

Speech

Hendrik von Kuenheim

**General Director BMW Motorrad** 

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Company Bayerische Motoren Werke Aktiengesellschaft

Postal Address BMW AG 80788 München

Office Address Petuelring 130 Telephone +49 89 382-22088

+49 89 382-22088 Fax +49 89 382-28567

Internet www.bmw-motorrad.com



Ladies and gentlemen, dear journalists, dear motorcycle friends,

buon giorno and a very warm welcome to BMW Motorrad and Husqvarna Motorcycles.

Today is a very special day for us - I might even say, it is an historical day.

- At the most important motorcycle and scooter fair, BMW is celebrating the world premiere of the first maxi-scooters in the history of the BMW Group.
  With these two outstanding premium vehicles, we are once again entering a segment new to BMW: we are expanding our existing range of motorcycles to include the facet of "Urban Mobility".
- What is more, our Italian brand Husqvarna Motorcycles presents to the public the new NUDA 900 and NUDA 900 R in their final production trim; these are the first 2-cylinder road motorcycles to be produced since the Husqvarna brand stopped serial production of 2-cylinder motorcycles in 1937 And our colleagues from Varese have brought with them another big surprise.

As you will see in just a few moments, ladies and gentlemen, the Motorcycle Division of the BMW Group is investing heavily in the future of BMW Motorrad and Husqvarna Motorcycles, penetrating new segments and moving into new markets.

In a time in which the motorcycle markets are in a state of ongoing crisis, we are facing up to the challenges. Our aim is to continue to grow strongly and profitably within a difficult environment.

As you all know, times for the motorcycle industry are extremely tough.

However, the development of BMW Motorrad is running completely counter to that of the market.

- In 2010 we were already able to increase our sales significantly by 12.3 per cent.
- This year we have achieved further growth of more than 6.0 per cent so far.
- We are the absolute volume leader in 12 countries.
- In Germany we now have a market share of 25 per cent. Here we sell more motorcycles than all our major European competitors combined.
- And in Italy the motorcycling paradise we are the strongest brand, selling some 50 per cent more motorcycles than our closest Italian competitor.

These are just a few examples of our success. You will agree with me when I say that this is an outstanding good result in view of market situation.

As the motorcycling season comes to a close, we can now foresee that 2011 will be a record year for BMW Motorrad:

- We will have sold over 103,000 motorcycles an historical retail record.
- Our worldwide market share in the segment over 500 cc has reached some 13 per cent this year: in the space of four years we have been able to almost double our market share from around 7 per cent to reach this all-time high.
- And we are also aiming for a new all-time high in terms of turnover and profits this year.



Here, I would particularly like to express my most sincere thanks to our many customers all over the world for the trust they have placed in the BMW Motorrad brand.

The business success we have achieved is an incentive for us to continue to enhance the appeal of the brand and its products.

This is why there are half a dozen new BMW models being showed to the public here in Milan in addition to the maxi-scooters.

Let me start with the model revision of the S 1000 RR: the first BMW superbike instantly captured the hearts of sports riders the world over.

In its very first full sales year in 2010 demand already exceeded our expectations. The RR has become a firmly established player within a very tough competitive field. It is embroiled in a neckand-neck race to become the world's top-selling 1000 cc superbike. At the moment we are very close to pole position.

After a period of two years, we have now taken customer feedback and our own experience and put it into creating the new RR. The S 1000 RR now offers even greater ride precision and agility as well as an improved power delivery.

In bringing out this update we once again face up to the current competition and very much look forward to fascinating comparative tests in the motorcycle press.

Another highlight is the new BMW G 650 GS Sertão: this bike extends the BMW Motorrad GS family by adding another sporty single-cylinder model.

The latest GS model by BMW combines all-round qualities with attractive value for money and improved off-road suitability. The new G 650 GS Sertão revives the spirit of the highly successful F 650 GS Dakar. Even visually it arouses the desire for a motorcycling adventure - for example in the Sertão, a semi-desert area in central Brazil.

But this new G 650 will be equally at home in the urban jungle or on breathtaking Alpine passes - not just in remote off-road regions.

Ladies and Gentlemen, there is also a new version of the big GS: as you know, the R 1200 GS is the highly successful pioneer of a motorcycle species which is constantly growing in popularity.

The ongoing market success of this big travel enduro is encouraging more and more competitors to put their own concepts and even imitations on the market.

We are the inventors of the big all-round enduro bike - and this might be one of the reasons for the ongoing high level of demand for the two unique boxer GS models.

The BMW GS motorcycles bear within them over 30 years of heritage and over 30 years of experience - that's something the competition can't catch up.

