Article Side

Daimler to drop Maybach line of luxury cars by Ritika Sharma

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Daimler has decided to do away with its Maybach line of super-luxury cars by 2013.

The German auto maker said it will be putting an end to its Maybach line of cars, and will introduce new variations of Mercedes Benz S-class by the year 2013.

The move has been prompted by lackluster sales of the super-luxury car, which retails for over $350,000.

In its heyday in the 1920s and 1930s, Maybach used to be one of the most luxurious and coveted cars. Daimler had hoped to tap that heritage when it Daimler had revived the Maybach brand back in 2002, but the efforts have been in vain.

Competitors eating away market share:- Competitors like BMW and Volkswagen have outpaced Daimler in growth and profitability, and have been able to sustain sales of their cars by putting out new variants and offerings.

Meanwhile, according to an estimate, the worldwide demand for Maybachs has come down to just 200 cars a year, with demand going downhill every year.

Mercedes Benz cars will now get greater investment and attention, and Daimler is seeking to double the sales in this segment.

Daimler had recently considered tying up with Aston Martin to bring down the production costs of Maybachs and increase profitability. But with sales of the ultra-luxury car still declining, Daimler was in a troubling situation.

Apparently, the only way out was to kill Maybach.

'A wise decision':- An analyst at Credit Suisse in London called Daimlerâ€™s decision to put an end to Maybach a â€œrational and financially wiseâ€• one.

Taking a leaf out of its competitors' books, Daimler said it will now be concentrating on its Mercedes Benz S-class cars. Daimler plans to unveil an upgraded line of S-class cars in 2013, along with a basket of offerings. According to an estimate, the worldwide demand for Maybachs has come down to just 200 cars a year, with demand going downhill every year and the only way out was to kill Maybach.

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Daimler had hoped to tap that heritage when it Daimler had revived the Maybach brand back in 2002, but the efforts have been in vain. â€œIt makes good sense to enhance the S-Class; thereâ€™ll be huge demand, especially in emerging markets,â€• the analyst said.

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