

NTT IndyCar Series News Conference

Saturday, October 3, 2020
Indianapolis, Indiana, USA



Jay Frye

President, NTT INDYCAR Series

Mark Reuss

President, General Motors

Ted Klaus

President, Honda Performance Development
Press Conference

THE MODERATOR: Good morning to you, and welcome, everyone, to the world famous Indianapolis Motor Speedway and a very special announcement. My name is Dave Furst. Great to be here as we get set for the second INDYCAR Harvest GP presented by GMR as well later today here at the speedway.

A couple of housekeeping items before we really get started. As mentioned, it is wonderful to have an in-person news conference for a change up here, certainly on the 4th floor of the media center. For the reporters and the media that are seated, you are going to have an opportunity to ask questions here this morning, and to do so instead of passing around a microphone we have a standing mic located right here. So will you entertain the idea, come on up, socially distance. Nobody is going to be hoarding the microphone. But stay six feet away. We will be taking some questions from the media, and as a second tier to that, folks are joining us on Zoom, as well, we're going to take some media questions from Zoom here momentarily.

Up on the podium we say good morning, Jay Frye, INDYCAR president. To his right, our left, is Mark Reuss, the president of General Motors, and to the far right, their left, we welcome and say good morning to Ted Klaus, the president of Honda Performance Development. Again, here for some incredibly exciting news this morning, as INDYCAR proudly announces a new multi-year extension, taking the partnerships of Chevrolet and Honda well into the end of the decade, and doing so with the introduction of the new 2.4 liter twin turbo V-6 with hybrid technology. It will all begin in the year 2023.

Jay, we'll begin with you. What a special occasion. How

special is this?

JAY FRYE: It's a huge day, obviously. First of all, I wanted to thank everybody. We're at round 13 this weekend, everybody. So think of it, the processes and procedures that we went through to get to where we're at, really exciting so we're very proud of everybody. We appreciate everybody's everybody effort and thank you to the media, all of our competitors, paddock, that type thing.

Today is obviously huge news. OEM participation is the lifeblood backbone of any series. So to have the runway that we're announcing today, which is a long time, we've got a good plan, a good future, and together with Chevrolet and Honda we couldn't be more excited about the future.

THE MODERATOR: For Mark Reuss, you think about racing, certainly the DNA of Chevrolet, correct? What does a commitment like this mean for Chevrolet and your company?

MARK REUSS: Well, thanks, and let me first say it's great to be part of this announcement today, which means a lot to Chevrolet, to GM, and to me personally. The fact that we're committed to reinvesting in this series for years to come should say everything there is to say about how we feel about it.

The fact that Roger and Bud and their team are in charge says a lot about why we're doing it. They have poured many resources into making everything better, which is evident both here at IMS and across the INDYCAR Series. It's a series that features some of the best racing in the world by some of the most talented international drivers and a great TV deal, and we should thank NBC for that. They have done an incredible job.

Under the leadership of Jay and his team, INDYCAR has made great progress while keeping costs largely under control, which allows many teams to participate and results in excellent competition. That's good news for the series and for the fans.

That's why INDYCAR, America's only open wheel race series, is one of the pillars of racing for General Motors. The new propulsion systems and development that Jay mentioned also include electrification technology and that fits well with GM's vision of transitioning the automobile

ASAP sports . . . when all is said, we're done.®

industry to an electric feature. We couldn't be happier to be part of it, and we're happy that Honda is part of it, too, as we're doing substantial work with them on EVs and on autonomous vehicles, both of those.

With our commitment, Honda's commitment and the leadership and vision of the Penske Corporation, INDYCAR is poised for success for years to come.

THE MODERATOR: Congratulations. And Ted Klaus, the president of HPD, Honda Performance Development. Ted, for you, how does a commitment like this and really the path of the hybrid system go hand in hand with Honda's future?

TED KLAUS: Yeah, it's great to be here. Today is a culmination of a lot of effort by a lot of people, and it's great to have the fans here. That's why motorsports is in our blood. Really, really proud of our 27-year continuous commitment to INDYCAR, and it has paid dividends over and over again.

We race to hone the people inside of Honda, very similar to Chevrolet. That's why we have such great races, and yesterday's race was just spectacular. We also race to connect with our customers and our fans, so as you said, the hybrid technology, electrifying our award winning products, that's a direction for both companies, and it's great that we're going to place this technology on behalf of the drivers and the series.

