

The following excerpt is from a speech given by Jim Farley, VP of Marketing at Toyota motor sales, June 1/05

USA Automotive facts;

In the past two decades-

- Over \$27 billion investment in new auto factories in North America
- More than 55,000 new high paying jobs
  
- In this model year alone, 63 new products, an average of more that 1 new model/week

So how do you stand out? **DIFFERENTIATION**

Key trends today;

- People are living longer and are more affluent
- USA growth/birth rate + immigration will be 5X that of China on a % basis over the next 50 years
- Therefore the USA is adding one new person every 12 seconds to the economy
- 4 million Gen Y young people are reaching driving age each year for the next 5 years
- That 20 million new drivers by 2010
- The number of multi-car families is growing steadily
- Today more than 1/3<sup>rd</sup> of US households owns +3 vehicles
- Gen Y buyer is smart, more diverse and less tolerant of the current way we do business
- Gen Y buyers have grown up with unlimited choices and demand more choices/options
- They can choose from a “menu” of options to customize their mood and lifestyle
- Gen Y already have a huge impact on beverages, fashion and music
- When Gen Y was born there were 2 types of Coca Cola, now there is every imaginable kind
- Gen Y demand and get exactly what they want, **SPECIALIZATION**
- IN 5 YEARS Gen Y buyers will rival the baby boomers in size and buying power accounting for 1 out of every 4 buyers

**WE NEED TO CHANGE – WE NEED TO BE READY!**