

It seemed like a good idea at the time. The Swatch watch company in Switzerland wanted to develop an innovative small car that was trendy, fun and practical in an overcrowded world.

Knowing they lacked the skills to develop such a car inhouse, the Swatch people went for help. They first approached Volkswagen, but little came of it, so they approached Mercedes-Benz. Thus the Smart (short for Swatch Mercedes art) project was born.

The fact that Mercedes has a disastrous history with small cars seemed to escape the attention of the Swatch people. They further declined to notice that Mercedes' research and development budgets were frequently larger than the national debt of many third world nations.

So time went on, with no small, innovative car, but debts that would frighten God. In the end the Swatch people cut their losses and bailed out, leaving Mercedes to carry on.

The Smart car has proved very popular in European cities, where parking is at a premium, but it has still not sold enough to recover the costs of research and development. Rumours continue to fly about the whole project being closed down and the losses written off.

The original vehicle was modified into convertible and sports

car versions, but every change cost money, so several adaptations like the Smart Roadster sportscar were canned. As a cost-saving measure, 'pretend' Smart

cars were produced instead, like the *Forfour*, which looks like an expanded Smart but was in fact a 2003 Mitsubishi Colt in Smart clothes.



SMART

Official name: Smart GmbH.

Owned by: Daimler AG

Current situation: The Smart is cool, compact, practical & cheap on fuel at a time of crowded cities and record oil prices. However, due to amazingly inept management, the project has lost billions and is close to being simply closed down. It's too soon to say if a recent new model can turn around the Smart project's fortunes. Mercedes doesn't really understand how to make cars on a budget; therefore the Smart project continues to haemorrhage money.

Chances of survival: uncertain. If Smart's new model can grab enough customers, the project might survive. However, carmakers like Fiat and Toyota are snapping at Smart's heels. A new wave of similar vehicles could easily consign the Smart car to history •

A totally new Smart car was released in 2007. The new Smart was closely styled to the original model. .

Thus the saga continues, although for how much longer is anyone's guess. It is possible that the Smart project will be saved by high oil prices and a move to smaller cars worldwide.

The Smart's problems are a pity because Smarts are not bad cars, when working (they are generally in the bottom quarter of reliability surveys).

Once you get used to the funny looks and driving style, the Smart is a really functional little vehicle. It can park just about anywhere and is even reasonably safe. Best of all, Smart cars are quite fun.

If Toyota had produced this car, it would probably have worked. It should have been easy; the Smart is cool, compact, practical & cheap on fuel at a time of crowded cities and record oil prices.

As things stand the Smart car may go down in history as a multi-billion dollar vehicle that was at the right place at the right time, but had Mercedes handling the deal •

