because a lot of talks which are very advanced have virtually come to standstill because people are waiting and seeing what's going to happen and nobody really knows the entire impact it can have because the sanctions that have now been imposed are really biting some of them, so they're very careful which again means that we simply have to wait and there's nothing we can do about it, so we really hope that the situation can be clarified soon and all our deals can be sorted out.

**FT:** Yeah, of course the political situation affects our negotiations with companies in Russia because no one knows exactly which way it goes and I just hope that it will end up in a positive way and we will go to Sochi because that's very very important and then I'm convinced within a short term period of time that everything comes back to normality.

**JB:** At the moment, there's no immediate impact but if it continues to escalate no one knows what will happen in the future.

# Q: (Ian Parkes – PA) There's obviously been a lot of questions directed today about cost-control, finances, etc., As five of the smaller teams on the grid, as we stand here today, what would you assess are the chances of the 11 teams that are currently in Formula One being on the grid for the first race of next season?

**MK:** I really wouldn't even want to give a percentage on that. Because clearly our target here is that all teams which are here today need to survive. Formula One needs this kind of diversity. This is what makes the show exciting and this is what allows sometimes a smaller team – as they call it – to even touch the front and get maybe a podium or two and that's exciting for the whole show. So, I firmly want to believe that we will all make it and we certainly see it as our job, wherever we can do something, to make that happen.

#### Robert?

**RF:** I would hate to lose the diversity that we have. You should never underestimate the resolve of Formula One teams to survive. Historically it's been proven it's an amazing effort and I hope that with efforts than can be made, we can make it easier for people to survive by bringing in the cost controls and any other measures that are possible.

#### Franz?

**FT:** Difficult to say now. I can't talk for the other teams. I just know that Toro Rosso will be on the starting grid. So far we are financed thanks to Red Bull, thanks to CEPSA, Nova Chemicals and Sapinda. For the next years we are on the financial side on good pillars.

#### John?

**JB:** We've battled every year through our short F1 lives for the last five years. We've been written off several times and we're still here. I'm sure we'll still be here at the start of 2015.

#### Cyril?

**CA:** Pretty much the same thing as John. I think we do, and will continue to do, every single thing that we can in order to be sustainable – not just next year but the following years. The one comment I would make is that we should not take anything for granted. Formula One is the pinnacle of motorsport. We need to deserve our position on track and making reference to lap times. It's not like once you are in there you should sit down and relax. That's the sort of thing I will not accept as the CEO of this team. And therefore we need to do a better job on track because we need a lot of noise about the finance but at the end of the day it's also lap times that matter – although that's also connected to finance and the overall model – but we need to make sure to deserve our position on the grid.

### Q: (Thomas Maher - FormulaSpy.com) Question for Franz. Franz, Daniil Kvyat has had a pretty good start to his career – I think it's three points finishes out of four – has he surprised you or exceeded the expectations of the team?

**FT:** No. He is in plan. This is what we expected. He is a very high-skilled driver. He is working very committed and disciplined and therefore I expect that he will continue also in the future to be within the first ten.

## Q: (Sergio Lillo – Revista Scratch) Question to Franz. You have said this day that Daniil Kvyat will be a champion. I want to what kind of skills have he got to achieve this and what's the difference between him and Vergne?

**FT:** First of all, whether he will become a champion or not, we will see. I think that he has the abilities to do this but the complete environment must also be in place to become a champion. He is a very, very high-skilled driver, that means he is a huge talent. He is very committed to motorsports, he is passionate to motorsports, he is disciplined and he is a very hard worker – and these are all the factors which are decisive, whether a driver wins races, and at the end championships, or not. Also Jean-Eric Vergne is a high-skilled driver and he is doing a very good job. If both drivers are being provided from the team with a proper car, then both of them can be successful.

Ends