

New blow as Toyota recalls 2.77m vehicles globally

TOKYO, JAPAN: Toyota on Wednesday (14 November) announced a global recall of 2.77m vehicles over water pump or steering problems, in the latest blow to the firm's reputation after a spate of earlier call backs.



Japan's biggest car manufacturer said there were no reported injuries or accidents, but it had received about 400 complaints in Japan over the pump issue and a handful about the steering problem.

The firm last month issued a huge global recall of 7.43m vehicles, including its popular Camry and Corolla models, over a possible fire risk tied to a fault in its electric windows.

Rivals Honda and Nissan have also announced recalls in the past year.

Toyota's latest call back involves a number of vehicles manufactured between August 2000 and December 2011, including its popular Prius hybrid, which suffered from one or both of the defects, it said.

In a worst-case scenario the steering issue could see drivers lose control of the vehicle, while the water pump problem could render it inoperable, the firm added.

"There have been no accidents or injuries over these problems," a spokesman told AFP. "We have received reports from customers."

About 1.5m of the vehicles were sold in Japan, with the remainder sold around the world, including in the United States and Europe.

Toyota, once lauded for its safety standards, has been forced into damage control mode in recent years after recalling millions of vehicles with defects.

Earlier this year it added two models to a controversial 2009 recall launched after floor mats became trapped under the

accelerator, which was linked to accidents that allegedly caused dozens of deaths.

Toyota's mishandling of the initial problem and other reports of sudden, unintended acceleration led to the recall of more than 12m vehicles worldwide, a US congressional probe, more than US\$50m in fines from US regulators and public apologies by its chief executive.

Toyota has since worked hard to regain its reputation for safety, while at the same time fighting off the impact of the economic crisis, a strong yen and the devastating 2011 earthquake and tsunami disaster.

The firm did not supply estimated costs of the latest recall but last year it pegged expenses from some earlier call backs at about ¥180bn (US\$2.28bn).

The Japanese firm regained its position as the world's number-one vehicle manufacturer in the first half of 2012, stealing back the lead from General Motors.

Source: AFP via I-Net Bridge

For more, visit: https://www.bizcommunity.com