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Japanese-Brand Vehicles in America:

FREER TRADE, GREATER GROWTH, MORE JOBS









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JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION, INC.

NOVEMBER 2013





JAMA in the News



Toyota to Build Lexus ES 350 in Kentucky from KYPost.com, April 19, 2013



Honda to Build \$70 Million Plant in Marysville from Dayton Business Journal, May 14, 2013



Nissan Brings 900 Jobs with U.S. Manufacturing 30th Anniversary from Business & Heritage Clarksville, July 1, 2013



Subaru to Expand Indiana Plant Capacity, Add Impreza Production from *Automotive News, May 7, 2013*



Mitsubishi Says New Models Show It's Staying in U.S. from USA Today, March 31, 2013



Mazda: Revamped 2014 Mazda3 to Lead Compact Segment in MPG from *Automotive News, June 26, 2013*



Hino Trucks Continues U.S. Expansion to Serve Class 5-7 Markets from NGT News, February 11, 2013

JAMA in America: An Integral Part of the U.S. Economy and Free Trade Proponent

As this brochure goes to press, U.S. President Barack Obama, who has made trade expansion a centerpiece of his economic agenda, is pushing for a 12-country Pacific Rim free trade agreement to be concluded in the near future.

Movement on the proposed Trans-Pacific Partnership (TPP) continues amid a whirlwind of multilateral and bilateral negotiations, creating a dynamic sense of progress and opportunity for growth across the region. Leaders of negotiating countries, in Japan and elsewhere, are proving to be optimistic partners as they address differences between domestic interests, consult their industries, and offer pathways for agreement. If the agreement is promulgated, the TPP will represent the most bold and sweeping trade agreement in 20 years, encompassing about one-third of total world trade.

As in many arenas, the possibility of significant leaps forward, like the TPP, represent the quieter accomplishment of thousands of smaller steps taken over time with less fanfare and often considerable struggle, but nonetheless moving us to a more progressive and rewarding place.

For example, industries such as automobile manufacturing once feared international competition. Now we know that healthy competition is eventually good for everyone: the consumers, the workers, the manufacturers, and the economies of open nations. The U.S. auto industry has been transformed and remade on a stronger basis. Japanese manufacturers have invested more than \$35 billion in the U.S. to become an integral part of the U.S.

domestic automobile industry, earning them a large footprint in the American economy. All told, more than 1.36 million American jobs are tied to Japanese-brand automakers, making the Japan Automobile Manufacturers Association (JAMA) member companies among America's largest job creators. In 2012, JAMA companies produced 3.3 million vehicles in the U.S., amounting to approximately 32% of total U.S. automobile production, and purchased a record-high \$51.3 billion in U.S. auto parts. An all-time high, 70% of the Japanese-brand vehicles sold in the U.S. are produced in North America. JAMA companies exported 336,000 cars and trucks from the U.S., also a new record, and 20,000 more Americans got jobs in 2012 due to the growth of JAMA members' direct operations and their dealer networks in the U.S. In total, JAMA members' participation in the U.S. auto industry provided \$85 billion in personal income for Americans.

As you read this brochure, we hope you will better understand JAMA members' expansive contributions to the U.S. economy, which is made possible by increasingly open U.S.-Japan trade in the automobile sector.





Japanese automakers' American operations have supported U.S. economic growth for many years. In 2012, they operated 26 manufacturing plants and 36 major R&D and design centers in 17 states around the country. Their manufacturing plants alone invested more than \$35 billion in the U.S. economy through the production of nearly 3.3 million vehicles and more than 3.8 million engines. (See the map for facility locations and types.)



Hino Motors Manufacturing, U.S.A., Inc. • Ontario, CA



Honda R&D Americas, Inc. • Los Angeles, CA



Isuzu Manufacturing Services of America, Inc. • Detroit, MI

Auto Production, Invest ment, and R&D Support U.S. Economic Growth



Vehicle Manufacturing Plant
Engine Manufacturing Plant
Parts Manufacturing Plant
R&D Center
Design Center

Please see pages 12,13, and 14 for more detail on these facilities.

NISSAN NISSAN NISSAN NISSAN NISSAN NISSAN NISSAN NISSAN NISSAN

Nissan Technical Center North America, Inc. • Sunnyvale, CA



Mitsubishi Motors North America, Inc. • Normal, IL



Toyota Motor Manufacturing, Texas, Inc. • San Antonio, TX



Subaru Research and Development, Inc. • Ann Arbor, MI

JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION, INC.



