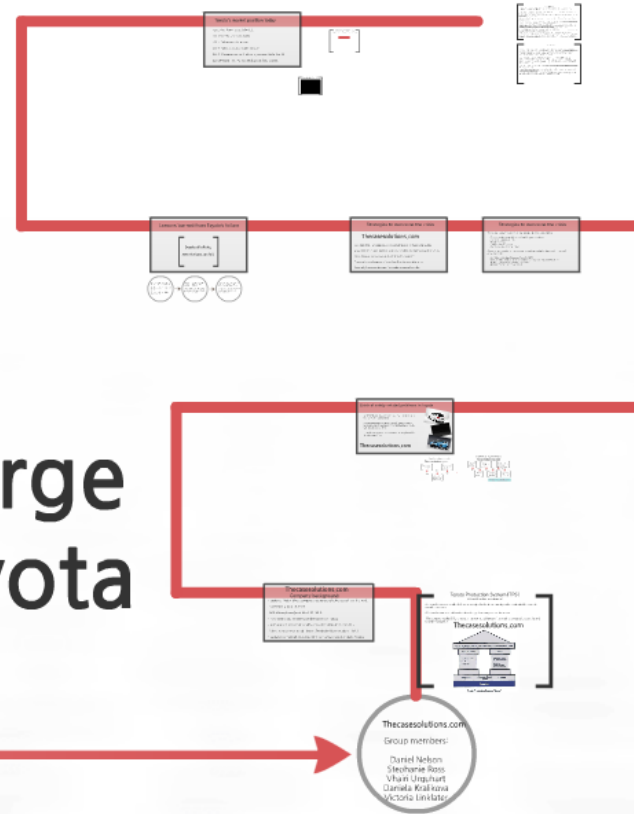
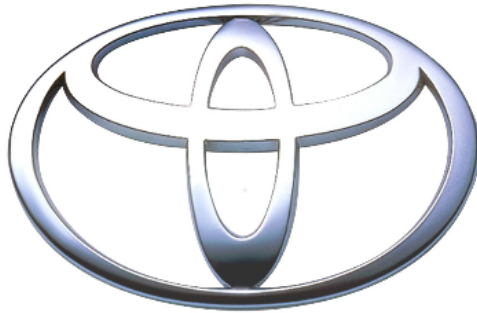


TOYOTA

Strategic Roads That Diverge or Converge: GM and Toyota in the Battle for the Top

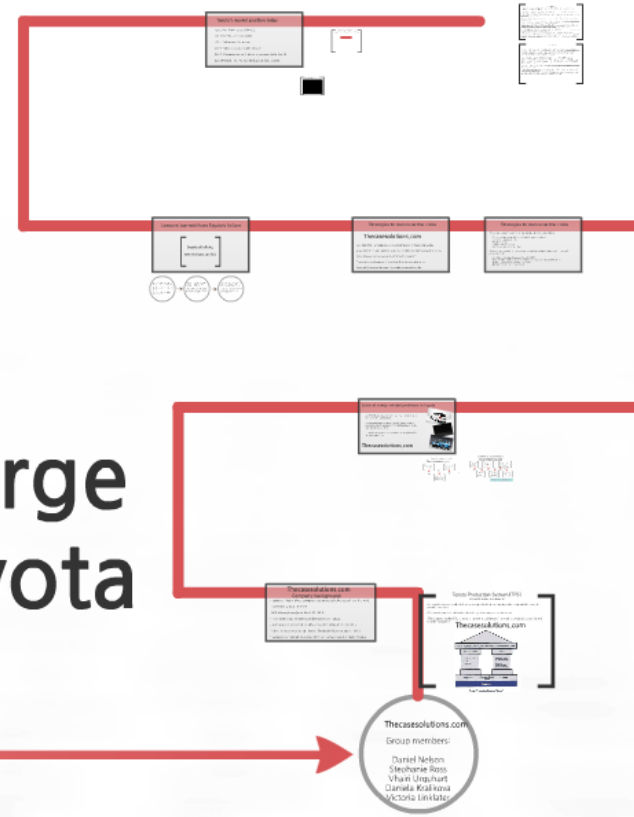


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TOYOTA

Strategic Roads That Diverge or Converge: GM and Toyota in the Battle for the Top



