

BMW launches new electric/hybrid brand

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BMW sales director Ian Robertson presents a new brand, BMWi, which will use electric and hybrid drive systems. Two new models equipped with the drive systems will be available from 2013.

The German luxury carmaker BMW unveiled on Monday its long-awaited new brand, BMW i, with two new models to be equipped with electric and hybrid drive systems from 2013.

The group is also creating a venture capital unit to offer mobility services such as car sharing and navigation systems.

"This is BMW i - Born Electric," a statement quoted sales director Ian Robertson as saying as the group presented the BMW i3 electric car for city use and the BMW i8 plug-in hybrid for those seeking a more powerful vehicle.

The group added that it had created a New York-based venture capital unit to "significantly expand its range of mobility services over the years ahead," with an initial investment that is to total \$100 million (73 million euros).

The vehicles are to be built at BMW's plant in Leipzig, eastern Germany, which will benefit from an investment of 400 million euros and create 800 jobs, the statement said.

Auto analysts said the company announced little that was completely new, but were interested in BMW's marketing strategy and the combination of an electric powertrain, aluminum chassis and carbon fibre-reinforced plastic (CFRP) body.

BMW said in November that it would invest more than 500 million euros with a new partner, SGL Carbon, to launch the lightweight i3 city car.



Journalists and other guests attend the presentation of BMWi, a new brand of automaker BMW's, which will use electric and hybrid drive systems in the southern German city of Munich.

"The decisive point will be the price," which was not revealed, said auto expert Stefan Bratzel from the University of Applied Sciences in Bergisch Gladbach, western Germany.

"If it is too expensive it won't be a big success I would say," he told AFP.

BMW i Ventures will work with the mobile telephone application My City Way meanwhile to provide services such as car-sharing, route planning and local information like the location of parking places.

"Mobility requirements are changing in rapidly expanding megacities," Robertson explained.

The initial roll-out is planned for 40 US cities and 40 others worldwide, including BMW's home of Munich, southern Germany.

Christophe Stuermer at IHS Global Insight called this "the big field of experimenting and guesswork that the auto industry is working on at the moment."

He also noted that "there seems to be a strategy behind the fact that they (BMW) are making the sub-brand so weak, a single letter."

"They want to set it apart just a little bit," but "at the same time, will make sure that the BMW umbrella brand is always mentioned," Stuermer noted.

BMW already has a premium line of small cars in its Mini brand, and the IHS analyst said the new brand will "certainly be a challenge communications-wise for the Mini people," who could well incorporate electric systems in the future.

[BMW](#) will face a lot of competition with experience in the electric and

hybrid car market, as Nissan of Japan is set to introduce its Leaf model in December.

Nissan's French partner Renault is to sell the Zoe version from mid-2012, while Peugeot-Citroen are betting clients will go for a long-term rental scheme offered with their Ion and C-Zero models.

Daimler plans to launch an electric Smart ForTwo car in Europe early next year and is working with the Chinese company Build Your Dreams (BYD) on a concept for the Chinese market.

VW, the biggest European carmaker is gearing up for the launch of an electric Golf and is also working on several hybrid models.

Chevrolet's Volt model is already on the road, as is the Toyota Prius, the first widely distributed hybrid vehicle.

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