

GM Likely To Recapture Global Auto Sales Lead

David McHugh, Tom Krisher, AP Business Writers

DETROIT (AP) — General Motors Co. is on track to retake the title of world's top-selling automaker, riding strong sales in the U.S. and China to beat Volkswagen and Toyota.

GM, which lost the crown to Toyota in 2008 after holding it for more than seven decades, won't release global sales numbers until later this month, but it's on pace to finish 2011 at around 9 million cars and trucks, at least 800,000 more than its German and Japanese rivals.

Winning the global sales crown doesn't mean much to a company's bottom line, but for GM, it's an example of just how far the company has come since it nearly collapsed in financial ruin back in 2009. That year, the company sold only 7.5 million vehicles. GM executives have consistently said they're more focused on making money than outselling Toyota or Volkswagen. But it does boost employee morale and gives bragging rights to the winner.

Volkswagen AG on Monday said it sold a record 8.156 million vehicles last year, a 14 percent rise over 2010. The company expects a tough 2012, though. Toyota, whose production suffered from the tsunami and Fukushima nuclear disaster, had earlier reported sales of 7.9 million vehicles in 2011.

GM, meanwhile, sold almost 7 million vehicles worldwide in the first three quarters and is expected to reach around 9 million for 2011.

At GM, the company's recent new products are far more appealing than the company's offerings in past years when Toyota took the crown away, says Jeff Schuster, senior vice president of forecasting for LMC Automotive, an industry consulting company in Troy, Michigan.

Other manufacturers have passed Toyota partly because its car production was paralyzed by Japan's earthquake and nuclear disaster last year. But rivals also developed stylish vehicles that are drawing more customers.

"They're not pushing their designs as much as others in terms of new looks and feel," Schuster says of Toyota. "The market has changed."

Volkswagen met its aggressive sales goals in the U.S. and throughout the world, and its products also have made it a strong global competitor, Schuster says.

In the U.S., VW sales rose 26 percent last year to top 324,000 vehicles, boosted by a new Jetta compact sedan and the Passat midsize sedan. That surpassed its goal of 300,000.

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Schuster expects a tighter race for the global sales crown next year with Toyota recovering from Japan's disasters and the Nissan-Renault venture challenging the leaders.

Volkswagen, whose brands include Audi, Skoda and Seat, has a goal of producing 10 million vehicles per year and passing Toyota and GM to become the world's biggest automaker by 2018.

Volkswagen's top sales and marketing executive, Christian Klingler, says that "all the company's brands have shown increases in difficult conditions on volatile markets" and called the 2011 figures "an outstanding result."

But he added that the coming year will be demanding. "In 2012 the risks are increasing above all on European markets."

The 17 countries that use the euro are struggling with a financial crisis over too much government debt. Fears that a country may default and damage the banking system have weighed on the wider economy and many think the eurozone economy may have shrunk in the last three months of 2011.

But the 2011 figures underlined a strong year for German automakers, who have profited from strong sales and profits in emerging markets, especially China. Volkswagen, Daimler AG's Mercedes-Benz, BMW, and Porsche all recorded record vehicle sales for the year.

Luxury carmaker BMW AG said Monday that it sold a record 1.67 million vehicles under its BMW, Mini and Rolls-Royce brands thanks to a 14.2 percent increase over 2010.

The BMW brand, the company's mainstay, sold 12.8 percent more cars and SUVs — a total of 1.38 million. Rolls-Royce increased unit sales by 30.5 percent with 3,538 cars sold worldwide, breaking a sales record from 1978.

Porsche on Monday reported a 22 percent sales increase to 118,867 vehicles.

Daimler AG on Jan. 5 reported record sales of 1.362 million for its Mercedes-Benz, smart and Maybach brands.

Some analysts have said that VW is the world's biggest because GM's figures include vehicles made by its Wuling joint venture in China. Many don't count Wuling because GM doesn't have controlling interest in the company, but GM includes it in global sales figures.

Including Wuling, GM will overtake Toyota and Volkswagen, says Schuster, senior vice president of forecasting for LMC Automotive, an industry consulting company in Troy, Michigan.

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