## BMW NA 50th Anniversary | 50 Stories for 50 Years Chapter 24: "The Ultimate Brand Experience: Getting up to Speed at

the BMW Performance Center"

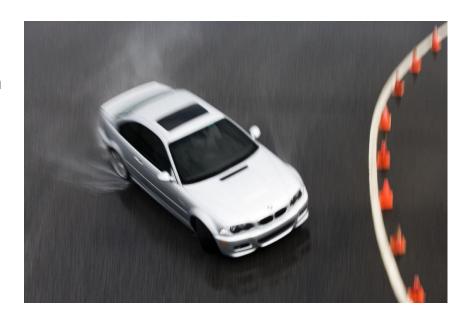
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On September 8, 1994, the first car rolled off the line at BMW Manufacturing, and the North American BMW world began spinning on an unlikely new axis in Spartanburg, South Carolina. Shortly after the plant opened, enthusiasts began congregating at the Zentrum, the plant's museum

and welcome center, and in 1999 the BMW Car Club of America relocated its headquarters to nearby Greenville. For those who love driving, the best was yet to come, and it arrived in 2000, when the BMW Performance Center opened right across the highway from BMW Manufacturing.

The Performance
Center's gestation
began in 1997, when
BMW NA president
Vic Doolan and vicepresident of
aftersales Hans
Duenzl asked the
Professional
Development
department (now
BMW Group



University) to put together a plan for a "BMW Academy and Delivery



Center" that could be established alongside BMW Manufacturing in South Carolina.

"The vision was to create a facility where

we could conduct technical and non-technical training for our dealers, as well as have an opportunity to drive all of our cars in addition to being a destination for owners to take delivery of their new BMWs," said Tom Salkowsky, who joined the Professional Development group that year and currently serves as Department Head of Pre-Owned within BMW Financial Services. "The idea of the Performance Center came alive within that team."

In the fall of 1999, the as-yet-unnamed facility hosted all US dealers for the introductory ride-and-drive of the first-generation E53 X5 built across the highway at BMW Manufacturing. In early 2000, the newly-christened BMW Performance Center welcomed its first customers.

"I had just started as M Brand Manager, and we had just launched the E39 M5," said Salkowsky. "At that time, within the MSRP of the M5, all of the owners were invited to the M5 Driving Experience, which brought owners to our facility and got them behind the wheel of a fleet of our M5s. One owner described it as a Field of Dreams: You built this, and now we get to come here and learn about what the M5 is capable of, as well as BMW's new footprint in America."

The M5 Driving Experience was followed by a similar program for Z8

owners and another for those taking delivery of their Neiman Marcus X5s. All three programs echoed those conducted "on a much smaller basis" by Doolan during his tenure as president of BMW South Africa from 1978 to 1987.

Doolan left BMW NA in 1999, just as the Performance Center got rolling, but his successors were equally keen to utilize the facility, which was the only one of its kind in the US. "Nothing demonstrates why you want a BMW better than getting behind the



wheel of a BMW," said Jim McDowell, BMW NA's Vice-President of Marketing and Product Strategy from 1993 to 2005.

At the Performance Center, BMW put customers behind the wheel on a purpose-built, 1.5-mile course. Following the success of the M5, Z8, and X5 programs, the Performance Center—managed initially by Tom Troy—began offering one- and two-day car control clinics as well as courses for newly-licensed teenage drivers.

BMW had been conducting its Fahrer [Driver] Training programs under the auspices of BMW M GmbH in Germany since 1977, so the concept was well known within the company. Rather than import BMW Fahrer Training directly to the US, the Performance Center contracted with AlémWerks, a Colorado-based motorsports and marketing firm that today runs the Porsche Driving Experience, established in 2015 along similar lines to the BMW Performance Center. "Dan McKeever at Além and Tom Strahs put the curricula together originally," said Mike Renner, who joined the Performance Center's instructor ranks in 1999. Later, instructors with ties to the Skip Barber racing school brought elements of that school's

curriculum to the Performance Center.



To promote the programs, BMW aired informercials on international flights to the US. "As you were flying in to JFK or ATL, you'd hear my voice talking about everything that BMW was doing in the US, the factory tours, the new Performance Center driving school," said Kenn Sparks, then a communications manager at BMW Manufacturing. "It was the first time that BMW had branched out of typical advertising into something so totally non-traditional as in-cabin audio."

