



Retail Operator / General Manager	Sales - New Car	Sales - Pre-Owned	Business Manager (F&I)	Service	Parts & Accessories	Administration
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# Product Planning & Strategy Bulletin

## All New X3 Start of Communication

### July 15, 2010

Joy is back--with a vengeance!



\*BMW Artist Rendering

In December the all new X3 marches confidently back into the segment it founded ready to reclaim the throne! The X3 has been completely redesigned from the ground up and has the substance to be the strong leader in the entry premium SAV segment.

This second generation X3 builds upon the success of the original model by making remarkable improvements in:

- Exterior Design Presence: Modern BMW SAV design language with clear X3 identity
- Premium Interior: Significantly improved materials, functionality, and more standard features
- Overall Dimensions: Increase in all directions—about the same size as the previous X5
- Ride and Handling: BMW benchmark sporty handling with further improvements in refinement and comfort making it the envy of its class

The official Start of Communication for the new X3 is July 15<sup>th</sup>. Please feel free to share this information with prospective clients. Also take advantage of the in depth product information that is included in the official BMW Press Release, and the teaser posted on CenterNet PKoD.

### Two-Model Strategy Broadens the Customer Base

The X3 now offers a two engine approach modeled after the successful positioning of the 3 Series. The X3 will be available as an xDrive28i and xDrive35i to offer a range of drive trains and features that fit the needs of the value oriented entry buyer all the way up to the performance minded SAV enthusiast. Both models come standard with the 8-speed automatic transmission and xDrive intelligent AWD.

#### Model Specifications:

##### **X3 xDrive28i**

- N52 Engine
- 240 HP
- 230 lb-ft
- 8-speed automatic

##### **X3 xDrive35i**

- N55 Engine
- 300 HP
- 300 lb-ft
- 8-speed automatic

Both models start production in December and the first units are scheduled to arrive at Dealers by the end of year. Pricing and specifications are scheduled to be released in October.

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\*BMW Press Photo

**Increase in Dimensions Provide Greater Road Presence, Improved Interior Comfort, and Class Leading Cargo Capability**

The X3 grows just the right amount to fit proportionally below the X5, while leaving room underneath for the X1 to arrive next spring. The overall length increases by 3 inches, while the width improves by 1 inch. For perspective this puts it within 1 inch of the previous generation X5 (E53).



\*BMW Press Photo

The increase in size also provided the opportunity to substantially improve the cargo and storage capabilities. The center console and door pockets were redesigned to meet the needs of today's drivers, and the cup holders were both repositioned generously in front of the gear selector for more convenient access.

Accents such as contrast leather stitching, fully upholstered door panels, and Finesse Siena Wood trim provide tremendous progress over the outgoing X3 model for a truly premium finish for the interior.



### **Extensive List of Standard Features**

To improve the value and attractiveness of the base vehicle many popular features were made standard. Currently planned standard features include:

- Power seats
- Keyless Start
- iDrive Controller and Screen
- Bluetooth
- iPod adapter
- Privacy glass
- Alarm
- Servotronic electric power steering
- Xenon lights (xDrive35i)

Along with the normal suite of options and colors the X3 also offers the latest BMW technology including:

- Electronic Damping Control
- Heads Up Display
- Sport Automatic Transmission
- Comfort Access
- Variable Sport Steering
- Automatic Tailgate
- Rear View Camera with Top View
- BMW Connected Drive features

### **EfficientDynamics increase the X3's Class Leading Fuel Economy**

The first generation X3 is already a class leader in fuel economy. The second generation brings standard EfficientDynamics technology such as Brake Energy regeneration, Electric Power Steering, and the 8 Speed Automatic to set the benchmark in efficiency even higher.

### **Built in the USA at the BMW Spartanburg plant—Shorter Lead Time for Customer Built Orders**

The production of the X3 moves from its birthplace at Magna Steyr in Austria to the BMW Spartanburg, South Carolina plant. A comprehensive \$750 million expansion brings further state of the art assembly technology to the plant and similar to the X5/X6 the new X3 will be built there for distribution around the world. Being locally produced also provides logistical advantages for customers looking to custom order their vehicle. With the flexible assembly process and “just in time” parts management customers can tailor build their X3 and have it delivered in roughly two weeks. This provides the X3 with a huge advantage over its competitors. The “Built to Order” process will be included in the communications during the launch and will also play a role in the creative advertising campaign. BMW encourages dealers to promote “Built to Order” for prospective customers as customer satisfaction is significantly improved when a customer gets the vehicle of their dreams built with the exact specifications they desire.

### **Extensive Activities Planned to Support the Launch this Fall**

Starting in the Fall BMW has a number of exciting Launch Activities planned to support the introduction of the X3. Already announced are the Product Brand Experience for Center Operator in November, and the Sales Manager and Client Advisor Training in October, both at the BMW Plant Spartanburg and Performance Center. We are working on further In-Dealer events to give potential customers the opportunity to preview the car before the first launch cars arrive in December. Our goal is to support the dealer network with the information and tools necessary to help build a pipeline of customers waiting to get into the new X3. This allows us to hit the ground running when the X3 starts to arrive end of this year and already set ourselves up for a successful 2011!

Please stay tuned to announcements, bulletins, and your field representatives to keep up to date on the latest events and information.