Toyota Washington, DC

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July 6, 2009
Washington Office

Agenda

- Overview
- Key Issues
- Discussion
Washington Office

**Mission:**

Support Toyota Business

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<th>Goal</th>
<th>Role</th>
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<tr>
<td>Promote Toyota's Agenda</td>
<td>Provide Information &amp; analysis</td>
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<td>Protect our interests</td>
<td>Make recommendations</td>
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<td>Maintain receptive environment</td>
<td>Shape policies &amp; regulations for</td>
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<td>to grow our business</td>
<td>One voice decisions</td>
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Work with TMC and affiliates

- Promote Toyota's interests
- Inform, Advise, Coordinate
- Formulate one voice policy positions
External Resources

- trade associations
- think tanks
- political organizations
- consultants & lawyers
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Wins for Toyota & Industry

- One National Program
- "Card Check" - legislation delayed
- Scrappage bill passed
- No FFV Mandate (yet)
- Vehicles not in Climate legislation
- Favorable recall outcomes
- Secured safety rulemaking favorable to Toyota
Key Safety Issues

Impact on "Quality"

• Number of UIO (units in operation) increasing
• NHTSA is testing more vehicles under NCAP
• Nov 2000 "TREAD Act" requires new, more intensive, and regular reporting
  • A 5-day notification is required when recall determinations are made
  • New strong civil and criminal penalties were implemented
    • e.g. Ford/Firestone/rollover issue
• NHTSA is more sensitive to public/congressional criticism

Resulting in more Investigations, and more forced recalls
Key Safety Issues

- FMVSS 305 Compliance/Hybrid Sales
- New NCAP Test Protocol
- "Sudden Acceleration" on ES/Camry, Tacoma, LS, etc.
- Cargo Carrying Capacity/FMVSS 110 Compliance
- Prius Headlamps Investigation - Class Action
- "Quiet Cars" (Hybrids, EVs, FCHVs)
- Kids in Cars
Wins for Toyota – Safety Group

- **Rulemaking**
  - FMVSS 216 Roof Crush Rule – reduced PL and design burdens
  - FMVSS 305 Electric Shock Rule – delayed final rule
  - FMVSS 214 Side Impact Rule - Added lead time and phase in; Saved ~$124M/50,000 man hours
  - FMVSS 206 door locks – delayed rule; saved ~$11M for Sienna

- **Defects**
  - Sienna Rear Hatch w/ no "defect"; Closed Tacoma DP issue; Avoided Investigation on Tacoma Rust
  - FMVSS 110 NCIR labeling recall – No civil penalties, Saved $20M+ in buybacks
  - Negotiated “equipment” recall on Camry/ES re: SA, saved $100M+, w/ no defect found

- **Other**
  - Secured Tacoma, Scion XB, Corolla, '10 Prius ‘Top Safety Picks' at IIHS
  - Delay of New NCAP program - 1000s of man hours in redesign for 2010 MY