

BUSINESS

# Toyota chairman 'deeply saddened' by Trump trade directive

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AP

President Donald Trump waves to the crowd after speaking to a campaign rally in Montoursville, Pa. (AP Photo/Evan Vucci)

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The president of the Toyota Motor Co., speaking on behalf of a trade organization of Japanese automakers, said today that he is “deeply saddened” by President Donald

Trump's directive last week labeling auto imports a national security threat.

At the same time, Alabama's commerce secretary said potential tariffs on European and Japanese vehicles and auto parts could "threaten to seriously disrupt" their operations in the state and "put Alabama jobs on the line."

Akio Toyoda, who is also chairman of the Japan Automobile Manufacturers Association, said the organization is "profoundly disappointed" by the announcement, and "dismayed to hear a message suggesting that our long-time contributions of investment and employment in the United States are not welcomed."

Trump on Friday issued a new directive setting a six-month deadline for Japan and the European Union to renegotiate their U.S. trade deals. If those talks go badly, it could result in a 25 percent auto tariff. Toyoda, [in a statement today](#), said the group hopes the talks lead to "an outcome that supports the development of the auto industries and economies of both nations."

According to JAMA, its member companies, which includes Alabama automakers Honda, Toyota and Mazda, now have 24 manufacturing plants, 45 research-and-development/design centers and 39 distribution centers in 28 states, investing about \$51 billion into manufacturing facilities alone. Those plants and other facilities support about 93,000 direct manufacturing jobs and 1.6 million in spin-offs and suppliers.

Alabama, of course, is home to Honda's Talladega County plant, Toyota's Huntsville engine plant and the \$1.6 billion Mazda Toyota factory currently under construction in Huntsville. Alabama Commerce Secretary Greg Canfield noted that Toyoda personally came to Alabama in January 2018 to announce the coming of the Mazda Toyota plant.

"We regret to see these relationships imperiled by the U.S. Department of Commerce's Section 232 findings that set the stage for tariffs that threaten to seriously disrupt the operations of these Alabama manufacturing operations and put Alabama jobs on the line," Canfield said. "We will continue to work to help the Trump administration understand that these proposed tariffs will have real and painful consequences for many hard-working Alabamians and companies that have established roots in our state."

Manny Manriquez, general director of JAMA USA, said Japanese-brand automakers build one-third of all vehicles produced in the U.S. And Toyoda said in his statement that "even during the Great Recession, JAMA member companies made great efforts to maintain employment."

"These numbers speak for themselves about JAMA member companies' long history of local contributions and commitment as U.S. corporate citizens, and we are certain that

neither imported vehicles and parts nor our American operations ‘threaten to impair’ the U.S. national security,” Toyoda said.

Gov. Kay Ivey has been vocal in her opposition to potential tariffs, telling Commerce Secretary [Wilbur Ross in a letter last June that Alabama](#) could lose approximately 4,000 jobs as a result. Last November, she told a room of Alabama automakers in Birmingham that despite having a “very good relationship” with Trump, she feels the policy is “no good for our automotive industry.”

“I felt it was where I had to draw the line,” Ivey said at the time. “As long as I’m governor, I want to make Alabama great again. Clearly our automotive industry is a major part of who we are.”

Ivey is planning on [traveling to Huntsville Wednesday](#) for a “major economic announcement” to be made near the Mazda Toyota plant’s site in Limestone County.

Canfield noted that Japanese and European automakers have made “profound contributions to Alabama’s economy through significant investment and job creation that has enriched families and communities.” About 58,000 Alabamians work in the auto industry. Mercedes-Benz, which came to Alabama more than 20 years ago, has invested \$6 billion in the state.

“Between them, Honda and Toyota have invested well over \$3 billion in their Alabama manufacturing operations and employ more than 5,000 people in Alabama,” Canfield said. “Auto suppliers for these automakers have also invested heavily in operations in Alabama — and they continue to do so.”

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