

RESEARCH

BMW encourages innovation by reaching out to startups

April 8, 2015



BMW i3

By KAYSORIN

German automaker BMW is founding a new program to help the company identify and integrate startups into its infrastructure more rapidly.

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The BMW Startup Garage will expand on programs that the automaker already has in place, working to tap the potential of fledgling companies that can benefit from BMW's international reputation and successful strategies. Connecting with startups will help BMW stay at the forefront of cutting edge technology and ensure that the brand has access to a new generation of talented innovators.

"The advantage is simple: BMW offers its resources and guidance for a ground floor equity share in the development of a potential breakthrough technology, which taken to its successful fruition can yield a large return on investment," said Bob Prosser, CEO of [Auto World Marketing Corp](#), San Diego. "On a global level, there is also a huge reserve of investment capital looking for a places to invest."

Mr. Prosser is not affiliated with BMW, but agreed to comment as an industry expert.

BMW was unable to respond by press deadline.

Ready, set, start

BMW's Startup Garage works to pair the internationally renowned German automaker with startup companies from around the world. BMW also has a venture capital company called BMW i Ventures that can help fund some of these new projects.



New technology is integral to BMW's success

The Startup Garage will help BMW learn about the latest technologies, products and services at an early stage, allowing the company to incorporate these strategies in new and innovative ways. While BMW has always supported startups, the new program will make it easier for the automaker to connect with enterprises and make the collaboration process more efficient.

"As any venture capital enterprise, BMW wants to minimize its risk by not simply seeking a great ideas, which take time to develop and are often susceptible to failure and unforeseen consequences," Mr. Prosser said. "Instead BMW wants to entertain new innovations that are backed by a sharp management team.

"Once accepted by BMW Startup Garage, the BMW assists in building the mockups and prototypes and helps the startup team in developing a business plan. This reduces the risk of failure and the time to market is lessened."



The startups will recruit talent that may work with BMW in the future

BMW hopes to work with startups that develop technology that could potentially be useful for the company in the future. Tech startups are popular, along with those working to improve urban mobility.

Startups that are selected to work with BMW will go through a special program for several months, giving them the opportunity to learn more about the company. They will then work together to draw up a business plan for the future.



BMW's cars are unique and modern

Supporting startups in this way is an excellent way for brands like BMW to get access to talent in a competitive market. It allows them to stay up to date on the latest technology and stay relevant to younger consumers.

Additionally, programs like the BMW Startup Garage remind consumers that the brand is not only focused on producing products and making money. They foster an emotional relationship with the consumer who wants to support beneficial programs.



Startups can encourage new development and future success

The finish line

Startup programs have become more and more popular among automakers. For example, the British automaker Jaguar Land Rover recently expanded its dedication to new technologies internationally with an “Innovation Incubator” in Portland, OR.

The incubator will pick 120 startup companies to work with Jaguar Land Rover during the next 10 years to cultivate new ideas. Teaming with smaller companies will help Jaguar Land Rover grow its idea base while creating a lasting relationship with the next generation of technology gurus ([see story](#)).

BMW itself has participated in similar programs. Recently the automaker looked to much younger consumers by opening a think tank for sustainable mobility for seventh and eighth graders in Berlin.

BMW teamed with the German Museum of Technology to create a think tank that joins its Junior Campus Berlin in educating young people about electric mobility. With most brands focusing on millennials, BMW is looking even younger to the establish relationships and educate about futuristic ideas and concepts in mobility ([see story](#)).

BMW's support for young talent of all ages will ensure that the brand has access to the best young minds in the industry. The technology created in these startup labs could be significant for BMW's future.

"It's a trend, in all tech sectors, period," Mr. Prosser said. "As the company stated, BMW is not seeking technology that is exclusively automotive-centric but seeks technologies that can be transferred to automotive engineering applications.

"For instance, there is a global need to find more range per electrical charge. There is also a continual need to improve integration of mobile device and machine.

Final Take

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