Recalls Cost Toyota A Fifth Of Its Global Value

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TOKYO (AP) — Toyota remains Japan's No. 1 global brand, but its value has fallen by nearly a fifth because of the recent massive recalls that dented consumer trust in the quality of its cars, according to an international consultant.

An Interbrand report released Tuesday said that the value of the Toyota Motor Corp. brand dropped 16 percent to $25.66 billion compared with its last report released a year ago.

New York-based Interbrand assesses brands from around the world based on financial strength, influence on purchasing decisions and earnings potential — a method considered a global standard for ranking brands.

Toyota's Lexus luxury model nameplate, which placed seventh last year, dropped to eighth, losing 19 percent of its value, Interbrand said.

Toyota has suffered a series of quality lapses since late 2009, and has announced recall after recall, mostly in the key U.S. market.

The latest recall came last week. The bulk of the 1.7 million affected vehicles were in Japan, making for the second biggest auto recall in Japanese history.

Interbrand said rival Japanese automaker Honda Motor Co. placed second, followed by electronics makers Canon Inc. and Sony Corp., and then video-game maker Nintendo Co. Honda and Nintendo had the same placings last year.

Canon and Sony switched places from the previous year, with Canon moving up this year from fourth to third, and Sony sliding from third to fourth.

Interbrand also compared brands in Japan with brands in China.

Although China has surpassed Japan as the world's second-largest economy, Japan had more of what are considered top global brands than did China, it said.

Japan had six brands Interbrand classified among the best global brands for 2010 — Toyota, Honda, Canon, Sony, Nintendo and Panasonic Corp.

China had none.

Interbrand said China had powerful brands that had yet to go global but were powerful in their home market such as China Mobile, a telecommunications company.

China Mobile is already worth more than Toyota, underlining the sheer size and

growth potential of Chinese companies, according to Interbrand.

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