Japanese Automakers Are U.S. Job Creators

Japanese automakers in the U.S. are reinforcing their reputation as job creators. In 2012, they continued to expand their American-based operations, directly employing more than 81,000 manufacturing, distribution, and R&D employees. Their dealer networks, meanwhile, employed an additional 327,000.

Factoring in employees of U.S. private sector companies (intermediate workers) that supply these operations — and the "spin-off" jobs supported by the spending of all direct and intermediate employees — Japanese automakers contributed to an estimated 1.36 million U.S. jobs in 2012. This is an increase of more than 125,000 jobs over 2011 estimates.

Employment (Number of Employees in 2012)

	Automakers	New Vehicle Dealers	Total			
Manufacturing	57,939					
R&D	4,196					
Distributors	18,899					
Subtotal (Direct Employees)	81,034	327,477	408,511			
Suppliers (Intermediate)	218,000	106,000	324,000			
Spin-off	383,000	245,000	628,000			
Grand Total	682,034	678,477	1,360,511			

Source: Japanese Automakers/Professor Thomas Prusa, Rutgers University Note: Supplier and spin-off employment are estimate



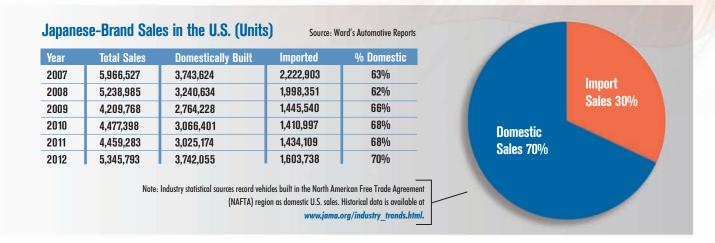
Toyota Calty Design Research, Inc. • Newport Beach, CA



Nissan North America, Inc. • Canton, MS

70% of Japanese-Brand Vehicles Sold in the U.S. Are Built in North America

Japanese automobile companies currently build a record-high 70% of the vehicles they sell in the U.S. within North America (U.S., Canada, and Mexico).



Purchases of U.S. Auto Parts Reach an All-Time High

In 2012, purchases of U.S. auto parts by Japanese automakers reached an all-time high, topping \$51 billion. These purchases demonstrate their ongoing commitment to using U.S.-based suppliers and contributing to the overall American economy.



Source: Japan Automobile Manufacturers Association, Inc. Note: Data includes purchases of U.S. auto parts by JAMA members for vehicles built in both the U.S. and Japan

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Exports Contribute to the U.S. Economy

Japanese auto companies export cars from their U.S. plants, in addition to meeting U.S. consumer demand. In 2012, Japanese manufacturers' affiliates in the U.S. exported 335,680 American-built cars and trucks to countries around the world, including Armenia, Australia, Azerbaijan, Bolivia, Canada, Chile, China, Colombia, Costa Rica, Georgia, Guatemala, Haiti, Jamaica, Jordan, Kuwait, Lebanon, Mexico, Nigeria, Oman, Panama, Peru, Qatar, Russia, Saudi Arabia, South Korea, Taiwan, and United Arab Emirates.

U.S. Exports from Japanese Auto Plants in the U.S.

	2012
Car Exports from Japanese Plants in the U.S.	195,582
Truck Exports from Japanese Plants in the U.S.	140,098
Car & Truck Exports from Japanese Plants in the U.S.	335,680
U.S. Car and Truck Exports	1,789,811
Percentage of U.S. Car and Truck Exports from Japanese Plants in the U.S.	18.8%

Source: Japanese Automakers and U.S. International Trade Commission Data Web Note: All exports include exports to Canada and Mexico.

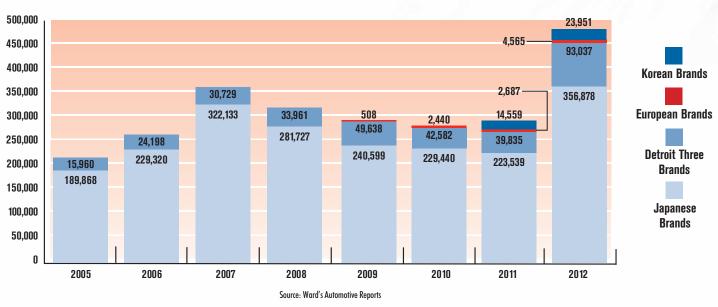
JAMA Members Export These U.S.-Made Cars and Trucks



Japanese Brands Make Up 75% of Alternative-Powered Car Sales in the U.S.

