

# 2012 North American International Auto Show - Toyota Press Conference

January 10, 2012



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**Detroit, Mich.**

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**Jim Lentz, President & COO, Toyota Motor Sales, U.S.A., Inc.**

Good morning everyone. Thank you for joining us for day-two of what's been a great show so far...for me...already one of the best ever.

That's because 10 years ago...there were *two* gas-electric hybrids on display here at Cobo.

Two.

Today look around you...in nearly every display...in every corner of this...the world's premiere auto show.

Hybrid technology...in its many-and-varied forms...has arrived.

Our industry has not just embraced hybrids...hybrids have energized our industry...offering it a clear road to the future.

Perhaps the clearest point of all is that conventional hybrids are the foundation...and the necessary first step...in advancing unconventional technologies with mainstream buyers.

This notion of a necessary first step is critical.

Our industry has spent decades...and billions of dollars...developing a wide range of advanced powertrain technologies.

Fuel cells, EVs and plug-ins have been mandated, subsidized and promoted... with conviction.

Toyota believes that a wide variety of technology options must be developed.

This portfolio approach is driven by the notion that hydrogen fuel cells might be the right answer in one region of the world...while battery-electrics or natural gas might be best in another.

However...the necessary first step is to get consumers to *literally* buy into the plan...in sustainable volume.

In 1997 in Japan, Toyota launched Prius... the world's first gas-electric hybrid.

When it arrived in America in July 2000...many of us at Toyota called it the biggest crap-shoot we'd ever attempted.

We were elated to sell nearly 6,000 units in the last six months of that launch year.

Critics...and they were legion...called it an amusing side-trip, a dead-end detour and a science project.

Today about one out of every two total hybrid cars and trucks sold in this country is a Prius.

From the day it arrived, Prius has been...one of a kind.

But once is not enough.

Two years ago we announced our plan to introduce a Prius family for 2012.

The goal was to expand the very definition of Prius...and thus expand that first-step experience with even more buyers.

What we needed was a bigger Prius...and a smaller Prius...and what's already been called by current Prius owners...a super Prius.

Late last year we launched the all-new Prius v...our roomiest and most v-for-versatile member of the family.

In a couple months the Prius Plug-in will arrive...capable of 10-to-15 miles of all-electric drive.

Close on its heels will be the Prius we've teased you with the most.

And now the wait is over.

Ladies and gentlemen, the Prius *c*...

As the larger Prius "v" stands for versatile...the smaller Prius "c" stands for city.

Lighter in weight, lower in stance and more than 19 inches shorter in length...the "c" is designed to maneuver the city-scape...with nimble handling and responsive steering.

At 53 mpg, it will offer the highest city fuel efficiency of any car in America...without a plug.

And with a starting price under \$19,000...it will be one of the lowest priced hybrids in the city...or for that matter...the entire country.

In fact, it will carry a lower base MSRP than the first-gen Prius we launched 12 years ago.

The Prius *c* features a 1.5-liter gas engine and a 144-volt nickel-metal hydride battery for a total hybrid system output of 99 hp.

In adapting Hybrid Synergy Drive to a smaller platform...each of the system's major components were re-designed...to scale, to reduce weight and improve efficiency.

The *c*'s body structure uses lightweight, high-strength steel to help reduce vehicle mass...and improve fuel economy.

The body's high level of torsional rigidity allows the suspension to be fine tuned for improved handling.

Nine airbags and Toyota's comprehensive Star Safety System are standard.

The *c* will be offered in four distinctive trim levels...with a generous array of standard equipment and premium technology options.

The Prius *c* is sized, priced, styled and packaged to appeal to young buyers on a budget...who until now have probably found the hybrid experience out of reach.

That's why we view the *c* as a gateway vehicle...a key component to the Prius strategy...adding substantial incremental sales.

More importantly...we are adding advocates...

– to the Toyota brand...

– to the Prius family...

– and to the broad acceptance of hybrids.

To that point...the next three years...2012 thru 2014...will be a critical period for gauging consumer interest in other advanced technologies.

Cost and convenience will remain the key challenges during this period.

Which is why we see the Prius Plug-in Hybrid...the most advanced member of the family...as the logical next step in attracting mainstream buyers.

The Prius PHV will carry a net-cost-premium of about \$4,000.

For that you get the lowest priced...and the shortest charge time...of any plug-in hybrid on the market...10-15 miles of all-electric drive between charges...and the security of defaulting to full-hybrid drive when depleted.

With a low cost premium...and high level of convenience...we think customers will buy about 15,000 Prius Plug-ins a year.

Which is...by the way...about 10,000 more vehicles than we sold the first year of the first-generation Prius.

The next step in “socializing” advanced powertrain technologies is probably the most challenging.

About the time we launched Prius in the U.S....we launched the RAV4 EV.

Three years later...as we prepared to launch the second-generation Prius...RAV4 EV sales totaled about 1,500 units.