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Company background

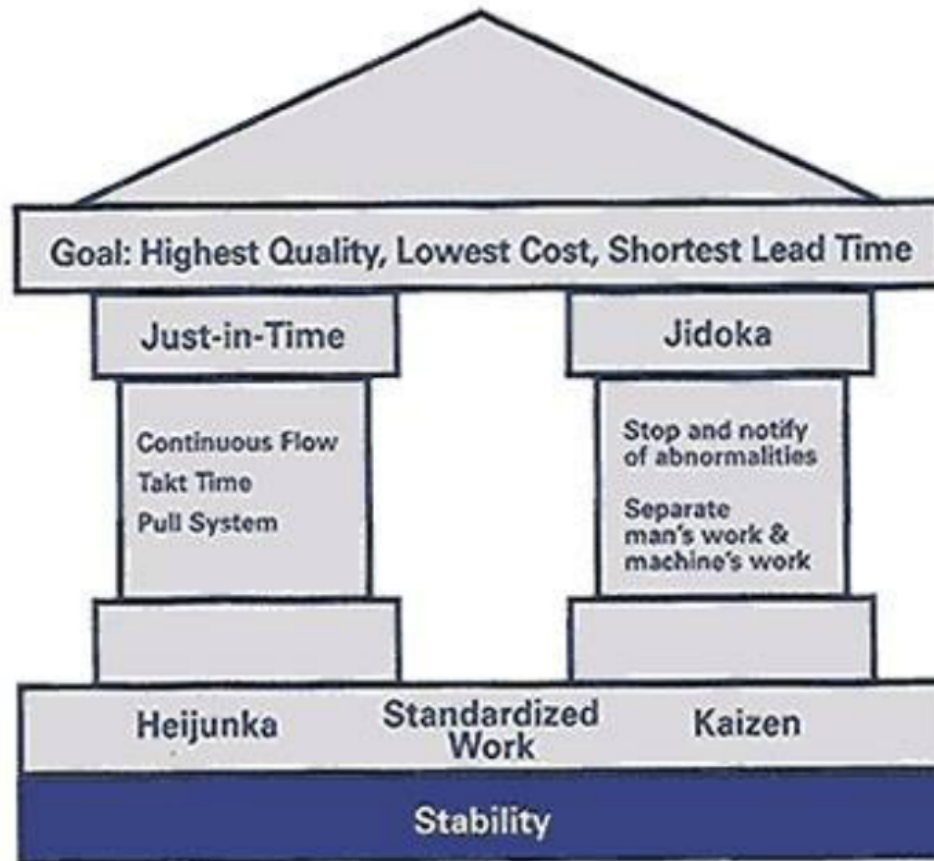
- Toyota is a Motor Vehicle company, producing and selling cars all over the world
- Founded in August 28, 1937
- 344,109 employees (as of March 31, 2015)
- The president and representative director is Akio Toyoda
- North America accounted for 30% of Toyota's total unit sales in 2015
- Sales are conducted through about 1,500 dealerships throughout the US
- Toyota Motor has built more than 25 million cars and trucks in North America

Toyota Production System (TPS)

TPS has three desired outcomes:

- To provide customers with the highest quality vehicles at the lowest possible cost with the shortest possible lead times
- To provide members with work satisfaction, job security and fair treatment
- The company has flexibility to react to the market, achieve profit through cost reduction activities and long-term prosperity

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Toyota Production System "House"

Crisis of safety-related problems in Toyota

In 2007 Toyota became No 1 car manufacturer in the world leaving GM behind

Companies inspired by success of Toyota, various versions of lean management implemented into car industry based on TPS

Extensive programs for cost reduction employed by Toyota since 2000

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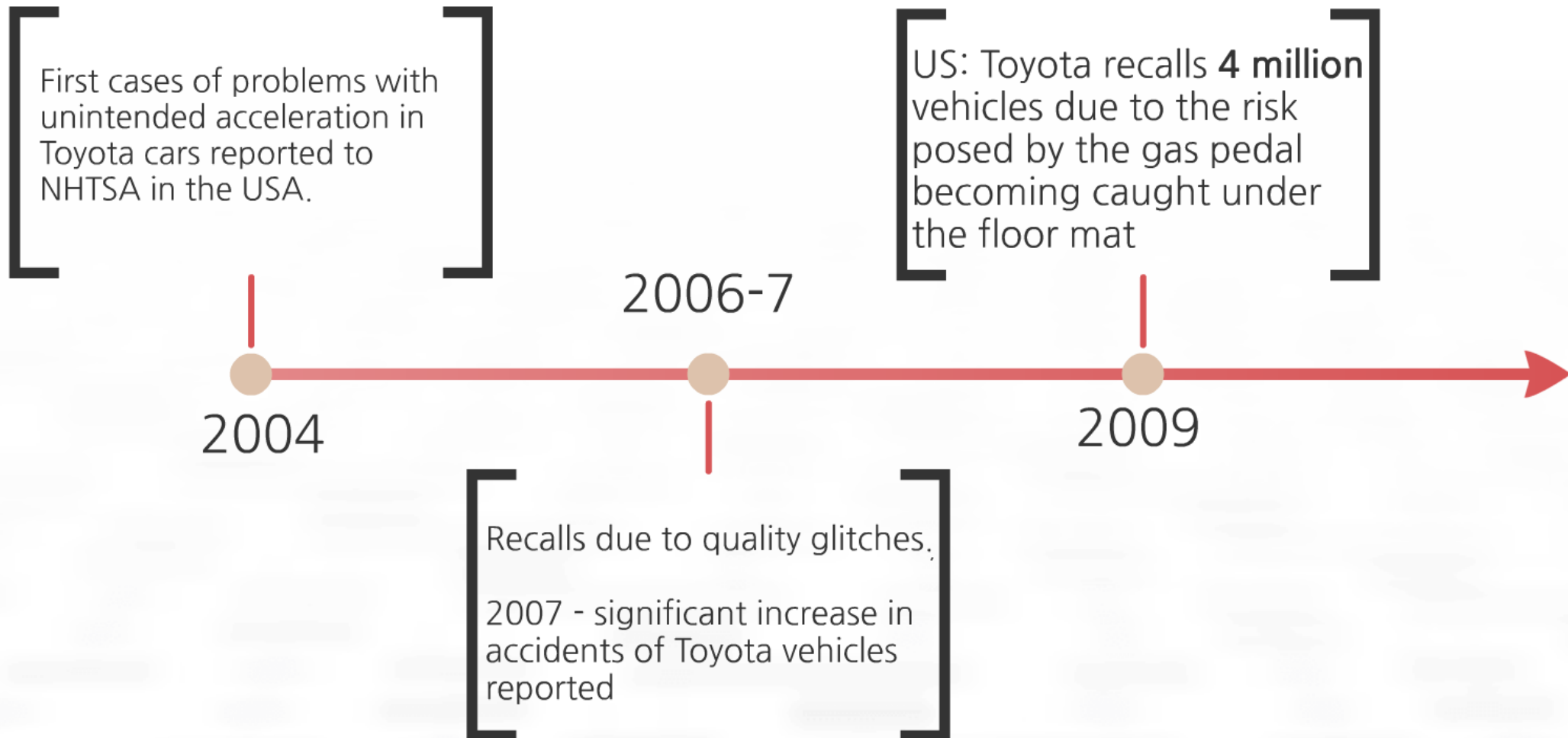