In 2012, U.S. sales of Japanese-brand alternative-powered vehicles increased by more than 133,000 units over 2011 sales. This marks a 60% increase in sales and an all-time high for Japanese hybrid, electric, and fuel cell electric vehicles. While the non-Japanese market share in this segment has grown since 2011, Japanese-brand vehicles still make up 75% of alternative-powered vehicle sales while 85% of the eco-friendly cars and trucks on U.S. roads are Japanese brands.

U.S. Sales of Alternative Power Source Vehicles





















Cars and Trucks on the Road:

New Environmental and En ergy-Efficient Technologies

JAMA members have long been at the forefront of developing environmental and energy-efficient automotive technologies and producing alternative-powered vehicles. They remain dedicated to preserving the environment and saving their customers money through increased energy efficiency, while continuing to offer the world-class autos for which they are known. The growing number of eco-friendly vehicles seen on American roadways is a testament to this. Today, 85% of these vehicles are Japanese brands.

Honda Insight

In 1999, Honda began selling the Insight – the first gasoline-electric hybrid sold in America. Because Honda specifically designed it to be fuel efficient and cost effective, the company was especially pleased when Cars.com named it one of the "Best Hybrids for the Money." The American Council for an Energy-Efficient Economy also named the Insight one of the "Greenest Vehicles of 2013" and the Insurance Institute for Highway Safety chose the car as its "Top Safety Pick."

Mazda3

In fall 2013, Mazda began selling the all-new Mazda3. The redesigned Mazda3 is the third in the company's new generation of products that adopt both its "Soul of Motion" design theme and full suite of SKYACTIV technologies. The Mazda3 also features the company's i-ELOOP, capacitor-based regenerative engine braking system, which improves fuel economy without sacrificing driving performance.

Nissan Infiniti QX60 Hybrid

In 2013, Nissan introduced the gasoline-electric Infiniti QX60 premium crossover to its hybrid lineup. The vehicle gets 26 milesper-gallon in combined city/highway driving — a 24% increase over non-hybrid QX60 models, making it the most efficient in its class. Powered by a 2.5-liter supercharged engine and 15-kW electric motor, the QX60 achieves these notable ratings without compromising on performance, roominess, or cargo space.

Subaru XV Crosstrek Hybrid

The all-new 2014 XV Crosstrek Hybrid, which Subaru unveiled at the 2013 New York International Auto Show, offers the control and balance drivers expect from a Subaru. Its BOXER® engine provides a low center of gravity for agile handling and its symmetrical all-wheel drive (AWD) flows power to all wheels, making it the most fuel-efficient AWD hybrid crossover in America. While it weighs the same as its gasoline-powered sibling, the vehicle offers a refined chassis that delivers a sporty, yet stable, drive.

Toyota Camry Hybrid

Toyota introduced a number of interior design and performance enhancements in its 2013 Camry Hybrid. In addition to a bolder, more sophisticated look, the vehicle offers a roomier interior, improved driving dynamics, and a quieter ride. Toyota also introduced a new, more efficient powertrain, including a 2.5-liter four-cylinder engine. As a result, the top-selling Camry Hybrid boasts an estimated 41 miles-per-gallon in combined city/highway driving, representing a more than 30% boost in fuel economy. The Camry has remained America's best-selling car for 14 of the past 15 years.

Honda Accord Plug-in Hybrid Electric Vehicle

The Honda Accord Plug-in features the company's new two-motor system and gets a maximum driving range of 13 miles in its all-electric mode and a gasoline fuel-economy rating of 46 miles-pergallon in combined city/highway driving. Beyond its function as a full-electric vehicle, owners are able to choose two additional driving modes to manage battery capacity and tailor the capabilities of the vehicle to their commute. In addition to being Honda's first plug-in hybrid electric vehicle, it is the first production car in the U.S. to meet California's more stringent emissions standards.

Toyota Highlander Hybrid

The first-generation Highlander pioneered the midsize crossover utility-vehicle segment, ushering in car-like performance, comfort, and fuel efficiency. The 2013 Toyota Highlander Hybrid carries on the tradition. Getting 28 miles-per-gallon in city/highway driving, the vehicle provides an exceptional blend of performance and fuel economy. This exceptional fuel efficiency is made possible by the vehicle's Hybrid Synergy Drive System, which is paired with a 3.5-liter V6 gasoline engine. Assembled at Toyota's manufacturing facility in Princeton, Indiana, all three-row Highlander Hybrid models are equipped with intelligent four-wheel-drive.

Hino Diesel-Electric Hybrid

Designed specifically for the North American market, Hino's Diesel-Electric Hybrid truck is one of the most ergonomically advanced vehicles on the road, setting a new standard for driver safety and comfort. It is versatile, too. The truck can be configured to meet customers' exact business needs, whether it's food and beverage distribution, general freight, construction, or utility.









