

BMW NA 50th Anniversary | 50 Stories for 50 Years

Chapter 20: "The Z3 Roadster Phenomenon: Freedom and Fun from Spartanburg"

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In the 1930s, the sporty and sophisticated 328 made BMW synonymous with roadsters. Sixty years later, the Z3 made BMW synonymous with roadsters once again, with sporty performance and styling that recalled its legendary predecessor. It became one of BMW's best-loved cars, bringing new enthusiasts to

the marque and inspiring pilgrimages to the factory in South Carolina where it was built.

The Z3 wasn't BMW's first roadster of the modern era. That distinction belongs to the Z1, a concept car from BMW Technik that became a surprise hit after it was approved for limited production. Built from 1989 to 1991, the Z1 boasted futuristic styling, an aluminum chassis, and a list price that equated to about \$45,000, yet BMW had no trouble selling 8,013 examples in its European markets.

The Z1's success proved the viability of the roadster segment, at least among well-heeled enthusiasts. At the other end of the spectrum, Mazda's Miata did the same at one-third the price. Following its debut at the 1989 Chicago auto show, the peppy Miata caught on quickly. In 1989, Mazda sold 45,236 of its diminutive Miatas in the US, and in 1990 it sold 95,640 more.

While Miatas were flying out of dealer showrooms, BMW designers in Munich were engaged in a styling exercise dubbed “Fun Car.” That prompt inspired 33-year-old Joji Nagashima to sketch a two-seat roadster. “It looked a bit like a 328, a retro design,” Nagashima said. “I don’t think a roadster can be a modern type of car.”

Nagashima’s sketch became a clay model, and then it was selected for further development alongside another concept from BMW Motorrad. The motorcycle division was



then led by Dr. Burkhard Göschel, an engineer with a knack for blending tradition with innovation. Motorrad’s roadster took its four-cylinder engine and chassis parts from the E30 3 Series, but it was otherwise unconventional. “It was a basic roadster with detachable door side panels and a detachable trunk cover,” Göschel said. “You could have used it as a roadster pickup!”

The success of the Miata had bolstered the business case for a new BMW roadster, which found a strong champion in Dr. Wolfgang Reitzle, then BMW Board Member for Research and Development. In 1992, Reitzle presented three models—Nagashima’s Fun Car and the Motorrad concept, plus one other—to his fellow board members. The board chose Nagashima’s car for its styling and Motorrad’s for its creativity and passion; for production, the two would be combined.

Though it wouldn't be as cheap as a Miata, the Z3 would be built on a limited budget and sold at an affordable price. "I was told to do the car as a 'first BMW,' not as a serious sports car," Nagashima said. "The car was supposed to be a compact, fun-to-drive city commuter for DM 40,000 (\$25,000)."

Göschel received the same brief. "The approach was unchanged from that of BMW motorcycles. It should be a fun-to-drive, entry-level BMW. Cost should be kept low, since it's only for fun, and we needed to make it simple and easy to handle."

That meant a four-cylinder engine, at least in the beginning, and a chassis based on the new E36 3 Series but with a ten-inch shorter wheelbase. Rather than the E36's new multilink Z-axle, the roadster would use the more compact (and cheaper) semi-trailing arm rear suspension from the outgoing E30 3 Series, which provided less mechanical grip. "Using the E30 suspension/axle concept made the Z3 a lot of fun to drive," Göschel said.

While the Z3 was under development in Munich, the question arose of where it would be produced. The Miata's success in the US indicated a strong market for roadsters in this country, and BMW just happened to be setting up a new production plant in South Carolina.

"That car pops up, and [Bernd] Pischetsrieder was the Chairman of the Board," said Carl Flesher, BMW Manufacturing's first Head of Public Relations. "He said, 'This looks like what we should be building over there. Adding to the brand, not just repeating what we're already building. Make it sporty and fun.' That ended up being the right decision."

With that, Göschel was put in charge of the entire Z3 project. "I got the whole responsibility of developing the car, setting up production, creating a totally new supply base, and integrating it into BMW," Göschel said. The first Z3 rolled off the production line at Spartanburg in September 1995, and two months later it made its public debut in *GoldenEye*, the first film in which James Bond traded his Aston Martin for a BMW. It was

an ingenious bit of product placement negotiated for BMW by Tom McGurn during his stint as BMW's West Coast Communications Director.



“We had a product placement agent in Southern California, Norm Marshall and Associates,” McGurn said. “One day he asked if I’d been reading that James Bond was coming back after a five-year lag between Bond films. He said, ‘Why don’t we give it a go?’ It was as simple as that.” The fictional British agent had long been

identified with Aston Martin, but the producers were intrigued by the prospect of a switch when McGurn showed them a photo of a BMW roadster concept. “We talked about how it was a new Europe, one in which borders didn’t matter. The European Community had been formed in 1993, and they could use a European car that was going to be built in America.”

BMW had never paid for product placement, and the company had no intention of doing so even in a Bond film. “[V.P. of Marketing] Jim McDowell got involved, and we said, ‘We’re not going to spend any money to place the car in the movie, but what we will do is incorporate it into the launch campaign for the car: TV and print, and a number.’” McGurn said. “It was significant enough for them to go ahead with it.”