Timeline of Toyota's recalls

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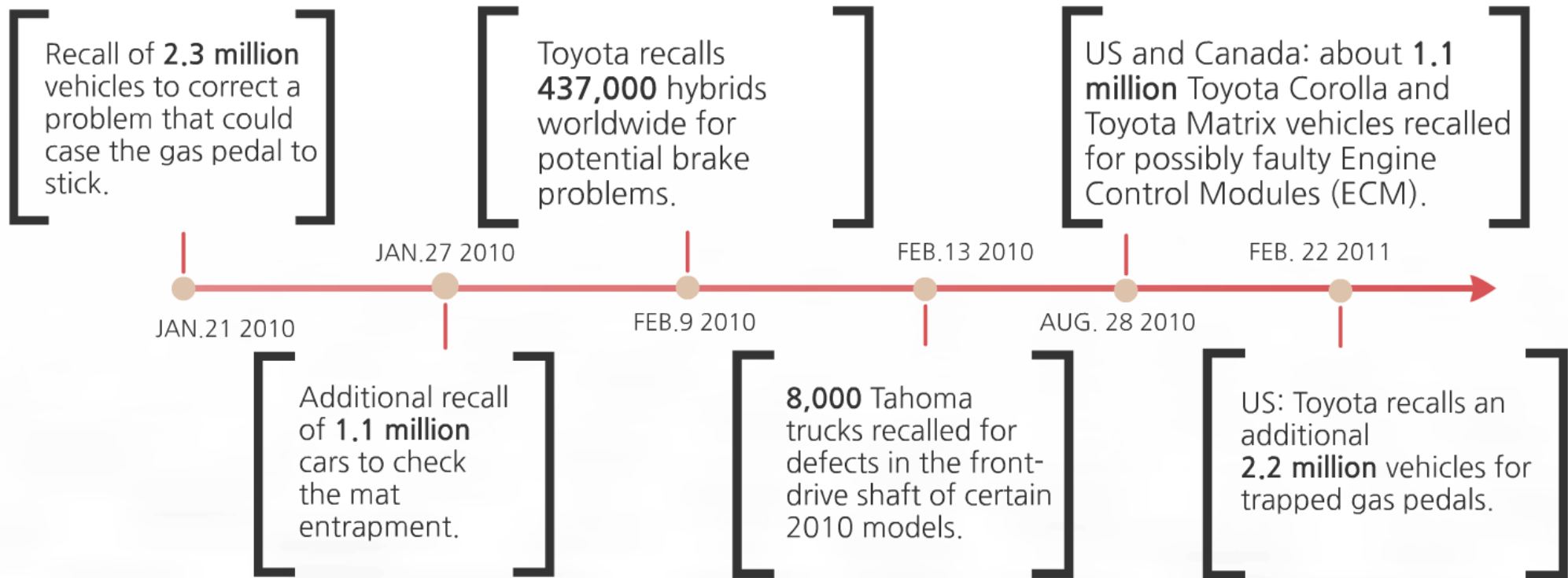
Timeline of Toyota's recalls

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Timeline of Toyota's recalls

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In total there were about **9 million** vehicles recalled worldwide costing **\$2 billion**.

Strategies to overcome the crisis

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Strategic shift from aggressively expanding sales to improving quality

Appointment of non Japanese regional heads for the first in Toyota's history

More training was needed in leadership development

Toyota refocused everyone from shop floor to executive suite

Assembly lines were stopped for weeks or several months