Hino Diesel-Electric Hybrid





Community Involvement Improves Americans' Quality of Life

JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION, INC.

Japanese automakers are increasingly known for their commitment to public service and improving the lives of Americans in communities across the country. Promoting driver safety, supporting education, and helping the needy are just a few of the ways they contribute to these communities.

Promoting Safety

Distracted driving is a growing problem — especially among drivers under the age of 20. Mazda is doing its part to discourage the practice by supporting "Project Yellow Light," which awards scholarships to students who create 60-second videos encouraging their peers to embrace safe-driving habits. Young drivers on the Mazda Motorsports team are also working to support the campaign.

Toyota supports automobile safety for vulnerable people. The company partners with AARP to educate older drivers about safe-driving practices, collaborates with local hospitals and churches to improve motor-vehicle safety in minority communities, and provides free resources to promote teen-driver safety.

Supporting Education

Honda was once again the proud sponsor of the National Robotics Challenge, designed to provide students of all ages a chance to demonstrate their understanding of robotics and other technologies. Held in April 2013 in Marion, Ohio, the event attracted more than 1,000 students from 70 different schools in seven states.

To determine servicing procedures, **Isuzu** examined a vehicle that had been submerged by "Superstorm Sandy," after which it repaired and donated the vehicle's engine and transmission to the Ridge Career Center, a public, post-secondary technical-vocational school in Winter Haven, Florida.

Thanks to a \$500,000 grant by Nissan, elementary students who are not making sufficient progress in their studies at schools in Canton, Mississippi, will get targeted instruction and support provided by specialists. The company also donated two vehicles to the school system's Canton Career Center, which prepares students for automotive and other jobs.

Helping the Needy

The **Subaru** CASA Cycling Challenge, a 24-hour cycling endurance marathon held at the car company's test track in Lafayette, Indiana, raised \$56,000 in 2012 for abused and neglected children in Tippecanoe County.



Project Yellow Light with Mazda Motorsports Team



Toyota's Buckle Up for Life



Honda's National Robotics Challenge



Isuzu's Engine and Transmission Donation

R&D and Design Centers Meet American Consumers' Requirements

Given the vast differences between Japanese and American vehicle markets, many of the products that JAMA members sell in the U.S. are designed and built in America. JAMA members' R&D centers are responsible for tracking consumer trends and developing products that satisfy American preferences and needs.

Name of Company	Headquarters, Division Offices	Current Functions
Hino Motors Manufacturing, U.S.A., Inc.	Farmington Hills, MI; Williamstown, WV	1, 5, 8
Honda R&D Americas, Inc.	Torrance, CA; Raymond & Columbus, OH; Detroit, MI; Denver, CO; Los Angeles & Mountain View, CA	1, 2, 3, 4, 5, 6, 7
Isuzu Manufacturing Services of America, Inc.	Detroit, MI; Los Angeles, CA	1, 2, 3, 5, 6, 7, 8
Mazda North American Operations, Inc.	Irvine, CA; Flat Rock, MI	1, 2, 3, 4, 5, 6, 7
Mitsubishi Motors R&D of America, Inc.	Ann Arbor, MI; Normal, IL; Washington, DC; Cypress, CA	1, 2, 3, 8
Nissan Technical Center North America, Inc.		
Nissan Design America, Inc.	San Diego, CA	4
Nissan Technical Center North America, Inc. Arizona Test Center	Stanfield, AZ	3
Subaru Research and Development, Inc.	Cypress, CA; Lafayette, IN; Ann Arbor, MI	1, 2, 3, 4, 6, 8
Toyota Technical Center	Ann Arbor, MI; Plymouth, MI; Gardena, CA; Wittmann, AZ; Sacramento, CA; Saline, MI; Livonia, MI	1, 2, 3, 4, 5, 6, 7
Calty Design Research, Inc. (Toyota)	Newport Beach, CA; Ann Arbor, MI	4

Key to Current Functions:

2) Evaluation of parts

- 1) Technical support for procurement of parts for local production
- 3) Evaluation of vehicles
- 4) Styling & general design
- 5) Parts design

- 6) Vehicle design
- 7) Prototype production
- 8) Technical support & marketing research



JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION, INC.

Japanese Automakers' Production, Employment, and Investment In the U.S.

