

Toyota Washington, DC

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July 6, 2009



Washington Office

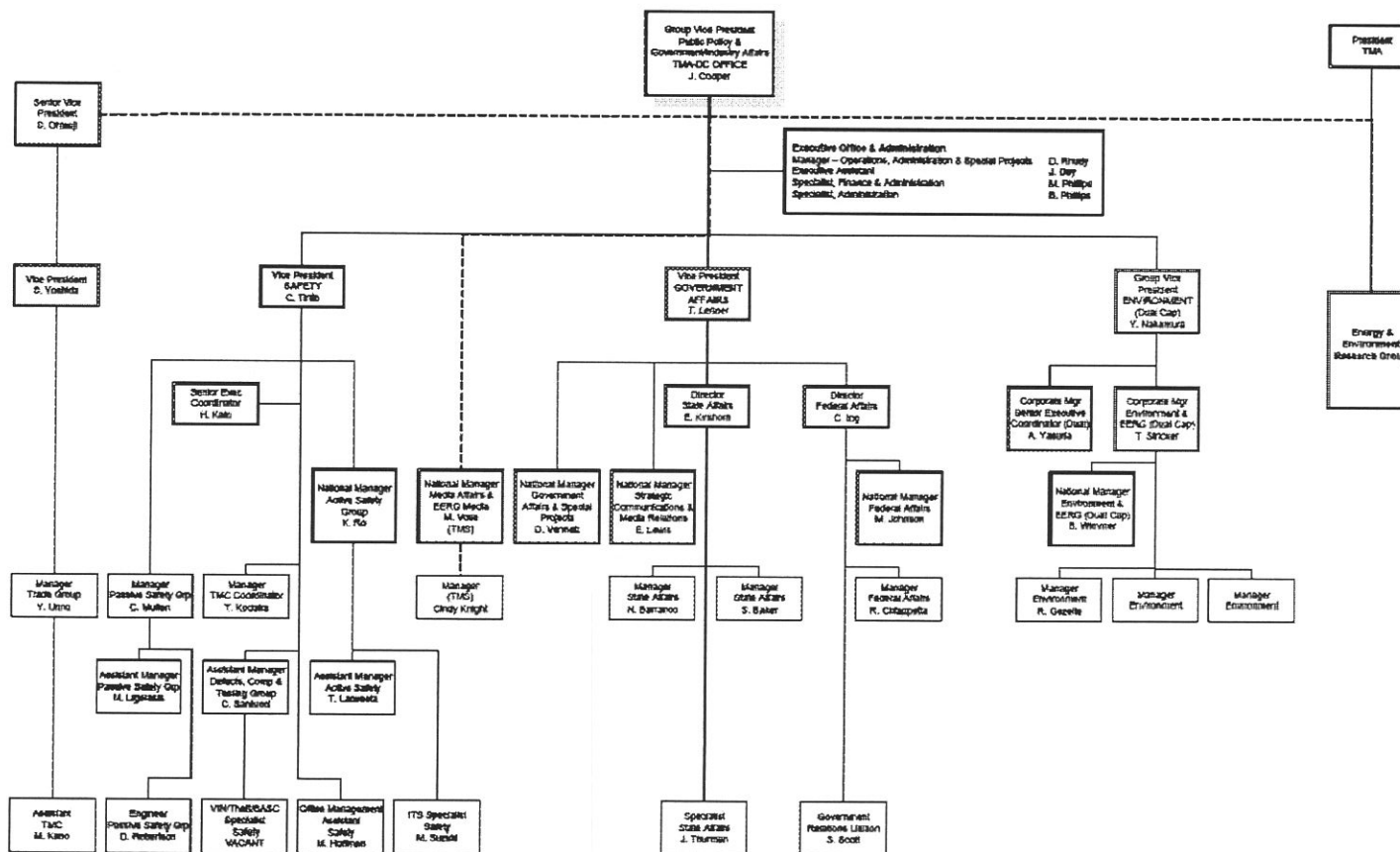
Agenda

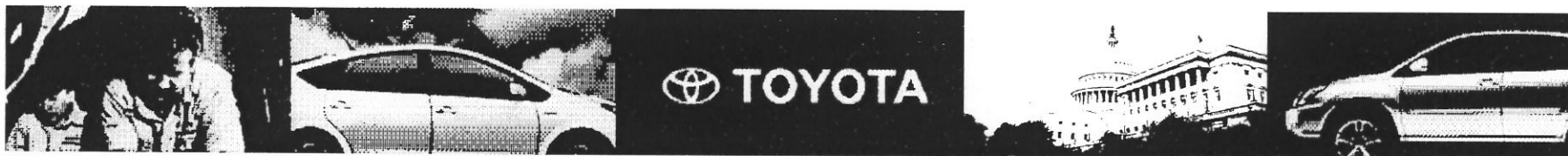
- Overview
- Key Issues
- Discussion



Washington Office

TMA-DC Organization Chart
As of 07/01/08





Washington Office

Mission:

Support Toyota Business

Goal

- Promote Toyota's Agenda
- Protect our interests
- Maintain receptive environment to grow our business

