

Toyota Maps Out Decline of Conventionally Fueled Cars

Auto maker says sales of gasoline- and diesel-engine cars will be near zero by 2050

Toyota's 2016 Prius hybrid vehicle on display in Las Vegas in September. Toyota sees near zero sales for its conventionally powered cars by 2050. ENLARGE

Toyota's 2016 Prius hybrid vehicle on display in Las Vegas in September. Toyota sees near zero sales for its conventionally powered cars by 2050. PHOTO: BLOOMBERG NEWS

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TOKYO— Toyota Motor Corp. is plotting a road to near extinction for its conventionally fueled cars as the industry grapples with the fallout of Volkswagen AG's diesel-emissions scandal.

The world's best-selling auto maker said Wednesday that by 2050, gas-electric hybrids, plug-in hybrids, fuel-cell cars and electric vehicles will account for most of its global vehicle sales, without giving a detailed breakdown.

That means gasoline- and diesel-engine powered cars, currently accounting for roughly 85% of Toyota global vehicle sales, would be near zero, Senior Managing Officer Kiyotaka Ise said.

"It wouldn't be easy for gasoline and diesel cars to survive," Mr. Ise told a media briefing in Tokyo. "With such massive decline in engine-powered cars, it's like the world is turning upside down and Toyota has to change its ways."

Toyota's vision highlights its bet on hybrids and fuel-cell vehicles as pollution concerns grow and auto makers compete to identify what could be the dominant next-generation technology to power cars.

It also comes as the automotive industry grapples with meeting tough emissions regulations and scrutinizes diesel technology after Volkswagen admitted it cheated on certain emissions tests. This week, the German auto maker said it is accelerating plans to develop battery-driven and hybrid electric vehicles.

Toyota isn't quitting gasoline and diesel engines entirely. Some regions will still have to rely on gasoline or diesel cars because of limited infrastructure such as charging for electric or hydrogen vehicles, Mr. Ise said. Also, hybrid vehicles like Toyota's Prius carry conventional engines along with motors and batteries.

The new Toyota Prius at the Frankfurt Auto Show in Germany. ENLARGE

The new Toyota Prius at the Frankfurt Auto Show in Germany. PHOTO: ASSOCIATED PRESS

Such a massive shift in technology won't happen quickly. There is widespread consensus in the industry that gasoline and diesel vehicles will gradually be replaced by alternatively powered vehicles, but consumers haven't adopted them on a large scale, partly due to charging infrastructure hurdles.

Toyota, which has focused on hybrids, last year started selling fuel-cell cars that run on hydrogen and emit only water from the tailpipe. Fuel-cell cars, which can be charged in minutes and have a longer driving range than electric vehicles, are more suited for long-distance driving than electric cars, Toyota has said.

Toyota's Mirai fuel-cell car can run 312 miles with a full-tank of hydrogen based on U.S. testing standards. Rival Nissan Motor Co.'s Leaf electric car has an average range of 84 miles with a fully charged battery, while U.S. startup Tesla Motors Inc.'s Model S electric car has a range of 230-270 miles.

Nissan is betting on electric vehicles, while German auto makers such as Volkswagen have been more focused on plug-in hybrids.

Yet for now, Toyota is still highly reliant on gasoline- and diesel-powered cars. Last year, around 14% of Toyota's global sales were hybrid vehicles, including plug-ins. Most of the remaining sales were vehicles powered by gasoline and some diesel, though a detailed breakdown wasn't available.

Toyota has posted record profits in recent years, partly thanks to growing sales of profitable but gas-guzzling sport-utility vehicles and pickup trucks in the U.S., backed by lower fuel prices.

The vision to eliminate gasoline- and diesel-powered cars was a part of Toyota's wider green car strategy unveiled Wednesday.

By 2020, Toyota aims to cut carbon-dioxide emissions from new vehicles by more than 22% compared with its 2010 global average. It ultimately hopes to take that to a 90% reduction by 2050, the auto maker said.

To do so, Toyota plans to sell roughly 7 million gas-electric hybrid vehicles world-wide over the next five years, it said. Toyota has sold around 8 million hybrids since it started selling them 18 years ago.

Toyota also plans to sell at least 30,000 fuel-cell vehicles a year world-wide by around 2020, it said.

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