

Toyota Boosts 2013 U.S. Light-Vehicle Sales Forecast

Toyota Motor Corp. (TM), after reporting slower growth in February, is boosting its U.S. auto market outlook on improving consumer confidence, a better economy and demand for Camry sedans and Prius hybrids. Toyota expects drivers to buy 15.3 million new cars and light trucks this year, about 5.5 percent more than in 2012, Bob Carter, senior vice president for the company's U.S. sales unit, said yesterday in New York. The world's largest carmaker plans to sell more than 2.2 million Toyota, Lexus and Scion vehicles in the U.S., up 50,000 units from its January estimate. "We're optimistic about 2013 because the U.S. economy is forecast to continue improving," helped by the job market, consumer confidence and the housing recovery, Carter said at a forum sponsored by J.D. Power & Associates and the National Automobile Dealers Association, in connection with the New York auto show. March sales look "very good" for all manufacturers, he said. Toyota seeks to sustain its 2012 rebound when, led by the Camry, the Toyota City, Japan-based company boosted its U.S. deliveries by 27 percent. That's growing tougher as competition with newer models including Ford Motor Co. (F)'s Fusion sedan cut into Camry's share of the mid-size car segment. Toyota deliveries grew 4.3 percent last month, less than the 8.5 percent increase that was the average of eight analysts' estimates compiled by Bloomberg. Among large carmakers, Ford's 14.7 percent gain through February tops Toyota's 14.1 percent, according to researcher Autodata Corp. Improved Credit New-car buyers, shunned by lenders just four years ago, are benefiting from historically low interest rates and better access to loans. U.S. light-vehicle sales in 2013's first two months rose 8.4 percent to 2.24 million, according to Autodata. Auto sales will benefit as consumer spending turns positive, Nariman Behravesh, chief economist at researcher IHS Automotive, said at the New York conference. "We saw a downtick to consumer confidence from the sequester, but despite the payroll tax increase and a recent gas price increase, the fundamentals of consumer spending have strengthened and are very positive," Behravesh said. Honda Motor Co. (7267), which has forecast U.S. auto sales to reach 15.2 million units this year, said March sales of Honda and Acura brand autos are going to be "very, very good." Honda Growth "We're looking at probably an 8 percent or more increase over March of last year," John Mendel, executive vice president of Honda's U.S. sales unit, said in a phone interview yesterday. "You'll see Accord up over 30 percent for the month over last year," he said, with gains also coming from Civic small cars, Pilot sport-utility vehicles and Acura RDX crossovers. Honda and Acura brand sales should total at least 138,000 vehicles, Mendel said. Honda's Accord, Camry's closest competitor, was the second-best-selling mid-size car in the U.S. through February, followed by the Fusion. Carter has vowed that Toyota intends to keep Camry the industry's top-selling car and yesterday said sales of the model will again top 400,000 this year. The Camry has been the No. 1 car in the U.S. for 11 years. Sales of the model

in February slumped 9.5 percent from a year earlier, the biggest drop in 16 months. Toyota expects much of its U.S. growth this year to come from “hybrids, small trucks and retail sales,” Carter said. “We believe we’re poised for another solid year.” The company today debuts a redesigned version of its Highlander SUV at the New York show. ‘Different Company’ Toyota’s American depositary receipts rose 0.3 percent to \$103.60 yesterday in New York. They have gained 11 percent this year. Honda’s ADRs rose 0.1 percent to \$38.60 and have increased 4.5 percent this year. Automakers report U.S. March sales results on April 2. Toyota’s U.S. sales declined for four consecutive years, from 2008 through 2011, before last year’s rebound. Initially, the company’s sales fell along with the industry amid the recession, before sinking further on record recalls in 2010 and natural disasters in 2011 that slowed its production. President Akio Toyoda has been revamping the carmaker to overcome those setbacks, Carter said. “With the many challenges Toyota faced a few years ago, we were the poster child for the need to be open, transparent and honest with our customers,” he said. “We’re a much different company than we were a few years ago.” Executive Moves Toyoda, 56, whose grandfather founded the automaker, this month announced a management shake-up that for the first time added three board members from outside Toyota, including Mark Hogan, an executive at the predecessor of General Motors Co. (GM). Toyoda also promoted Jim Lentz, president of the U.S. sales unit, to chief executive officer for all the company’s operations in North America beginning April 1, and elevated Steve St. Angelo, a North American manufacturing official, to run Toyota’s Latin American operations. “These were not just routine management shuffles,” Carter said. “They signify a huge turning point for our company.” Toyota also promoted U.S. Lexus chief Mark Templin to manage the luxury brand’s global operations from company headquarters in Japan. “In the past, critics have complained that Toyota’s global efforts were hampered by resisting bringing in outsiders and non-Japanese into the inner circle of decision-making,” Carter said. “Well, not anymore.”