

## **BMW NA 50<sup>th</sup> Anniversary | 50 Stories for 50 Years**

### **Chapter 37 "Project i: Urban Mobility of the Future"**

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What does "the future" look like? How will we live, and what will we drive?

For automakers, these questions are existential, and most expend considerable resources trying to answer them. That was relatively easy throughout most of the 20th century, but it became more difficult in the 21st, as the pace of change increased exponentially—not only with respect to technology, but also where demographics are concerned.

"The world around us is changing," said BMW Board Chairman Norbert Reithofer in his address to the annual meeting of BMW shareholders on May 15, 2007. He identified several near-term challenges, including new competition from China and an aging workforce in Germany.

More interestingly, Reithofer cited "mobility in the world's largest cities" as a potential impediment to BMW's business prospects. "We expect mega-cities such as Shanghai, Tokyo, Mexico City, Rio de Janeiro or Los Angeles, but also London and Paris, to grow further. Traffic density in urban spaces is rising dramatically. Already, some cities are trying to intervene by implementing regulations on traffic flow. The question is: What consequences does this trend have for us?"

Within the same speech, Reithofer noted the need to address climate change by developing powertrains that use less fossil fuel, or none at all. "The number of environmental disasters around the world is rising, and the UN report clearly shows how fast climate change is happening, even though this is not visible to the naked eye," Reithofer said.

"Everyone has to be prepared to make a contribution to climate and environmental protection."

To achieve those goals, Reithofer announced BMW's Strategy Number ONE, which included the creation of an in-house think tank dubbed Project i. Project i, Reithofer said, was "working on completely new car

BMW embarked on a public-relations campaign in September 2010, launching a dedicated website to share the philosophy and future projections that underpinned the car's development. The website featured slickly-produced videos that made compelling arguments for electric mobility.

The Megacity Vehicle was the prime focus of Project i, but it would soon be joined by a futuristic sports car that originated with the Vision EfficientDynamics Concept that premiered at the Frankfurt IAA in September 2009. The Vision EfficientDynamics was received enthusiastically, which persuaded BMW to develop it as a sporty companion to the Megacity Vehicle.

In February 2011, BMW announced the creation of the "i" sub-brand, along with a new slogan: Born Electric. The Megacity Vehicle would go into production as the battery-electric i3, while the Vision EfficientDynamics would become the i8, with a gasoline-electric plug-in hybrid powertrain. Both cars would be built at BMW's Leipzig plant, in a new hall dedicated to CFRP body shell construction, thermoplastic outer body panel formation, and electric powertrain installation.



Coupe. But for the front grilles and the badges on their trunk lids, all were outwardly identical to their internal-combustion counterparts, as are more recent battery-electric BMWs like the i5 and i7. As of the end of Quarter 2, 2025, BEVs built on the aforementioned flexible architecture represent 14% of total BMW sales in the USA. If hybrids are included, electrified vehicles currently account for over 21%.

The flexible Power of Choice architecture was initially criticized in Europe for being too conservative and not fully embracing the switch to BEV only. However, history has shown that it was a shrewd and effective solution to satisfy the demand for all powertrain types in the markets that BMW competes in around the world.



Nevertheless, BMW was already hard at work developing the next vehicle architecture – in this case another full BEV architecture known as the Neue Klasse. In September 2025, BMW introduced the all-new BMW iX3 – the first of the Neue Klasse models. This iX3 is built on all the lessons learned in its electrification journey and is expected to be available for sale in the USA towards the middle of 2026. More on that vehicle in a future chapter.

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