It's going to make it engaging, and so I don't know how exactly we're going to do it, but we're going to find ways to do it, and just like when we were kids and coming to this place took our breath away, we're going to use this as a way to communicate to our future fans but challenge all of our internal resources for today to take us into tomorrow. So really appreciate the platform, the leadership of INDYCAR, and we are just proud to be here and looking forward to more friends to come and play with us.

THE MODERATOR: You mentioned the great racing. I believe I saw a stat lace last night, 247 on-track passes yesterday. Incredible race yesterday to be sure.

Jay, back to you, we talk about how special this is. Ted kind of alluded to it, as well, a commitment to stability, what does that say perhaps for future opportunities for other OEMs, original equipment manufacturers out there that might consider INDYCAR as a future?

JAY FRYE: Well, I think first things first, right. We wanted to make sure that we had a long-term extension with both of our current partners who are phenomenal partners. Today bodes well for that. Obviously they see what we're

doing, where we're going, that we have a good path. In '21 and '22 we'll have the 2.2 liter twin turbo V-6; '23 going forward we'll have the 2.4 hybrid technology.

So I think they know where we're going, they know what we're doing. We've got two great partners that are already lined up, so we're excited about the future, and we're excited what that could look like down the road.

THE MODERATOR: Mark, take us back eight years ago when Chevrolet returned to this series. It's been incredible, right, six titles, 87 wins. You guys are approaching 100 pole positions, four Indy 500s, the list goes on and on and on. The question is how does success like that breed the desire to continue on and feed that hunger that your company has?

MARK REUSS: Well, it's a great question, and I can go back to the financial crisis here in the 2010, '11, '12 time frame, starting in '08, and our company and the country and the world went through a pretty rough time. So we really used that opportunity, and I can remember meeting with Roger and Bud to talk about coming back to the series in that time, and we've really used that to teach our employees how to win again and what winning looks like and be proud of that. And I think it's trickled into our products, and as Ted said, this is all about that desire to win and how to do that and how to create that culture.

INDYCAR has played a vital role in General Motors and what we do today and what we did coming out of that time frame, and credit to everybody. We feel very deeply about it. It's just a pleasure to be part of that with everybody, Jay, Mark and Bud and the whole team. It's been -- it's an emotional thing for General Motors, and it continues to be. It's very much a part of America and the open wheel piece of it, and especially in this place.

THE MODERATOR: Ted, you go back 27 years, right, and rolling for the folks at HPD and Honda and INDYCAR. But at the very core of all this is competition, and when these guys came back on board in 2012 you welcomed them with open arms. Competition is really what this is all about, isn't it?

TED KLAUS: Yeah, Mr. Honda, Soichiro Honda, founded our company on competition. And I use that term "hone," and honing people and technologies, it's not new, but we can renew that timeless value. When you compete in an absolute way in life, you learn things that you don't learn if things are kind of relative. Now, I'm not calling the real world relative, but you have to have a place, an environment to do that.

The 500 is a national treasure. As a kid I grew up listening



to it on the radio, a completely different medium. Sorry, that ages me, I apologize. And then last year we tasted the agony of defeat. And this year in a very challenging year, we were able to taste victory.

Those two things, they don't have their value if you don't have the strong competition.

You know, Mark and I appreciate this at a personal level, and we don't take it for granted, and we're going to keep working hard to grow something that's already, like I said, a national treasure, and INDYCAR racing should be that, and certainly the Indy 500 is that.

Q. For all three of you really, how excited are you both with the continuity that this brings but also for the future of the series given the times that we're in with people kind of making cutbacks and stuff? How excited are you guys going forward into the future of the series?

JAY FRYE: It was funny we were talking about this this morning, the new normal is nothing is normal. Well, this partnership is very normal. This is what we do. We've been partners for a long time. We're excited about the future going forward with our current partners and what it could look like in the future with hopefully another one, so it's a very exciting time.

TED KLAUS: Yeah, I think the formula that we're talking about is relevant to the times. We need to build a bridge to the future. We need to emotionally connect, not only with customers but with -- hopefully I can speak to some young technically minded people that might want to come hitch their wagon to Honda and Honda Engineering. Yeah, we are excited at all levels, and this will improve us as a company, and it will represent our brand and our business going forward so that we can win in the marketplace. Super excited.

