



Big hit for industry

RUSSELL EMMERSON

TOYOTA Australia is in preliminary negotiations with the Federal Government to provide funding for the components industry.

President Max Yasuda said yesterday support was needed for the training needs of Australia's components manufacturers, who were facing a sinking market as car makers cut production volumes.

"We do want to strengthen our local purchase, not just in Adelaide, but also Victoria," Mr Yasuda said. "But it is getting difficult because local supply is decreasing, particularly with GM (Holden) and Ford cutting volumes.

"That makes it more difficult to

secure the volume but we have been asking the Government to (further) support projects to strengthen suppliers in Australia."

The company plans to launch its new hybrid Camry model in 2011 and will start negotiations with suppliers "by the end of this year or at the beginning of next year".

"We still have time," Mr Yasuda said. He visited Adelaide to launch CMI Toyota's new showroom, breaking the first brick to demolish the present buildings.

The \$20 million investment by the family-owned CMV group is part of an expected \$50 million to be spent in South Australia over the next three years.

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HARD HATS: Toyota Australia's Max Yasuda and CMV Group managing director Paul Crawford at CMI's new showroom site yesterday.



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Plea for parts makers

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Mr Yasuda said the company was putting pressure on its dealers to re-invest in their premises to grow Toyota's domestic market share.

"The Middle East is still booming... the problem is the high Australian dollar makes it more difficult," he said.

"There is not as much of an expansion of the (domestic) market, which means you need to compete well, which is what everyone is doing, so we need to.

"We need a focus point to make us different from other competitors.

"The car business is a human experience where you can have a bad experience and never come back. That is why we're asking our dealers to work together... toward a culture change. We have to change."

Toyota Australia remains the country's most successful car manufacturer. It reported a \$242.2 million net profit after tax two weeks ago, but the bulk of the company's uplift came from cost-restraint.