

The Columbus Dispatch

Japanese producing more cars in U.S.

By [Dan Gearino](#) *The Columbus Dispatch* • Friday July 5, 2013 12:57 AM

Japanese automakers increased their U.S. manufacturing by 36 percent last year, and Honda's Ohio operations played a leading role.

The leap in production results from the confluence of many factors, led by an improving U.S. economy and Japanese companies' recovery from 2011 natural disasters in their country.

In all, Japan-based companies built 3.3 million vehicles at U.S. factories last year, according to the Japan Automobile Manufacturers Association, a trade group. The numbers will continue to grow, said Ron Bookbinder, general director of the group's U.S. office. "As long as the U.S. economy and U.S. vehicle demand will hold up and continue to rise, our U.S. production should rise," he said.

That would seem to be a given, but it wasn't the case as recently as 2011, when an earthquake and tsunami hit Japan. The natural disasters led to shutdowns for automakers and suppliers in Japan and elsewhere. Because of parts shortages, the problems affected factories in the United States.

As a result, despite a growing U.S. economy, Japanese automakers reduced their U.S. production that year. Honda, which has two assembly plants in central Ohio, made 14 percent fewer vehicles in the United States in 2011 than in the prior year.

"The Japanese earthquake was a big wake-up call to the Japanese makers, especially Honda," said Lacey Plache, chief economist for Edmunds.com. "They were pretty much crippled after the quake."

Partly because of the natural disasters, Honda and other Japanese manufacturers took steps to obtain a larger share of their parts from U.S. sources. They also added production capacity.

Last year, Honda produced 1.22 million vehicles at its U.S. plants, up 49 percent from the earthquake-affected 2011 total. This was an important driver of the increase for all Japanese companies.

"Many people doubted Honda over the last few years," said Hidenobu Iwata, top executive for Honda's North American manufacturing, speaking in September at the rollout of the new Accord. "Many wondered if we would overcome the many challenges sent our way. But this team has responded, and they have responded in a big way."

The increase in production also has meant that Japanese companies are exporting more vehicles from the United States. Last year, the number of exports was 335,680, a record high, according to the Japanese trade group.

dgearino@dispatch.com

[@dispatchenergy](#)