MARK REUSS: Yeah, I think the continuity piece of it, at least for -- and Ted and I were talking about this before the news conference, the continuity piece of this is very important because if you have a series and a race series that you're in and out of, you can't get some of the great engineers coming to Honda or Chevrolet and General Motors, you don't have the interest in motorsports, whatever the propulsion is, you don't have that interest and passion. And this series does, and the continuity that it's going to give is really important. And I feel very good about that, again, because the formula is right, the world-class nature of the facility, of this facility but all the facilities that are going to be raced on the new schedule just announced. That's what makes it run.

And we are going to hit different generations of people with that formula.

Q. Jay, do you think this announcement will entice new teams to come into the series in the future?

JAY FRYE: Certainly. You know, we came up with our five-year plan in 2016, which we're excited about, through 2028, so a really long runway. So it was something where another OEM partner would not necessarily be a luxury, it would end up becoming a necessity because we have so many new teams coming into the sport. So yeah, we're very bullish about new teams. We know there's some that are currently exploring the series, so it's still very possible, yes.

Q. To all of you, just how difficult was this to put together because obviously we know any rules package has to and fro between manufacturers in a series and nothing is ever perfectly simple, but we've got so many different factors in this deal like the hybridization and obviously the coronavirus factors, as well. Has this been something that's taken a little while to work out and was there any difficulties or has it been quite straightforward?

JAY FRYE: I'll take that. It's been very straightforward. We had a great group. We get together all the time. We have a consensus on what we do. At the end of the day obviously INDYCAR has got to decide if we can't decide collectively, so that's very, very rare for that to happen. We always normally most of the time have a consensus about what we're doing and where we're going. Great partners, great people, very committed to the sport, understand what we're doing and where we're going, so it's a pleasure to work with this group.

TED KLAUS: I just wanted to add for all those people looking in on us, of course we look at the world differently. We've been working hard on this for many years, but I just want to echo what Jay just said: We're very committed to getting value out of motorsports together in North America. Anyone that wants to come play with us is going to find out just how committed we are, and we're committed to making your companies your sponsors, your business better, and it's kind of how we roll. But it is a difficult thing to work through all the differences.

But if you feel why we're doing it, and if you listen to each other, then you can overcome those differences, and that's what we've accomplished today.

MARK REUSS: I'd just like to add, I think the best evidence of why we can do something like this together is what we're doing today. And if you look at the racing that's

produced today in this series with the teams, the drivers and the whole INDYCAR family that runs it and sanctions it and organizes it, I don't think there's better racing on the planet than what we've got in this series right now. That's because of the work together on the current engine that we have, with the rules that we have, with the design of the car and the chassis and all of our partners, and so that partnership spans across the organization but also into the cars.

If we don't have the partnership at an OEM level with Ted and the Honda team, then we'll go out and race as hard as we can against each other every race, but we're both doing this, and we're very aligned around why it's important and what we want to get out of it and what we're doing it for, and it's evidence every race we run here.

Q. Question for Jay: Just wanted to ask you about the incremental increase in costs for the teams between running what they run now, turbocharged solely versus a hybrid?

JAY FRYE: Well, any time we do anything, economics matter in a big way, especially with the teams and our manufacturer partners, so that's something -- one of the criteria data points that we'll look at as we go forward on what it does cost, how it works, how we spread it out over a long runway now, which actually helps. So cost matters, and that will be a big factor in what we do going forward.

Q. Is there any coincidence in terms of what happened with Honda and F1 yesterday compared to what's happening today with today's announcement?

TED KLAUS: Yeah, that's a good question. Obviously yesterday is a matter of us harvesting the investment we made in F1, and that was a business decision to support our global efforts, and today you heard me echoing that motorsports is in our blood. Soichiro-San said that yesterday. And in North America we have a long-standing commitment and we continue to be committed to leverage the INDYCAR Series to promote our brand and our business here. Those two things are complementary, and you're going to continue to see Honda compete in motorsports series throughout the world. It was a little bit of just kind of a serendipity that the announcements came to close together.

Q. How challenging has it been this year? You've had all these obstacles, all these challenges to get teams to race, rearrange the schedule and then still look to the future of the series. How challenging has that been from your end?

JAY FRYE: It's been a huge challenge. One of the things

we talked about the other day is it's great, it feels good there's more clarity that's starting to come, like clarity with the schedule that was announced this week, clarity with this going forward through a long time.

