

**BTS NRC
MUC – NRC - TC**

New Green Brand for BMW?

According to Autocar's Hilton Holloway, BMW — specifically, Stefan Krause, BMW's head of sales and marketing — is seriously considering starting up a new brand to build and sell a line of green vehicles: The mighty Munich operation must find a way to “satisfy growing pressure for vehicles with better economy” Krause has been quoted as saying. Interestingly, BMW's researchers have concluded that the BMW brand cannot be stretched much further from its ‘ultimate driving machine’ position. So while it has made impressive gains with its Efficient Dynamics programme, fundamental changes to the brand are out of the question. Instead, BMW might need a range of smaller, lighter front-drive models to build up into a big-selling global business. Such a move would also help meet future binding fuel-economy targets in Europe and the U.S. (the EU looks like it will join the U.S. in setting economy targets and then fining carmakers for selling vehicles that don't achieve them). According to Mr. Krause, BMW won't simply pin the green label onto Mini, which won't expand much beyond the upcoming Clubman. There's no word on what technology this new green brand would focus on — hybrid, hydrogen, ethanol or diesel. Right now, BMW's most publicized green effort is its Hydrogen 7. Based on the 7 Series luxury sedan, the Hydrogen 7 is powered by an internal combustion engine that can run on hydrogen and gasoline. But it's only available on a short-term loan. And BMW is saving those for celebrities like Jay Leno, Brad Pitt and Will Ferrell. More recently, BMW introduced two diesel vehicles at the Detroit auto show, the 335d sedan and the X5 xDrive35d, which it plans to offer in the United States by the fall. Like the Mercedes-Benz diesel engines, the BMW engines have yet to be approved by the Air Resources Board in California.

Thursday, January 31, 2008

January 23, 2008, 4:48 pm By RICHARD S. CHANG