**Volkswagen plans low-cost car brand, report says**

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FRANKFURT -- Volkswagen is planning a low-cost car brand for emerging markets, Ulrich Hackenberg, VW's head of research and development, told a German magazine.

The car will sell for about 5,000 euros, Hackenburg said.

"In India we build the Vento and a local version of the Polo that only costs around 7,000 euros ($9,300). In China we're planning a more affordably priced car in the size of a Seat Toledo," told *Auto Motor und Sport* in an interview published on Wednesday.

"There is a market segment between 5,000 and 7,000 euros, which is a real challenge," he said.

The trick is finding the right amount of content to take out of the car to make it affordable, he said. "Here you really have to closely look at what can be done away with, but those cars would not be sold under the name Volkswagen, more as their own brand."

Hackenberg said no decision had been made whether such a car, most likely a roomy sedan that could also be built in a van body style, would be manufactured with a Chinese partner.

*Sources: Reuters and Automotive News Europe staff*

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