That's been rewarding. It's been a challenge. It's something that we've all worked on for quite some time. It's great to see that the future is coming together. Where we're at now, again, like I mentioned a little bit ago, today is round 13. That's a huge accomplishment. You think about two or three months ago we weren't sure what was going to happen, where we were going to go, so thank you for everybody's participation and help with that.

Got one more to go, a couple weeks in St. Pete, we're excited about that.

Q. Mr. Klaus, the other day you announced your retirement; you'll be leaving HPD. So how important is it to get this signed, sealed and delivered under your tenure?

TED KLAUS: Yeah, I think we wanted to establish the formula to go forward. It had nothing to do with my personal decision to move on as of December 1st, but it's certainly gratifying to see all the hard work that we've all done together over a long time come to fruition. It's gratifying.

Kind of more on a professional level and more on a level of the sport and what it means to all of us, I'll take it as a small win for me but a much bigger win for the sport.

Q. Mr. Reuss, the family connection that the Reuss family has in racing and with the speedway and with Mr. Penske here, this has got to be particularly gratifying for you on that end. If you could just kind of explain how all those pieces kind of fit into place.

MARK REUSS: That's a great story and a great question, and yes, I'm extremely proud of that. Some of the first modern-day INDYCAR engines were done with Penske, Ilmor and Chevrolet, and that goes back a ways, and I was a little more, and yeah, for me, that's very special in my heart.

Yeah, I don't know what else to say other than, yeah, it's incredibly special, and I'm happy to be here and honored to be here, and to have us with the Chevrolet engine program here and for the future, which is today's announcement, is very special.

Q. Well, and just keeping that synergy together as we approach 2030.



MARK REUSS: I know, it's pretty special, yes, sir, so I'm honored to be part of that and very humbled. Thank you.

Q. Jay, I know this had originally been pegged for 2022. When you guys -- with everything you guys have encountered this year between the pandemic, trying to rearrange the schedule, what do you feel like were some of the biggest factors and reasons that fed into moving this down the road to 2023 to introduce the hybrid?

JAY FRYE: Well, we talked this morning, too, about it seems we're -- this is round 13 today, but it seems like round 40 with how many times we've rescheduled and scheduled again, so it's been a very long year, very long season. Again thank you all for what you've done to get us to this point.

No, it's really simple, right, so we were all basically shut down for months at a time. And that's just not us, there's vendors, suppliers, there's other things. So it became very clear that we needed to delay it for a year, and simultaneously, which was great, we were able to work on something that goes beyond that year. So we're well into the future now, we've got a good plan, a good path, know what we're going, and again, we've got great partners that we're going to go into the future with.

Q. For Mark and Ted, with this moving down to 2023, I know this opens up a chance potentially for another partner to come into the series at some point, certainly doesn't rule it out. How much would that help you guys just as partners with INDYCAR down the road if that were to pan out at some point?

MARK REUSS: I think it's absolutely needed, and I think it would be fabulous, whoever that manufacturer may be. We would love that, and I think -- I know that it would be for the growth of the series, for the interest in the series. That's the flywheel effect, right, when you have something really, really good, which we do, how can you make it better. Another manufacturer would just keep growing everything, and that's important.

Obviously we're in it and Ted is in it to win, but we're also in it to make sure this series is something that is very sustaining for the foreseeable future, and that's very important to us. I would be very excited and very happy to see the series grow.

TED KLAUS: Yeah, just echoing those thoughts, we're sitting here at the end of this season, 2020, towards the end of this season, and there's a true opportunity for a level playing field as we take on the new formula a little over two years from now. I think it's very important. I think the other

thing is that we would, as HPD, support INDYCAR and the third manufacturer just to understand some of the transition they might have to make. Certainly would welcome them with open arms. We're not going to share all our IP, but to a certain extent we can help them understand the risks and essentially de-risk some of the changes they would have to take on that are unique to this series and help them really appreciate the value, what we see in it.

The same comments, we really -- I think we've earned other manufacturers to really look at us seriously, and we'd like to have that conversation, and we'll do everything we can to support that conversation and support INDYCAR.

THE MODERATOR: Congratulations, Jay Frye, INDYCAR president, Mark Reuss, president of General Motors and the retiring Ted Klaus -- what, retirement and this all in one week? You're like George Costanza in Seinfeld; you're going out on a high note here, man.

TED KLAUS: We've got to earn it today and in St. Pete.

FastScripts by ASAP Sports.