

Toyota Takes First-Half Global Sales Lead From GM

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TOKYO (AP) — Toyota bounced back from safety recalls and natural disasters, selling 4.97 million vehicles globally in the first half of the year to retake its crown as the world's top automaker from General Motors Co.

The Japanese company sold about 300,000 more cars and trucks than GM did in the first half of the year, a lead large enough that it will be difficult for GM to catch Toyota in the final six months of 2012.

GM said it sold 4.67 million vehicles during the first half. Both companies released their numbers Wednesday.

For Toyota Motor Corp., the numbers underline a powerful rebound from a period of dismal sales, and the resilience of its brand as it gains traction in new markets such as China and Southeast Asia while clawing back lost market share in the U.S.

GM doesn't plan to drop out of the race, though. The company's sales and market share grew in China, and Chevrolet, its largest brand, has seen record growth for seven straight quarters, spokesman Jim Cain said. GM sales should rise because 70 percent of its U.S. models will be refurbished or all-new in the next two years, said Cain.

"We are in the early days of the most aggressive rollout of new products in our history, which will help us press our advantage in the U.S. and China and grow profitably around the world," he said, declining to comment on whether the company expects to pass Toyota in the second half.

Toyota's production was hit by the earthquake and tsunami in northeastern Japan last year and then by flooding in Thailand, which is an important production base for the automaker. Before those disasters, its sales were dented by massive U.S. safety recalls, totaling more than 14 million vehicles since the quality control problems emerged three years ago.

GM was No. 1 in world auto sales last year on strong performances in the U.S. and China, its two biggest markets. The Detroit company held the global sales crown for more than seven decades before losing it to Toyota in 2008 as GM's sales tanked while it headed toward financial ruin. In 2009, GM filed for bankruptcy protection, needing a U.S. government bailout to survive.

Volkswagen AG was in third place in the global sales race. The company said earlier this month that it sold 4.45 million vehicles in the first half. It came in second after GM in global vehicle sales last year.

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GM had already trailed Toyota for the first quarter of this year at 2.28 million cars and trucks across the globe, while Toyota sold 2.49 million vehicles. Toyota has forecast that it will sell 9.58 million vehicles in 2012, up 21 percent from last year. GM has not given a full-year forecast.

Chizuko Satsukawa, auto analyst for Standard & Poor's in Tokyo, said Toyota faces intense competition not only from GM and Volkswagen but from other automakers, including Hyundai of South Korea.

Toyota is counting on its next surge of expansion in Southeast Asia, following other high-growth markets such as China, India and Brazil, she said.

"Toyota's rebound is impressive," said Satsukawa. "But what's even more important than the numbers is profitability."

Satsukawa said Toyota was at a disadvantage because of a strong yen, compared to European and South Korean makers that have the perk of a weak currency that raises earnings from exported vehicles. That makes gaining sales numbers critical for Toyota, she said.

Doing well in North America was also critical because that rich market is where many automakers, including Toyota, can hope to rake in hefty profits.

After the recall fiasco, Toyota President Akio Toyoda acknowledged that the automaker needed to go back to its roots and strengthen quality rather than pursuing rapid growth at any cost.

But in recent months, he has changed his tone slightly, promising growth for Toyota, although he has stressed it will do so with good products.

Toyota spokesman Joichi Tachikawa played down Wednesday's figures.

"We can only keep trying to make good products that appeal to our customers," he said.

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