

BMW Group Middle East

Corporate Communications

Media Information

10 June 2013

BMW Group Middle East accelerates the fight against counterfeit automotive parts

Launch of regional consumer awareness campaign to tackle issue head-on

Dubai – BMW Group Middle East is warning consumers of the dangers of using counterfeit automotive spare parts in the UAE and other Middle East markets.

30 percent of the automotive parts industry in the GCC is counterfeit¹. Meanwhile, a separate report has revealed that counterfeit products in the UAE account for 12.5 percent of the country's US\$3.8 billion automobile spare parts market². The Saudi Arabian Customs Department has also claimed that fake vehicle parts account for around half of all road accidents in the Kingdom while in the Sultanate of Oman, 45 per cent of recent road fatalities can be attributed to vehicles running on unsafe or counterfeit spares parts³. These are just some of the alarming findings that have prompted BMW Group Middle East to launch a regional campaign to raise awareness of the existence and negative impact of using counterfeit spare parts.

Due to the perceived high expense, motorists are sometimes migrating to independent workshops or other service providers who offer copies of the original part at a cheaper price. These parts are unsafe and pose a greater danger to the health and safety of the driver and passengers. They also affect the vehicle's original condition, decrease its value and in some cases, increase the car's fuel consumption.

BMW original parts are put through the rigors of extreme crash and lab tests. They have a high reliability because of the high quality materials used in their build. The various individual components are designed and perfectly harmonized to work well with each BMW. The additional value is that many of the parts come with a two-year BMW warranty.

¹ Frost and Sullivan

² Brand Owner's Protection Group (BPG)

³ Royal Oman Police

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BMW Group Middle East is tackling the issue in the region head on via a public awareness campaign to highlight the differences between fake and genuine spare parts. The integrated media, advertising and PR campaign will focus on three areas: safety, value retention and sustainability, and will include a print campaign, online communication and displays in importer showrooms to showcase examples of original and fake spare parts for consumers to see the differences firsthand.

“Customers often seek to purchase counterfeit parts for short term savings without knowledge of the adverse long-term implications it has on their vehicle, which ultimately ends up costing them more,” said Rudolf Spann, After Sales Director, BMW Group Middle East. “Consumer awareness is therefore key and must be a sustained and united effort. We all have a role to play – the government, automotive companies and consumer protection bodies. The more people who understand the dangers behind using fake products and see the benefits of purchasing original parts, the less likely they are to suffer severe or even fatal road traffic injuries and lose value on their car. As part of our commitment to the improvement of road safety and exceptional service standards and products, we are launching this campaign to encourage everyone to purchase original parts, every time.”

The benefits of BMW Original Parts fall into three categories – Safety, Value Retention and Sustainability: Original BMW parts are subject to the same high quality standards as BMW vehicles, so customers can depend on them when it matters. The precision and high-quality construction of each part also guarantees that all components in a BMW work together perfectly for optimum performance and maximum safety.

Each BMW part has been designed and manufactured to fit with the exact requirements of each vehicle for optimum longevity. Using original BMW parts therefore preserves the vehicle’s original

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condition and keeps its value without compromising on quality. In addition, every original BMW part comes with a two-year warranty.

In terms of Sustainability, the use of BMW original parts aids in reducing fuel consumption as well as pollutant emissions. It also helps in the reduction of raw material usage because 60 per cent of the parts can be reused at the end of their lifetime.

According to the Motor and Equipment Manufacturers Association, counterfeiting of automotive parts is a 12 billion US dollar global industry. A recent report by the Organization for Economic Cooperation and Development (OECD) highlighted the Middle East as a central market for global trade in fake automotive parts, which is growing at an estimated rate of 9-11 percent a year.

“The additional threat that this industry poses is on the economy as a whole. According to the Motor & Equipment Manufacturers Association, counterfeiting of automobile parts has resulted in a loss of 750,000 jobs globally. With the automobile industry set to grow at a projected 10 per cent a year, the issue of counterfeit parts need to be addressed by both automotive companies and consumers,” added Rudolf Spann.

BMW Group Middle East and its importers are committed to vehicle safety, value retention and safety of their customers. They continue to work with consumer protection groups to highlight the serious nature of using fake parts.

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The BMW Group

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The BMW Group is the leading premium manufacturer of automobiles and motorcycles in the world with its BMW, MINI and Rolls-Royce brands. As a global company, the BMW Group operates 28 production and assembly facilities in 13 countries and has a global sales network in more than 140 countries.

In 2012, the BMW Group sold about 1.85 million cars and more than 117,000 motorcycles worldwide. The profit before tax for the financial year 2012 was euro 7.82 billion on revenues amounting to euro 76.85 billion. At 31 December 2012, the BMW Group had a workforce of 105,876 employees.

The success of the BMW Group has always been built on long-term thinking and responsible action. The company has therefore established ecological and social sustainability throughout the value chain, comprehensive product responsibility and a clear commitment to conserving resources as an integral part of its strategy. As a result of its efforts, the BMW Group has been ranked industry leader in the Dow Jones Sustainability Indexes for the last eight years.

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