

Toyota's Statement on Arbitrator's Orders and Final Award in Dimitrios Biller Matter

January 05, 2011

January 5, 2011 – Toyota released the following statement today from Christopher P. Reynolds, Group Vice President and General Counsel, Toyota Motor Sales, Inc. (TMS), in response to the final award and orders issued by the Arbitrator in the disputes between Toyota and its former in-house attorney, Dimitrios P. Biller.

“Toyota takes its legal obligations very seriously and works hard to uphold the highest professional and ethical standards. We are gratified that the credibility of Toyota’s legal organization and the integrity of our legal professionals have been validated. We believe that the Arbitrator’s award clearly vindicates Toyota’s position and reaffirms the critical importance of attorney-client privilege as a cornerstone of our legal system. Throughout this process, Mr. Biller has continuously made misleading and inaccurate allegations about Toyota’s conduct, and we feel this award is an appropriate consequence of his actions and completely discredits his meritless attacks on our company and our people.”

Additional Information on Award and Orders

As Toyota has stated throughout this matter, the Company respects the confidentiality of the private arbitration proceeding. It is only with the Arbitrator’s express permission that Toyota is publicly disclosing and commenting on the Final Award and related orders. This permission was granted, as the Arbitrator states, in light of “unauthorized public disclosures” of the proceedings that have occurred with regularity and that “appear to have been one sided, with prejudice to Toyota.”

In the Final Award, the Arbitrator found in Toyota’s favor on all of its claims against Mr. Biller and ruled against Mr. Biller on his remaining claims, assessing significant damages, including punitive damages, against Mr. Biller and entering a permanent injunction against Mr. Biller to prohibit future misconduct. Highlights of the Arbitrator’s award and orders include the following:

- The Arbitrator granted Toyota’s motion for summary judgment dismissing Mr. Biller’s RICO claims and ruled against Mr. Biller on his claims of defamation and fraud and/or false promises. The Arbitrator also ruled in favor of the specific Toyota legal professionals whom Mr. Biller sued, finding “no evidentiary basis for [Mr. Biller] having joined these individuals as parties.”
- The Arbitrator found Mr. Biller liable for breach of contract, conversion and statutory unauthorized computer access. Specifically, the Arbitrator said the “evidence showed multiple instances of unauthorized disclosure,” of the company’s confidential information, citing Mr. Biller’s website, his public seminars, his discussions with the media and his decision to send “thousands of documents” to a Texas court “without a request, subpoena or legal compulsion.” He also noted the harm suffered by Toyota in these disclosures “is real and it is extensive.”
- Noting that “Toyota has conservatively claimed damages for selected disclosures,” the Arbitrator awarded \$2.5 million, upholding the liquidated damages provision of \$250,000 for each of 10 unauthorized disclosures.

- The Arbitrator also concluded there was “clear and convincing evidence of entitlement to punitive damages” and awarded \$100,000, the amount he described as “conservatively” suggested by Toyota.
- The Arbitrator also entered a permanent injunction instructing Mr. Biller to return the Toyota confidential documents that he took from the company and prohibiting Mr. Biller from making future wrongful disclosures of confidential Toyota information.