	Name of Company	Location	Products	Units Produced in 2012	Production Capacity	Employees	Total Investment (\$ million)
Subaru	Subaru of Indiana Automotive, Inc.	Lafayette, IN	Legacy, Outback & Tribeca Toyota: Camry	277,932	310,000	3,533	1,277
Isuzu	DMAX, Ltd.	Moraine, OH (Joint Venture: GM)	Diesel Engines	89,307	200,000	499	536
Honda	Honda of America Manufacturing, Inc.	Marysville, East Liberty & Anna, OH	Accord Sedan & Coupe, Crosstour, CR-V, Acura TL & Acura RDX	682,992	680,000	10,200	7,600
			Engines	1,039,591	1,180,000		
	Honda Transmission	Russells Point, OH	Automatic Transmissions	994,579	1,000,000	1,150	578
	Manufacturing of America, Inc.		Power Train Parts	651,069	638,000		
	Honda Manufacturing	Lincoln, AL	Odyssey, Pilot & Ridgeline	336,790	340,000	4,200	2,000
	of Alabama, LLC		Engines	336,790	340,000		
	Honda Precision Parts of Georgia, LLC	Tallapoosa, GA	Automatic Transmissions	364,145	375,000	500	217
	Honda Manufacturing of Indiana, LLC	Greensburg, IN	Civic, Civic CNG, Acura ILX & ILX Hybrid	199,544	250,000	2,150	800
Mitsubishi	Mitsubishi Motors North America, Inc.	Normal, IL	Galant & Outlander Sport	37,152	70,000	1,267	1,765
Nissan	Nissan North America, Inc. (Smyrna & Decherd)	Smyrna & Decherd, TN	Leaf, Altima, Maxima Pathfinder & Infiniti QX60	411,219	550,000	6,000**	2,500
	(Sillyfild & Decilera)		Batteries	n/a	up to 200,000*		up to 1,700***
			Engines	679,054	950,000	1,400**	683
	Nissan North America, Inc. (Canton)	Canton, MS	Altima, Frontier, Xterra, Titan, Armada, NV Cargo Van & NV Passenger Van	233,476	400,000	5,000**	2,060

Data for this chart is continued at the top of page 14, with combined totals at the bottom.

	Name of Company	Location	Products	Units Produced in 2012	Production Capacity	Employees	Total Investment (\$ million)
Toyota	TABC, Inc. (TABC)	Long Beach, CA	Catalytic Converters	172,000	2,100,000	486	270
			Front Arms	669,000	880,000		
			Steering Columns	165,000	210,000		1 1
			Stamping Parts	11,507,000	24,000,000		
			Sub-assemblies	3,755,000	4,600,000		
	Toyota Motor Manufacturing, Kentucky, Inc. (TMMK)	Georgetown, KY	Camry, Camry Hybrid, Avalon, Avalon Hybrid & Venza	462,080	500,000	7,831	5,855
	,, , ,		Engines	499,477	440,000		
	Bodine Aluminum, Inc.	St. Louis & Troy, MO Jackson, TN	Cylinder Heads	2,210,401	n/a	1,036	603
	(BODINE)		Engine Brackets	5,596,411	n/a		
			Cylinder Blocks	1,541,812	n/a		
			Transmission Cases & Housings	305,057	n/a		
	Toyota Motor Mfg., West Virginia, Inc. (TMMWV)	Buffalo, WV	Engines	668,861	620,000	1,242	1,166
			Transmissions	298,750	400,000		
	Toyota Motor Mfg., Indiana, Inc. (TMMI)	Princeton, IN	Sequoia, Sienna & Highlander	297,346	300,000	5,026	3,705
	Toyota Motor Mfg., Alabama, Inc. (TMMAL)	Huntsville, AL	Engines	496,709	506,000	1,036	595
	Toyota Motor Mfg., Texas, Inc. (TMMTX)	San Antonio, TX	Tundra & Tacoma	219,198	200,000	2,883	2,180
	Toyota Motor Mfg., Mississippi, Inc. (TMMMS)	Blue Springs, MS	Corolla	129,602	120,000	1,796	745
Hino	Hino Motors Mfg., U.S.A., Inc. (California)	Ontario, CA	Vehicle Components for Toyota Vehicles	171,000	180,000	203	57
	Hino Motors Mfg., U.S.A., Inc. (Arkansas)	Marion, AR	Differential, Rear Axle & Suspension-Related Parts for Toyota Vehicles	134,000	275,000	322	222
	Hino Motors Mfg., U.S.A., Inc. (West Virginia)	Williamstown, WV	Class 6-7 Commercial Vehicles	7,400	10,000	179	30
Total			Vehicles 2012 Engines 2012	3,294,731 3,809,789	3,730,000 4,236,000	57,939	35,444

Source: Japanese Automakers; all data as of December 2012

^{*}Scalable depending on market demand **Approximately

^{***}Because this is an estimate, it is not included in the total investment figure