

Nissan Aims High For 8 Percent Global Marketshare

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YOKOHAMA, Japan (AP) — Nissan Chief Executive Carlos Ghosn unveiled an ambitious six-year plan for growth Monday, including a target of boosting the carmaker's share of the global auto market to 8 percent.

Nissan Motor Corp. hopes to reach the market share target in the fiscal year ending March 2017, in part by focusing on growth in countries such as China, Brazil, Russia and India.

Nissan had a record 5.8 percent market share in the fiscal year ended March 2011.

"We are definitely on the offensive," Ghosn said at the automaker's Yokohama headquarters.

The plan underlines how Nissan is readying for expansion despite the production disruptions from the March 11 earthquake and tsunami that are projected to drag profit down 15.4 percent to 270 billion yen (\$3.4 billion) for the fiscal year through March 2012.

The maker of the March subcompact, Leaf electric vehicle and Infiniti luxury models is not being deterred by the recall woes at Toyota Motor Corp., which were blamed on overly rapid expansion.

Ghosn, who also heads Nissan's alliance partner Renault SA of France, said Nissan was in good shape to go on the growth track because it now had no "handicap" in cash reserves, market presence or product lineup.

The business plan also includes a focus on Nissan's trademark green technology, the electric vehicle. The automaker expects cumulative electric vehicle sales of 1.5 million vehicles for the Renault-Nissan alliance by the fiscal year ending March 2017.

Nissan will have a production capacity of 1.2 million vehicles in China by 2012, becoming Nissan's single largest global market, it said. Nissan aims to boost its market share in China to 10 percent under the six year plan from the current 6.2 percent.

Nissan also hopes to boost its operating profit margin to 8 percent over six years from the current 6.1 percent.

"We will accelerate our growth, bringing more innovation and excitement to our products and services as well as cleaner, more affordable cars for everyone around

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Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

the world," said Ghosn.

But some were skeptical.

Mamoru Katou, auto analyst at Tokai Tokyo Research, said Nissan sees an opportunity to boost its presence while rivals Toyota and Honda Motor Co. are ailing from disaster-related problems. But he said they will also be recovering soon.

"It's true it has momentum," he said of Nissan's plans to raise production capacity around the world. "But Toyota and Honda will be back, and competition will intensify."

Japan's No. 2 automaker said last week that it plans to sell more cars around the world at 4.6 million vehicles in the current fiscal year, up 9.9 percent and a record for Nissan. Sales revenue is expected to edge up 7.1 percent to 9.4 trillion yen (\$117.5 billion).

Ghosn, who took over Nissan when it was teetering on the verge of bankruptcy in the late 1990s, said the first few years had been devoted to cost cuts and salvaging Nissan.

That was followed by a period of growth in the early part of last decade. Then the company had to invest in new headquarters and plants, and is now ready to reap the benefits of that in the years ahead, he said last week.

Like other Japanese automakers, Nissan suffered production disruptions in Japan because of parts shortages after the March quake and tsunami destroyed key suppliers. The automaker says it has mostly recovered and will be back to normal by October.

Source URL (retrieved on 12/28/2014 - 2:33pm):

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