Role

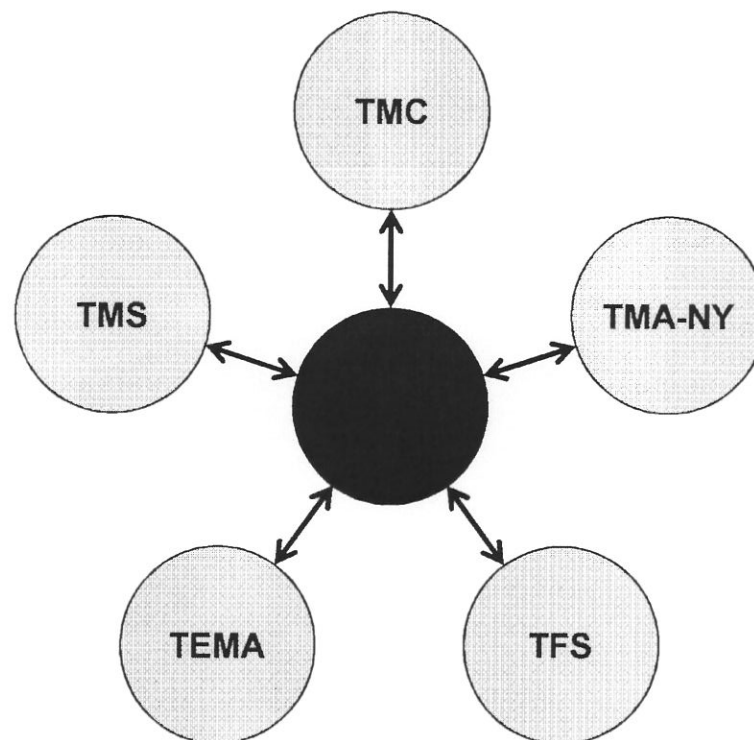
Provide Information & analysis
Make recommendations
Shape policies & regulations for
One voice decisions

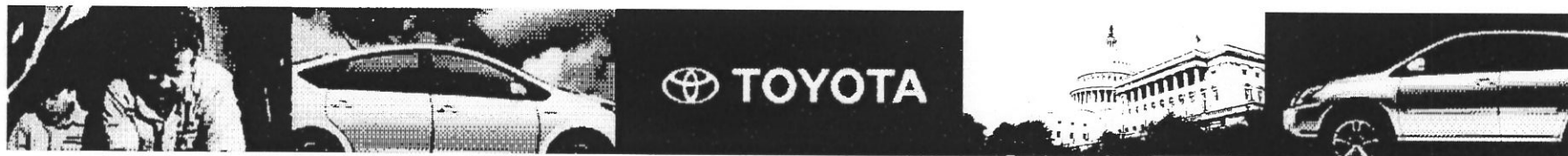


Washington Office

Work with TMC and affiliates

- Promote Toyota's interests
- Inform, Advise, Coordinate
- Formulate one voice policy positions





Washington Office

External Resources

- trade associations
- think tanks
- political organizations
- consultants & lawyers



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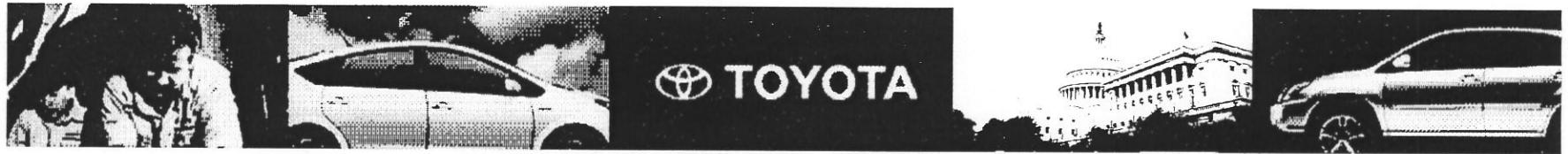




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Wins for Toyota & Industry

- One National Program
- “Card Check” - legislation delayed
- Scrappage bill passed
- No FFV Mandate (yet)
- Vehicles not in Climate legislation
- Favorable recall outcomes
- Secured safety rulemaking favorable to Toyota



Key Safety Issues

Impact on “Quality”

- Number of UIO (units in operation) increasing
- NHTSA is testing more vehicles under NCAP
- Nov 2000 “TREAD Act” requires new, more intensive, and regular reporting
 - A 5-day notification is required when recall determinations are made
 - New strong civil and criminal penalties were implemented
 - e.g. Ford/Firestone/rollover issue
- NHTSA is more sensitive to public/congressional criticism



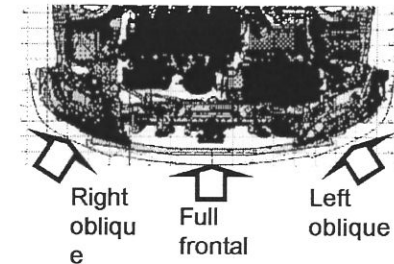
Resulting in more Investigations, and more forced recalls



Key Safety Issues



- FMVSS 305 Compliance/Hybrid Sales
- New NCAP Test Protocol
- “Sudden Acceleration” on ES/Camry, Tacoma, LS, etc.
- Cargo Carrying Capacity/FMVSS 110 Compliance
- Prius Headlamps Investigation - Class Action
- “Quiet Cars” (Hybrids, EVs, FCHVs)
- Kids in Cars





Wins for Toyota – Safety Group

- Rulemaking
 - FMVSS 216 Roof Crush Rule – reduced PL and design burdens
 - FMVSS 305 Electric Shock Rule – delayed final rule
 - FMVSS 214 Side Impact Rule - Added lead time and phase in; Saved ~\$124M/50,000 man hours
 - FMVSS 206 door locks – delayed rule; saved ~\$11M for Sienna
- Defects
 - Sienna Rear Hatch w/ no "defect"; Closed Tacoma DP issue; Avoided Investigation on Tacoma Rust
 - FMVSS 110 NCIR labeling recall – No civil penalties, Saved \$20M+ in buybacks
 - Negotiated "equipment" recall on Camry/ES re: SA, saved \$100M+, w/ no defect found
- Other
 - Secured Tacoma, Scion XB, Corolla, '10 Prius 'Top Safety Picks' at IIHS
 - Delay of New NCAP program - 1000s of man hours in redesign for 2010 MY