

TOYOTA'S "WINS FOR TOYOTA-SAFETY": \$100 MILLION BY AVOIDING FINDING THE ACCELERATION PROBLEM

The Toyota hearings this week—particularly Wednesday's hearing featuring Akio Toyoda—are looking more and more devastating. The Detroit News reports that the House Oversight Committee has an internal Toyota presentation from last July boasting that it had saved \$100 million by doing its bullshit floor mat recall in 2007, rather than isolating the real source of the acceleration problem.

Toyota Motor Corp. officials bragged in July about avoiding a costly wholesale recall related to sudden acceleration complaints, a document turned over to congressional investigators shows. A limited recall saved the Japanese automaker, whose executives will be grilled by congressional committees starting Tuesday, more than \$100 million, according to the presentation obtained by The Detroit News on Sunday

[snip]

The document acknowledges Toyota was still studying the issue of "sudden acceleration on ES/Camry, Tacoma, LS, etc.," but notes that Toyota's safety officials had saved the company significant expense by limiting the recall to 55,000 floor mats in 2007.

"Negotiated 'equipment' recall on Camry/ES re SA (Sudden Acceleration); saved \$100M+, w/ no defect found," the document said.

The \$100 million plus in savings was listed in a section titled "Wins for Toyota-Safety Group."

Note that the briefing was for Yoshimi Inaba, who had just started as head of Toyota North America. Inaba will still be testifying Wednesday, along with Akio Toyoda.

And this is damning for two reasons. First, boasting about the recall while admitting they hadn't really found the solution—while pushing the floormat recall everyone knew to be totally bullshit—really speaks to the arrogance of the company. Moreover, in light of the really obvious whitewash that Toyota is still conducting—a study that by design will never find the source of the problem—it makes it clear that Toyota is still pursuing this strategy: cheap fixes rather than trying to actually find and solve the problem.

Update: And now the feds are getting into the action. (h/t scribe)

The Japanese automaker said it received a subpoena from a federal grand jury in New York seeking documents related to unintended acceleration in its vehicles and the braking system of its Prius hybrid.

Toyota also said it received a subpoena and a voluntary document request from the Los Angeles office of the U.S. Securities and Exchange Commission. The SEC is seeking documents related to unintended acceleration as well as to its disclosure policies and practices, Toyota said.

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Toyota said it received the grand jury request from the Southern District of New York on Feb. 8. It received the SEC requests on Friday. It disclosed the latest requests in a filing with the SEC

on Monday and said it intends to comply with the requests.