

February 12, 2010

TOYOTA RECALLS CERTAIN 2010 FOUR WHEEL DRIVE TACOMA TRUCKS; TOYOTA TO BE MORE OPEN ABOUT PRODUCT ISSUES

NO REPORTS OF CUSTOMER COMPLAINTS LOCALLY ON TACOMA 4WD

Servco Pacific Inc. (Servco) today announced that Toyota is conducting a voluntary Safety Recall on certain 2010 models of the Tacoma 4WD vehicles. The recall affects 73 vehicles sold in Hawaii and approximately 8,000 nationwide.

Servco Chairman and CEO Mark Fukunaga said Toyota filed a Defect Information Report with the National Highway Traffic Safety Administration on February 11, 2010.

“It was discovered that a component may develop cracks during the manufacturing process on four wheel drive 2010 Tacoma vehicles produced between mid-December 2009 and early-February 2010,” said Fukunaga. The defect is a possible crack in the joint portion of the front propeller shaft.

The Tacoma is the most popular truck in Hawaii, but most customers do not order the four wheel drive version of the vehicle.

“Customers will be notified to bring their vehicles in to their Toyota dealer or service center for an inspection and possible repair,” said Fukunaga.

He added, “We will do our best to fix recalled vehicles as quickly as possible to ensure our customers’ safety. We apologize for the inconvenience of these repairs, but we urge our customers to call their Toyota Hawaii dealer if they have any immediate concerns.”

All Toyota dealers and service centers in Hawaii have extended their hours of operation to deal with earlier announced recall related to the possible sticking accelerator pedal. The Mapunapuna center, Servco Auto Honolulu, is currently open 24/7. Customers can call 839-2273 (1-888-272-5515 toll free from the outer islands) for more information or go to the website: www.toyotahawaii.com for information about the recalls.

In addition, Toyota Motor Corp. in Japan also announced that it will be publicly disclosing, on a regular basis, more information on safety repairs that the company carries out on vehicles not subject to a recall. This will include information on “core functions”, such as braking and acceleration.

“There clearly is more scrutiny on Toyota and automotive manufacturers generally, as well as on the Federal regulators, with respect to safety issues,” Fukunaga said. “In this changed environment, we would not be surprised to see more recalls in the future from Toyota and other carmakers. But, if these recalls improve product safety and consumers’ confidence in their vehicles, that is a good thing.”

Fukunaga noted that recalls in the auto industry are fairly common, with millions of vehicles recalled every year. Typically, recalls are done with little government involvement, but are instead handled by the vehicle manufacturer. As industry observers have said, recalls on specific models do not necessarily indicate poor quality in the overall product or manufacturer.

By many objective measures, despite recent recalls, Toyota’s products are still ranked among the industry leaders. According to a just-released study by Edmunds.com, an on-line resource for information on the automotive industry, based on complaints filed with the National Highway Transportation Safety Agency (NHTSA), Toyota (including Lexus) ranks among the best of all manufacturers on a complaint per vehicle sold basis. Only luxury carmakers Mercedes Benz and Porsche, and Smart, scored better than Toyota using this method of comparison (see complete listing below).

Fukunaga also noted that in Hawaii the number of “lemon law” cases involving Toyota/Lexus vehicles is much lower than the brand’s market share. According to the Department of Commerce and Consumer Affairs for all of 2007 and 2008 (the most recent year available) Toyota/Lexus received only ten lemon law complaints, or 10 percent of all complaints received, compared to its Hawaii market share of about 31 percent. Toyota and Honda lead the Hawaii market in lowest complaints compared to market share.

The following chart sets forth the results for all automakers:

AUTOMAKER	RANK (IN ORDER OF MOST COMPLAINTS PER MARKET SHARE)	PERCENT OF COMPLAINTS IN NHTSA DATABASE	PERCENT OF SALES IN US MARKET
LAND ROVER	1	0.6%	0.1%
AMERICAN SUZUKI MOTOR CORP.	2	0.9%	0.4%
ISUZU MANUFACTURING SERVICES OF AMERICA	3	0.3%	0.2%
VOLKSWAGEN OF AMERICA, INC	4	4.1%	2.4%
JAGUAR CARS LTD	5	0.4%	0.2%
VOLVO CARS OF N.A. LLC.	6	1.1%	0.7%
CHRYSLER LLC	7	16.3%	13.0%
MAZDA NORTH AMERICAN OPERATIONS	8	1.7%	1.5%
MITSUBISHI MOTORS NORTH AMERICA, INC.	9	1.3%	1.2%
FORD MOTOR COMPANY	10	18.3%	17.6%
GENERAL MOTORS CORP.	11	25.3%	24.5%
NISSAN NORTH AMERICA, INC.	12	5.8%	5.9%
HYUNDAI MOTOR COMPANY	13	4.2%	4.4%
BMW OF NORTH AMERICA, LLC	14	1.7%	1.9%
SUBARU OF AMERICA, INC.	15	1.1%	1.3%
AMERICAN HONDA MOTOR CO.	16	6.8%	9.4%
TOYOTA MOTOR CORPORATION	17	9.1%	13.5%
MERCEDES-BENZ USA, LLC.	18	1.0%	1.5%
PORSCHE CARS NORTH AMERICA, INC.	19	0.1%	0.2%
SMART USA DISTRIBUTOR LLC	20	0.0%	0.0%

Source: www.Edmunds.com February 2010