

# Toyota Fights Apathy About Cars - At Home

By Yuri Kageyama | THE ASSOCIATED PRESS

YOKOHAMA, Japan - Shiny new Toyotas are lined up outside the gleaming stores and restaurants at a new Japanese shopping mall. The automaker is trying to cope with a serious problem: Young people in Japan are rapidly losing interest in cars, sending auto sales to 27-year lows.

"We have to go where people congregate," said Yoichiro Ichimaru, a Toyota Motor Corp. senior managing director who oversees Japan sales. "We need to provide opportunities for people to come in contact with cars."

The sprawling indoor mall has shopping carts that look like cars, a Toyota robot that plays a trumpet solos and lots of space devoted to Toyota dealerships amid 220 stores and restaurants.

The Tressa mall, southwest of Tokyo in Yokohama, was developed and built and is being run by Toyota, which has its North American manufacturing headquarters in Erlanger.

It was partly opened in December. Reporters got a preview Tuesday, ahead of its formal opening Thursday.

The mall's main mission is to woo younger Japanese, who Ichimaru said prefer to spend their money on mobile-phone bills and other gadgets than on cars.

Sales of new autos in Japan are expected to drop to a 27-year-low of 5.3 million vehicles for the fiscal year starting next month, down 0.6 percent, as demand gets battered by soaring gas prices and sluggish wage growth, according to the Japan Automobile Manufacturers Association.

While Toyota is seeing overseas sales surge - a growth so rapid it could overtake General Motors Corp. as the world's No. 1 automaker in global vehicle sales - its sales in Japan are faltering.

Toyota, which still controls nearly half of the Japanese market, sold 2.26 million vehicles in Japan last year, down 4 percent from the previous year. Toyota's overseas sales jumped 10 percent on year to 7.1 million vehicles.

In Japan, the usual old ways of selling cars like showrooms and TV ads are no longer working, Toyota officials say.

A study last year by the Nikkei, Japan's top business daily, found that some people in their 20s said they didn't want a car, even if they got it for free. Others said they didn't find the idea of going for a drive with a date or zipping around in a sports car as particularly appealing.

Atsushi Kawai, auto analyst with Mizuho Investors Securities, believes manufacturers haven't done enough to develop cars for the Japanese market.