After the very successful launch of the Triple Black models we now present the R 1200 GS Rallye - yet another very attractive version. Its design and additional features are reminiscent of legendary achievements in rally racing.



And now from the off-road area back onto the road: three years ago the medium-class roadster F 800 R saw its world premiere here at the EICMA show.

From the very beginning, this motorcycle, with its very attractive concept, did extremely well in persuading riders of other brands to switch to BMW. Now this successful model has been given an additional touch of visual appeal.

And last but not least we are offering our fans of the great K 1300 4-cylinder bikes two very attractive models with special paint finishes and special equipment features: The special model K 1300 R and the K 1300 S with HP Package.

So much for the new BMW motorcycles here at the EICMA.

Immediately after the BMW press conference, Klaus Allisat, the Head of Husqvarna Motorcycles, will report on our Italian motorcycle brand.

Now, ladies and gentlemen, we come to the part you have all been so keenly looking forward to: the world premiere of the BMW maxi-scooters.

I said at the beginning of my speech that we aim to grow profitably in the future - with both brands, BMW Motorrad and Husqvarna Motorcycles.

To this end we are looking at which other business areas above and beyond our existing portfolio we might consider as potential new territory.

One such area is that of individual mobility in the constantly growing urban areas.

The requirements of mobility concepts, especially in big cities, are subject to considerable change. Increasing traffic, energy costs and CO2 constraints on travelling in inner city areas are the challenges of the future.

The BMW Group has identified these challenges and is already today putting solutions on the market to meet the needs for the future individual mobility.

As an integral part of the BMW Group, BMW Motorrad is now expanding its business activities to a new facet: that of "Urban Mobility".

Today we will be presenting to you the first products in this area - two premium vehicles in the maxi-scooter segment.

They are called: BMW C 600 Sport and BMW C 650 GT.

Both vehicles combine the agility and comfort of a scooter with the outstanding riding qualities of a motorcycle:

They are scooters "Made by BMW Motorrad".

It was totally clear to us, that the standards among the top players of the established competition are very high. For this reason we focused on four main points in developing the two BMW scooters:



- An attractive, clearly identifiable BMW design.
- An exceptionally fine suspension.
- A particularly agile drive.
- And the functionality and everyday suitability which is typical of this segment.

Our high level of expertise and longstanding experience in building supreme touring and sports motorcycles provided the perfect basis for this project. It has meant we have been able to raise the benchmark to a somewhat higher level within the competitive field.

However, it is up to you to decide how well we have succeeded in doing so.

But above and beyond this, some high-quality technological solutions are to be found in the two models. They show just how much innovative power went into their development.

The new maxi-scooters are being built at our BMW Motorrad plant in Berlin.

Serial production is in fact already underway, but our future scooter customers will have to wait a little before it is time for the official market launch. Delivery of the two vehicles will start early spring 2012.

The C 600 Sport is mainly geared towards scooter riders with sporty interests, while the C 650 GT is aimed at customers who attach greater importance to comfort and touring orientation.

Although they are clearly distinct from one another, they are both based on the same technical backbone, i.e. the drive and the suspension are identical.

The scooters are powered by a very efficient 650 cc 2-cylinder in-line engine. It develops a maximum output of 60 bhp and has a powerful torque of 66 newton metres.

Its conceptual design focused particularly on low vibration and a strikingly individual sound. The power is transmitted to the rear wheel by means of a CVT gearbox.

The suspension of the two scooters is especially elaborate and unusual for this segment: the front wheel control is by means of an upside down fork; and for the first time in this class the rear wheel is controlled by a single swingarm.

In both vehicles two integral helmets can be stored. In the case of the C 600 Sport this is enabled by the very innovative and patented storage concept BMW FlexCase.

This are only a few highlights of the BMW scooter technology.

You will find all the technical details in the extensive press documents provided. And our experts will be more than happy to show you the technological highlights on the demonstration vehicles in just a moment.

I also believe it is important to mention that both maxi-scooters are typical BMWs when it comes to safety and environment:



Both vehicles have generously sized ABS brake systems as standard. They can also be optionally fitted with a so-called daytime running light, which enhances ride safety in city traffic especially.

And in addition to a low level of fuel consumption, the scooters also offer low emission levels. In fact they already fulfil the future exhaust gas limits defined by the Euro-4 standard.

Ladies and gentlemen,

The innovative and - as I believe - distinctive and very emotional design of the two vehicles was created by our design team under David Robb.

Before we go ahead and unveil the two scooters in just a moment, I would like to ask David Robb to explain certain key aspects of the new BMW scooter design to you.