

2010 Tacoma Line Off Ceremony - Atsushi Niimi

August 06, 2010

Tacoma's Official Line Off Ceremony

San Antonio, Texas

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Atsushi Niimi, Executive Vice President of Toyota Motor Corporation

Thank you, David.

Good morning. Thank you for joining this special celebration. I would especially like to thank: Governor Perry; Judge Wolff and Bexar County; Mayor Castro and the City of San Antonio; Other Civic and Community leaders; Toyota team members and Toyota's supplier partners and dealers.

All of you played important roles leading up to this milestone.

It is a great honor to celebrate with you today.

This event today is about the future, but I'd like to talk first about the challenges we have faced over the past few months. With the recalls, Congressional hearings, and all the media attention, this has obviously been one of the most difficult years in Toyota's history.

But at the same time, it has been one of Toyota's biggest learning experiences.

Kaizen, or continuous learning and improvement, is part of Toyota's DNA.

All of the Texas team members here today, plus thousands of others across America and across the globe, continue to learn from this experience.

And all of us are intently focused on rebuilding customer trust. That focus is especially apparent here in Texas, where team members at our plant and at the suppliers have found many ways to further assure quality. That focus is also apparent at our dealerships, where associates have been working in some cases around the clock to make sure customers are treated well with the recalls. To all of you, please accept my sincere appreciation, and my pledge to work with you.

Now, in order to fully understand today's significance, let's reflect on the last two years...No one could have anticipated the extent of the economic downturn in 2008, and as a result, the huge impact on the auto industry.

In 2007, Americans bought 16.5 million vehicles and 10.4 million in 2009. More than one-third of U.S. auto sales disappeared.

To survive, we made quick, decisive changes in 2008 in order to assure the long-term viability of our company. Some of those changes included the consolidation of Tundra production here in Texas; and the replacement of Tundra in Indiana with the Highlander.

In addition, due to slowing sales, as a result of the recession, we had no choice but to halt production.

We made an important decision based on the two pillars of our company – respect for people and continuous improvement. Instead of lay-offs, we chose to provide full employment. Team members were paid to come to

work to train, learn new processes and improve plant operations. It made the most sense to capitalize upon the skill and knowledge of our team members instead of sending them home.

But, it remains difficult to believe that just two years ago this plant did not produce vehicles over a three-month period.

However, that time served as a unique opportunity for team members to strengthen their skills in multiple areas and thus increase their know-how.

For instance, team members had the chance to gain a deeper understanding of the Toyota Production System, so that they were even better prepared; to apply their knowledge to their work when production resumed.

The downtime also allowed team members to improve their own processes. If they wanted to move their tools, cut their walking time or rearrange their parts; they were allowed to make those changes.

Also during this time, many of our team members spent some of their work days on community projects. Our willingness to do this is just a small sign of our deep appreciation for doing business in San Antonio. In fact, some of you in this audience run your own businesses, so you know that this approach was very expensive. But in our view, we were investing in the future.

And the future is now.

The training and process improvements — during the worst of times – prepared this plant for the best of times – which is the Tacoma production we celebrate today.

I want to thank the state of Texas and the San Antonio community for its support during this period. I also sincerely appreciate the patience and flexibility of our suppliers, who suffer during tough times but look forward with optimism.

And a special thank-you to team members. Tacoma production became possible here because of your resilience and commitment over the last two years.

Will you please join me in thanking them?

I also want to acknowledge the plant leadership here in San Antonio. It wasn't easy to manage all of this activity on such short notice, but Mr. Fukuta and his team made it happen.

As someone who led North American manufacturing in recent years, I am pleased to hand-over leadership of this plant to Toyota veteran Chris Nielsen. He and other Americans were recently appointed plant presidents. By giving more responsibility to seasoned American leaders like Chris, Toyota's North American region will have greater autonomy moving forward. This is a natural progression for a global company.

Thanks to all of you again for your continuous efforts in creating a successful partnership in Texas.

Thank you very much!

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