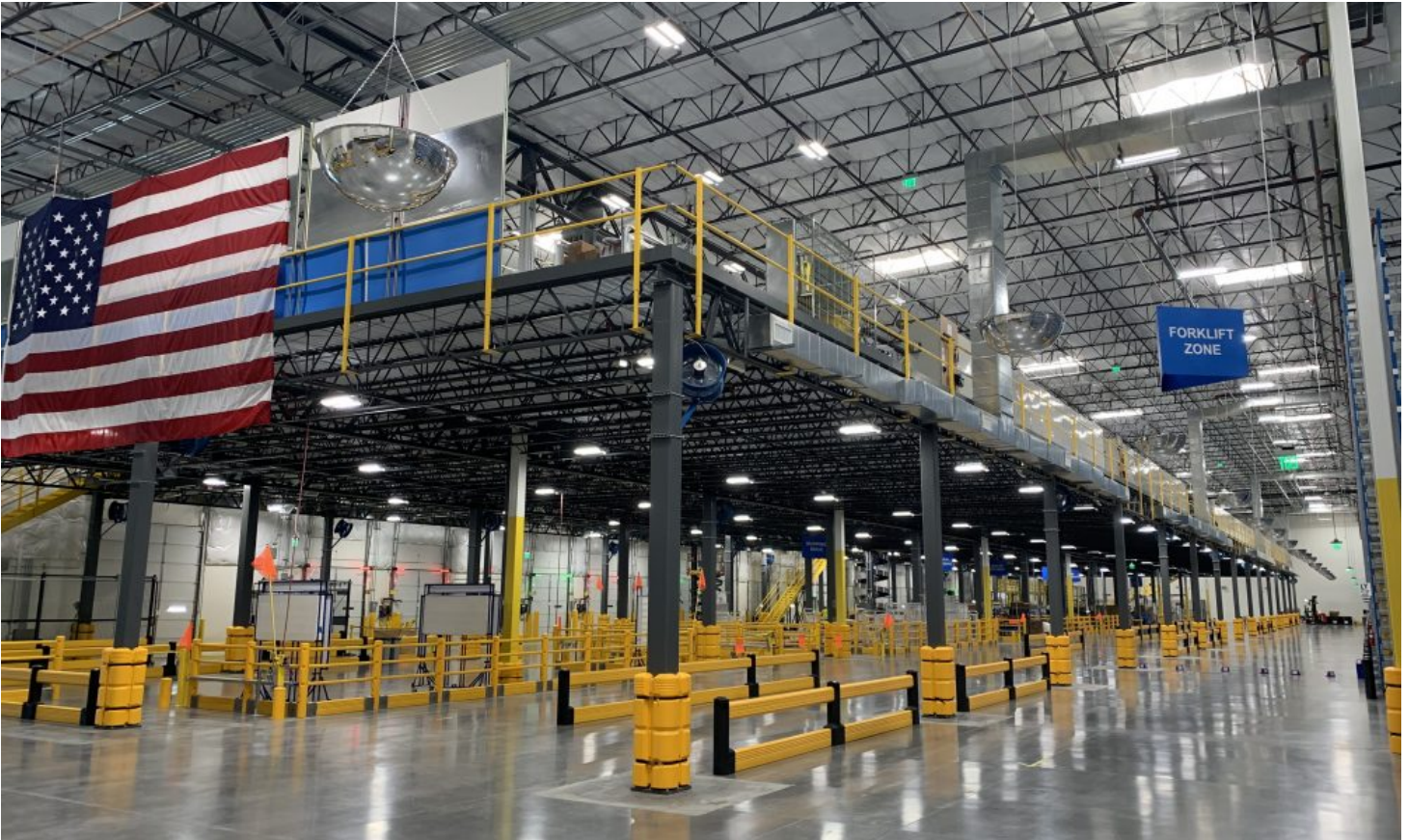


Toyota Motor North America Opens New Parts Distribution Center in Phoenix

June 29, 2020



PHOENIX (June 29, 2020) – Toyota Motor North America (TMNA) announced that it has partnered with Koi Distribution to open a new parts distribution center (PDC) in Phoenix, Arizona. The facility, owned and operated by Koi, will employ up to 61 employees in a 136,000 square foot facility. The \$10 million distribution center will house approximately 56,000 Toyota and Lexus parts, and serve 56 Toyota and Lexus dealers in the Southwest, primarily in Arizona, as well as New Mexico, Texas, Utah, Nevada, and Colorado.

The opening of the Phoenix PDC marks the 2nd facility Toyota has partnered with Koi Distribution to operate. A minority business enterprise, Koi is a partnership between Herrera Mobility Enterprises, Toyota Tsusho America, and Kimura Inc. The 3 organizations bring a wealth operations management and Toyota Production System experience to Toyota and the new Phoenix facility. “Toyota is a visionary and forward-thinking company and we are honored to help create new employment opportunities for the City of Phoenix,” said Frank Herrera, Chairman of Herrera Mobility Enterprises and President of Koi Distribution. “We are proud to have community-oriented partners like Toyota, who recognize the strength of minority owned businesses and who believe in our principles of respect, teamwork, honesty, and community empowerment, and we will continue this commitment in Phoenix.”

“Through our partnership with Koi Distribution, the Phoenix PDC will improve service and support for our Southwest area Toyota and Lexus dealers,” said Jason Brown, senior manager for Toyota’s Parts Supply Chain Operations group. “The launch of this new world class facility will minimize order fulfillment times and offer new service options to better serve customers and meet increasing demand.”

The Phoenix PDC offers dealers a way to place a parts order at the end of a business day and have them delivered before the start of business the next morning. Additionally, the PDC will offer same-day service in select areas where dealers can place an order in the late morning and either pick up the part at the PDC or at a centralized meeting point. With this service, dealers can have a vehicle back on the road the same day with minimal inconvenience to the customer.

In addition to enhanced efficiency, the new PDC will adhere to local and national COVID-19 safety guidelines and implement supplemental stringent safety and health measures to protect new employees. These will include:

- Taking temperatures and daily health certifications
- Adhering to strict social distancing guidelines
- PPE, including face masks, shields, hand sanitizer, and gloves are provided
- Daily sanitizations and weekly enhanced deep cleaning
- Implementing COVID-19 safety training for employees in conjunction with weekly safety auditing

The new facility is the 19th facility in Toyota’s parts supply chain network that services Toyota and Lexus dealers in North America. After two years of planning and nine months of install, the Phoenix PDC began receiving parts from Toyota’s parts centers in Ontario, California and Hebron, Kentucky on May 26th and began shipping to dealers on June 29th. The Toyota and Lexus dealers in the Southwest that were previously serviced by the Los Angeles Parts Distribution Center (LAPDC) and San Francisco Parts Distribution Centers (SFPDC) in California will be gradually transitioned to the Phoenix PDC through the month of July.