

January 9, 2018

Mr. Ken Cook
President, Environmental Working Group
1436 U Street NW, Suite 100
Washington, DC 20009

Dear Mr. Cook:

Thank you for your recent letter to Toyota and for expressing your concerns.

Twenty-five years ago, Toyota created a non-profit subsidiary dedicated to sharing the Toyota Production System (TPS). The goal of the subsidiary - the Toyota Production System Support Center (TSSC) – is to contribute to society by teaching organizations and groups external to Toyota how to apply this efficiency system to their operations. Over the years, TPSC has helped identify better ways for non-profits, manufacturers and government entities to do their day-to-day work, maximize available resources and improve quality and safety.

In the public sector alone, we have been fortunate to partner with HUD, New York State and the City of Louisville on projects that have benefited tremendously from process improvement thinking. At its core, our sharing model for TPS is built around engaging people to foster collaboration and develop new ideas. The goal of this collaboration and innovation is to make small improvements that, incrementally, lead to big impact.

For instance, the City of Louisville invited TSSC to help its maintenance services shop for the city's fleet of vehicles. As a result of TSSC's activities, Louisville reduced its maintenance backlog by 37% and cut repair time by 75% in just two months. This has meant more city vehicles on the road serving city needs.

Through TSSC, we at Toyota have learned that sharing our knowledge this way helps receiving organizations stay competitive, sustain jobs and help more people in need. These organizations invite us in with the goal of learning TPS so they can in turn adapt it, make it their own and thus build their own culture of continuous improvement in operations and processes.

Before TSSC engages with an organization, it conducts many preliminary discussions that, for a variety of reasons, often do not make it past that stage. This was the case with the Environmental Protection Agency (EPA). EPA and TSSC had preliminary discussions about how EPA could employ a model similar to TPS, but at this point there are no definitive plans to move forward with a project.

I and many others at Toyota take great pride in TSSC's work. Hopefully, this letter provides you with some informed context regarding TSSC and responds fully to your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'CR', with a long horizontal flourish extending to the right.

Christopher Reynolds
Executive Vice President, Corporate Resources