Car Makers Look Past Economic Woes At Frankfurt Show

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FRANKFURT (AP) — The world's car makers sought to look past economic worries in Europe and the United States at the Frankfurt auto show on Tuesday, with many betting on cleaner, smaller, high-mileage vehicles aimed at evolving consumer tastes.

The industry, which suffered through the recession caused by the 2007-2009 financial crisis, has been riding the global recovery but now is looking at shakier prospects amid Europe's debt crisis and worries about the U.S. economy.

Some executives want a firmer response from Europe on its government debt woes. Fiat and Chrysler CEO Sergio Marchionne urged German Chancellor Angela Merkel, who opens the show to the public Thursday, to step up efforts to solve the crisis.

"I think she needs to be part of a permanent solution to this problem," Marchione told The Associated Press on the sidelines of a Fiat presentation, referring to the leader of the European Union's economic engine. "She needs to force a fundamental change in the system."

Fears of possible government debt defaults, starting from bailed-out Greece, are threatening to engulf Fiat's key market of Italy and are sapping consumer confidence: auto sales there are forecast at around 1.8 million this year, the lowest level since 1983.

Still, this year's 64th International Motor Show is more cheerful than its 2009 predecessor, which took place during the recession. Organizers say 1,007 exhibitors have signed up — up from 781 last time, and German car makers including BMW, Daimler, Volkswagen and Porsche have put up strong recent profits — thanks in part to rising sales in fast-growing emerging markets.

The confidence of the home carmakers showed in a lavish display of Daimler's Mercedes-Benz and Smart lines, with CEO Dieter Zetsche speaking in front of a giant screen flashing high-resolution video graphics and accompanied by a thunderous sound system. Zetsche said that no matter the "turbulence on the Frankfurt stock exhange" in recent days, "all lights are green" at the company.

VW luxury brand Audi is splashing out for its own test track that winds in and out of the exhibit building.

"People are talking too much about crisis," said Rupert Stadler, Audi's chief executive who predicts, for example, double-digit growth for its U.S. sales this year. "It's always possible to complain."

Journalists and industry executives were getting a sneak peak on Tuesday and Wednesday of the show at Frankfurt Messe exhibition center. It runs from its open to the public Thursday through Sept. 25.

Lighter material, electric-powered engines and tiny, fuel efficient cars styled for city driving are among innovations on display: iconic luxury brand Rolls-Royce presented its electric experimental car, the 102EX, while sports car standout Aston-Martin rolled out its pint-sized Cygnet "commuter" car.

Fiat has a new, slightly longer version of its Panda small car, a mainstay that has sold 6 million since 1980, while Toyota has a new take on its familiar Prius, offering a plug-in hybrid version and a Prius+ seven-seater. Daimler AG's Smart brand has an electric version of its tiny two-seater.

Ford Motor Co. is unveiling the Evos, a concept car that won't make it into production but which shows design elements that will appear on Ford's regular models soon. Those could include the car's slender, LED headlights.

VW has its new subcompact up, which is only 3.54 meters long and has a new fuel-efficient three-cylinder engine. BMW's small electric i3 saves weight with high-tech carbon reinforced plastic, or CRP.

"The use of CRP has allowed us to solve the contradiction that electric vehicles — BEVs — will have to be distinctly heavier because of the weight of the battery," said BMW's development chief, Klaus Draeger, "because CRP is a lightweight yet strong and rigid material."

As usual, the show isn't all about small and frugal. At the Porsche stand, journalists and other onlookers pawed the new version of the classic 911 Carrera sports car. The gleaming dark blue display model was quickly covered with fingerprints from people climbing in and out or leaning on it to have their snapshot taken.

A new 911 is priced in Germany at €88,037 — including tax — for the Carrera, €102,436 for the Carrera S with the bigger engine. U.S. prices start at $82,100 and $96,400.

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