Fast forward 12 years...and many of the same consumer adoption challenges remain.

Nevertheless...in our continuing effort to promote electrification...we will launch the Scion iQ EV and the second-generation RAV4 EV this year in small volumes.

These vehicles are not “coming to market” in the typical sense.

Rather, they are meant to gauge consumer preferences, range requirements and use patterns.

To do so, we are taking two *very* different tracks.

With a range of less than 50 miles...the iQ EV will be aimed specifically at short-distance urban car-sharing programs.

The RAV4 EV will be quite different.

First...it will be the only all-electric SUV on the market...with all the style, cargo capacity and performance of the RAV4 V6.

Powered by a high performance Tesla drive system...the RAV4 EV will offer...on average...a driving range of well over 100 miles between charges.

Over the next three years, our goal is to grow consumer interest and trust in electrification... with this two-front approach.

Also by 2015, we will have launched a...

- zero-emission,
- hydrogen fuel cell,
- four-door, midsize sedan.

We unveiled a concept of that vehicle at the Tokyo show...and have brought it here to our display in Detroit.

Yes, re-fueling infrastructure remains a distinct challenge.

But certainly not one that will stand in the way of such an important technology.

Finally...by mid-decade...we believe that market awareness, acceptance and demand will allow us to migrate Plug-in hybrid technology into models beyond Prius.

Which brings us to our “Vision of the Future”...circa 2015.

Not long ago, TMC challenged individual engineering teams to design an all-new “mid-size concept” for global markets by mid-decade.

This is one of those concepts.

Ladies and gentlemen...the Toyota NS4...

The NS4 was envisioned as a dedicated plug-in hybrid...separate and removed from the Prius family.

This all-new concept reflects a “greater than” vision of mobility...as in greater than the sum of its impressive level of features.

Beyond its advanced powertrain...and next-generation safety systems...the central theme of this concept is on the human connection to the car.

In other words...technology that considers both the emotional and rational relationships...person-to-car and car-to-society...all wrapped in a high-style, hardtop-like body...signaling Toyota’s new direction in design.

Design...in fact...is a good place to start.

The car’s silhouette is a fresh take on the aerodynamics of the modified triangle...low in height with a cabin-forward tilt.

The open trapezoid grille is a distinctive Toyota styling cue ... and is accented by a floating lower spoiler.

The A pillars are ultra-thin to enhance outward visibility...while maintaining substantial roof crush integrity.

The rear employs the trapezoid again...framing the rear lamps that offer the effect of a rear spoiler.

Touch-to-open doors lift *up* and out...for easy entry into a spacious cabin.

Seating for four is low and wide...with ample headroom and rear storage...framed by a solar panel roof that extends into the rear hatch.

Four new glass technologies currently in development are integrated into roof, windshield, side and rear windows to improve...

- visibility,
- fuel economy,
- and electric-drive efficiency...while reducing glare and UV penetration.

Conventional mirrors have been replaced with cameras that provide the driver with a panoramic view on a dedicated screen.

Human-Machine Interface is built around a separate multi-touch screen with the look and feel of a smart phone.

In addition to supporting a host of cloud-based telematics...this multimedia enhancement will direct...

- HVAC,
- audio,
- battery-charge,
- and navigation functions.

The system is capable of learning preferences and habits of individual drivers...in order to anticipate how to better-respond in specific driving environments and situations.

The goal was to create an interior environment that is simple and intuitive in operation... where information is conveyed quickly to minimize distractions and maximize awareness.

A few of the NS4's numerous active safety features are already well-into development.

Two are of particular note.

The first...a next-generation Pre-Collision System is actually just around the corner.

It uses millimeter-wave radar and stereo cameras to detect, alert the driver of and automatically help to avoid lane drift-departure, pedestrians and other vehicles...even at night.

Another is the NS4's Adaptive Driving Beam headlights...which employ external sensors...and internal baffles...to three-dimensionally tailor where the light beam is targeted.

The system helps prevent vision-impairing glare to oncoming drivers and pedestrians...while allowing drivers to maintain near-high beam illumination.

Last...but certainly not least...we envision that by 2015, plug-in hybrid technology will have evolved significantly.

Our goal is to develop a next-generation hybrid drive system...smaller in size and lighter in weight offering...

- improved overall fuel economy
- better acceleration
- and longer all-electric range...all while maintaining a short charging time.

Impressive as the NS4 may be...we see it as a natural progression of automotive technologies by 2015.

Our industry is changing very quickly.

The automobile is being re-invented...because its role in our lives is being re-defined.

Customers want it to offer not just mobility from point A to B...but connectivity with all aspects of their lives.

Should be interesting to see what's on display here in 2015.

I'm looking forward to it.

Now...if you could do me favor...please allow photographers to get a few shots first...then we'll invite you to check it out up close...

Thanks again for joining us today.

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