Between effective advertising and word-of-mouth from those who attended its driving programs, the Performance Center became a bona fide hit. "It was overwhelmingly successful for customers who made the trek to South Carolina and then got to experience what BMW was all about," Salkowsky said. "They could learn a bit of history at the Zentrum, go on a tour of a modern, clean manufacturing facility, then come across the street and drive these wonderful machines."

From the initial car control clinics and teen driving schools, the Performance Center's programs quickly expanded to include the M cars, with one- and two-day M Schools. Initially, the M Schools used the Performance Center track on day one, then moved to the higher-speed Michelin testing facility in nearby Laurens, South Carolina for day two.

For its Advanced M Schools, the Performance Center took students to Charlotte Motor Speedway, Virginia International Raceway, or Road Atlanta, all top-notch facilities that allowed drivers to reach higher top speeds and experience the full performance of the M cars.

In 2004, with the Performance Center's programs exploding in popularity, Troy headed west to find a suitable location for second facility—one that

could host the Advanced M Schools as well as the lower-speed programs. To head the Performance Center in Spartanburg, BMW NA tapped its assistant controller for marketing operations, Dan Gubitosa, to take over operations that also included a workshop to service all of the 8,000 or so vehicles used by BMW Manufacturing.

In 2006, Gubitosa put his business background to good use, securing approval to expand the Performance Center track. "I made the business case that this is one of our most popular programs, one that generates significant revenue and pays for itself," Gubitosa said. "I think it was only half a million dollars to expand the track by about three-quarters of a mile, and now we have a pretty long back stretch where you can get an M car up to a proper speed."

The longer track allowed the Performance Center to host all but the Advanced M Schools, in an environment that would challenge both car and driver. "It has a fair amount of elevation change, and lots of nuances," Renner said.



"The main braking zone is downhill, which allows us to talk about the effect of weight transfer on the car, and other areas have a slight banking. It has compromise corners that illustrate how to set up the car for the next section of track, and off-camber sections. It's designed to be challenging, fun, and safe."

In 2015, the Performance Center's West Coast counterpart opened in Thermal, California, just outside Palm Springs. "The great thing about Thermal is that we have access to three real race tracks," Gubitosa said. "We can do many more high-speed programs, including the Advanced M

School, and we can run our M4 GT4 race cars there."

The M4 GT4 program is a new addition to the Performance Center curriculum, but it's already proving popular. "There aren't many places where Joe Smith can drive an honest-to-God factory- race car on a track," Renner said. "A lot of people don't think they could drive a race car, but if you've driven our M4, you'd be familiar with the controls. The cars have paddle shifting, stability control, and ABS, so it's a great experience for a race-car novice even though it's exciting and challenging. We also have private coaching for people who want to buy an hour or two with an instructor, and that's popular."



Interestingly, the Performance Center West also offers an SCCA licensing program for those who wish to go racing, though that takes place in M4 street cars rather than in the GT4s.

"It's a niche, but it's good to offer it," Gubitosa said.

Another niche experience offered at Thermal is the M Mixed Reality Experience, which uses virtual reality goggles to add a digital track layout atop an open track area. "It's a unique event that blurs the boundaries between technology and reality," proclaims BMW's marketing for the program.

Regardless of what they're driving, BMW enthusiasts appreciate the opportunity to join Performance Center programs on either coast. In

2024, about 10,000 customers took part in programs at Thermal, with another 18,000 visiting the Performance Center in Spartanburg. The latter number gets a boost from the 2,000 customers per year who take delivery of new BMWs at the Performance Center, which includes a driving school that puts them behind the wheel of a BMW similar to the one they've just purchased.

That's true even if the vehicle in question is an X-vehicle, which customers have been able to experience on the Performance Center's Other Roads course since 2002. BMW's off-road motorcycles have their own home at the Performance Center, where the BMW Rider Academy stages programs using BMW's popular GS motorcycles; on-road motorcycle courses are held on the regular Performance Center track.



Regardless of what they drive or ride, those who visit the Performance Center become loyal and vocal customers, Gubitosa said. "Only a small percentage of BMW customers take part, but those who do become brand

ambassadors. We try to measure it, and we think there's an additional ten percent conversion based on word of mouth. People tell their friends that BMW took great care of them, that it's an awesome company and an awesome car. We know it works."

It works for its employees, too, as evidenced by the long tenure of instructors like Renner and managers like Gubitosa. "The customers make it fun, and I get to see happy customers every day," Gubitosa said.