Toyota regains top global auto sales spot, with VW in pursuit

* Toyota passes GM in first half * VW aims for global crown by 2018 * U.S. automaker could drop to third this year By Paul Lienert

July 26 (Reuters) – Toyota Motor Corp regained the lead in global car sales over General Motors Co in the first half, with Volkswagen AG poised to move past GM and push the U.S. automaker into third place for the full year. The bigger question is how soon the German auto giant also will pass Toyota and secure the global sales crown – an internal goal that VW management has targeted for 2018 as part of the company's so-called Strategie 18. VW, in a cautious statement released Thursday, said: "The Volkswagen Group is right on track for 2018, but has not crossed the finish line yet. For us, quality takes precedence over quantity. We don't want to be the biggest, but rather the best and most sustainable automaker in the world. For us, environmentally friendly products and satisfied customers and employees are at least as important as sales rankings and profitability." It still has to maneuver past a resurgent Toyota, which has rebounded smartly from the effects of last year's earthquake and tsunami in Japan. Toyota in February said it expects to sell a record 9.58 million vehicles globally in 2012, shattering the old mark of 9.37 million in 2007. Toyota had held the global sales crown from 2008 through 2010, before the natural disasters in Japan dropped it last year to third place, behind GM and VW. "We have recovered greatly from the earthquake and tsunami," said Javier Moreno, a spokesman for New York-based Toyota North America. "Our dealers now have plenty of inventory and showroom traffic is up on a global basis." Toyota said it sold 4.97 million vehicles worldwide in the first six months, a substantial increase from the 3.72 million it sold last year, when all Japanese automakers were reeling from the earthquake's aftermath. GM said it sold 4.67 million vehicles in the first half, up 3.0 percent from 4.54 million the previous year. GM's global performance was driven by record first-half sales in China, which now accounts for more than 30 percent of the automaker's worldwide total. The U.S. market, where GM's sales are growing at a much slower pace, accounts for only 28 percent of the company's total sales. GM spokesman James Cain on Wednesday said: "We continue to grow our sales and share in China . . . We are in the early days of the most aggressive roll out of new products in our history, which will help us press our advantage in the U.S. and China and grow profitably around the world." VW, in a mid-year company report released Thursday, said its first-half sales totaled 4.64 million, up 12.4 percent from 4.13 million last year. But the German auto giant, which recently added sports-car maker Porsche to a diversified brand portfolio that also includes heavy-truck makers MAN and Scania, sounded a note of restraint. "Deliveries by the Volkswagen Group developed very well in the first half of the year," sales boss Christian Klingler told reporters earlier this month. "But that is by no means cause for euphoria. The economic situation, particularly in Western Europe, remains tense and difficult." Klingler added: "We remain on track and are entering the second half (of the) year, which will be altogether more challenging, with confidence." A renewed focus on the U.S. market is part of VW's long-range plan to boost global sales to more than 10 million units by 2018, with the United States contributing at least 10 percent of that volume. Tom Libby, senior automotive analyst with Southfield, Michigan-based R.L. Polk, said VW’s management “has been very aggressive, with the U.S. playing a significant role in their global growth strategy. They have become more competitive on pricing here, and we expect their sales and share will continue to rise.”