BMW had script approval to ensure the film would express BMW’s brand

values, and it wouldn't be involved in accidents, and the producers accepted the "minor tweaks" McGurn suggested. In the spring of 1995, the Z3 was shipped under wraps to Puerto Rico, where it would be driven by Pierce Brosnan as James Bond. The car was only on screen for a few minutes, but they were good minutes. "It was a bit of a tease strategy," McGurn said. "We wanted to expose it but not overexpose it, and it was perfect in the driving scenes through lush vegetation, with the top down." The film premiered at Radio City Music Hall on November 13, 1995. The Z3 wouldn't go on sale until the spring of 1996, but BMW dealers were able to display several show cars while screening the film for their customers. "Most did it, and there was a tremendous number of pre-orders, something like six months of production," McGurn said.

"Automotive News called it the best product launch in recent history." That December, one hundred lucky customers were offered the chance to purchase an exact replica of James Bond's Z3 1.9—in Atlanta Blue over a Beige Nappa leather interior, and with "007" on the dash plaque and floor mats, but minus the Stinger missiles and parachute installed by Q in the film—from the Neiman Marcus Christmas catalog.

"In the first five minutes, they had taken over 200 orders, and we had to immediately stop selling" McDowell said. "I remember going to Panke and saying, 'Well, our idea worked! It worked a little too well, and now we need 200 of those cars [only 100 Bond edition example were ultimately produced]. It was indicative of the extent to which people were getting excited about what BMW was doing in the United States. I think James Bond's new car really repositioned BMW in people's minds as a great driving car, as a brand that was moving forward, and as a brand that was accelerating."

By the end of 1996, BMW had sold more than 15,000 Z3 roadsters in the US, and the car had inspired a level of devotion not seen since the 2002 erupted onto the scene in 1968. Many who bought Z3s had come to BMW from other marques, but they soon became enamored of the brand

as well as the roadster. That year, BMW of North America's annual sales hit 105,761, topping the 100,000 mark for the first time in company history.

In 1997, the Z3 faithful began making pilgrimages to the Spartanburg factory for the annual Z3 Homecomings organized by Amy and Wayne Lester. Amy had been a BMW owner since 1976, when she purchased a slightly used 2002 that she traded for a 3.0 CS a few years later. She restored that car with Wayne, and it still looked showroom-fresh in 1996, when the Lesters drove it to the Euro Auto Festival at BMW Manufacturing's Zentrum. It attracted the attention of engineers at the factory, and it provided a strong introduction when the Lesters approached communication manager Walt Behnke about holding an event for Z3 owners over Labor Day weekend in 1997.

The Lesters didn't yet own a Z3, but they'd become so obsessed with the car that they formed the Z3 Car Club of America in 1996. "I thought we could get 60 cars, but we had 160 register for it!" Wayne said. They'd promoted it using a new communication tool called the World Wide Web, and a Z3 message board on the Roadfly website.

Where Behnke had assumed the plant would host perhaps two dozen Z3 owners for a plant tour and lunch, it quickly became apparent that a major event was in the works.

"We started planning a party and tech sessions to let engineers and assembly workers see how the cars were doing," said Kenn Sparks, another Communications Manager who served as event host. "We had a couple of clinics to find out what customers liked and didn't like, finding out that the sun visors were too small, that the gearshift knob could be better quality, etc. The rework guys put on their own clinic, where they could analyze problems and do a quick repair. BMW started to gain tremendous insight from its customers, and the customers loved the attention."

So did BMW's associates and executives, who were treated like rock stars by those who owned the cars they'd created. "I remember introducing Dr. Göschel to a cafeteria full of happy Z3 owners," said Flesher. "Once they knew he was there, they all ran out to their cars to get the owner's manual so he could sign it. He sat there until after midnight and signed them all, then he looked at me and said, 'Americans!'"

The Z3 Homecoming turned into an annual event, renamed the Roadster Homecoming in 2003, when the Z3 was superseded by the Z4 roadster. Well before the last event in 2012, it had become so popular that attendance was capped at 600 cars, and tickets sold out within minutes. "For a long time, it was the largest annual customer event at BMW, and there was nothing else like it anywhere in the world," Sparks said.

As Homecoming demonstrated, the emotional connection between the Z3 and its owners was profound. "We invited the roadster owners to speak after dinner, and they often told stories about how the little BMW had literally saved their lives,"



Sparks said. "One had driven under a tractor trailer in a horrible collision, but was able to get out of the car. We also heard people talk about how much that little car meant to them. One guy had been ill with cancer, and driving his Z3 with the top down helped him overcome it in a way that nothing else had been able to. For those of us in the company, it was a heavy experience, but it was also a tangible demonstration of the value of our work."

The Lesters got a Z3 of their own in time for the second Homecoming: a six-cylinder Z3 2.8i in the rare color known as Sundown. "It was a limited-

production color, with only five cars made and only one a 2.8,” Amy said. “We bought that car in 1998, after it had been a factory VIP and press car for about 8,000 miles.” Twenty-six years later, their Sundown Z3 has covered more than 410,000 miles, as acknowledged in a 2021 exhibit at the BMW Museum in Munich.

It’s probably the highest-mileage Z3 among the 297,088 Z3 and M roadsters and coupes built, and offers a strong testament to the build quality of the cars produced at Spartanburg right from the start. Likewise, the Z3 and Roadster Homecomings offer strong testament to the affection these cars inspired, for BMW and the plant that built them. “The Homecoming had an enormous effect all across the US, and it was one of the best marketing events even though it wasn’t actually a marketing event but was totally spontaneous,” Sparks said. “It was absolutely authentic and genuine, and it got customers talking about these BMWs that were made in the US.”

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