Toyota exec: Camry will stay as US top-selling car (Update)

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In this Thursday, Aug. 5, 2010, file photo a 2011 Toyota Camry LE sits on the lot at Kendall Toyota in Miami. Toyota will not relinquish the Camry's spot as America's most popular car in 2013, a top executive told industry analysts on Tuesday, Aug. 2013.(AP Photo/Lynne Sladky, File)

Toyota will not relinquish the Camry's spot as America's most popular car this year, a top executive told industry analysts on Tuesday.

Senior Vice President Bob Carter said the company will sell more than

400,000 of the midsize cars in 2013, enough to fend off a challenge from the Honda Accord and other models in the most competitive part of the U.S. auto market.

The Camry has been America's top-selling car for 11 straight years, but recent new cars from Honda, Ford, Nissan and others have chipped into its lead. Carter said it's important to Toyota that the Camry remain No. 1.

"The midsize sedan market is the largest segment in the industry, and we want Toyota to be America's favorite car—period," he said at the J.P. Morgan Auto Conference in New York.

Carter conceded that Toyota has raised discounts on the car in an effort to keep sales strong amid intense competition but said most other automakers offer even higher incentives.

Camry sales fell 2 percent from January through June as its main rivals, the Honda Accord, Nissan Altima and Ford Fusion, posted big sales gains. In the first half of the year, the hot-selling Accord trailed Camry in sales by only 21,000, closing a gap that was 59,000 a year earlier.

Toyota responded with discounts on the Camry, and its average sales price of just over $20,900 in early July of was the lowest of nine top-selling midsize cars, according to data from J.D. Power and Associates.

As a result, Camry sales grew 16 percent last month to more than 242,000 for the first seven months of the year. The increase widened Camry's lead over the Accord to more than 24,000. The third-place Altima was 45,000 behind Camry, while Ford's Fusion was fourth, nearly 61,000 below Camry.

Carter also told the analysts that the stylish and larger all-new Corolla

compact will hit showrooms around Labor Day. An eco version will get 42 miles per gallon (17.8 kilometers per liter) on the highway, more than the first-generation Toyota Prius gas-electric hybrid. The first Prius, which came out for the 2001 model year, got 41 mpg (17.4 kpl) on the highway.

The Corolla, he said, started Toyota's reputation for sterling reliability, and the company has sold more than 40 million worldwide. He even poked fun at the current boxy version, which was last updated five years ago and looks old compared with the Ford Focus, Honda Civic and Chevrolet Cruze.

"Out of those 40 million people, no one ever bought a Corolla because they thought they looked good driving it," Carter said. "That changes at the end of the month with the new Corolla."

The new car has more interior room than early-generation Camrys, including more back-seat legroom than the current model, Carter said. It also sits lower and has a wider stance for a more athletic look.

Carter also said Toyota plans to have fuel-efficient gas-electric hybrid versions of every model it sells in the 2020s. The company plans a hybrid with electric and hydrogen fuel cell motors in 2015.

Toyota, Carter said, will sell more than 250,000 Prius models this year.

The company used to control 90 percent of the U.S. market for hybrids, but because of competition from Ford and others, the market share has shrunk to 74 percent, even though Toyota sales are up, he said.

Toyota's new Tundra full-size pickup also will start arriving at dealers in September. The company has only about 7 percent of full-size sales due to dominance by Detroit, Carter said. He expects prices for the new

Tundra to rise because the company has added two luxury lines that were once Detroit's exclusive domain.

A factory in San Antonio that which makes the Tundra is running on two shifts and overtime to supply new versions, Carter said. He said the pickup market has rebounded faster than Toyota expected. Full-size pickup sales are up nearly 23 percent through July, while Tundra sales were up 13 percent.

Toyota, on the other hand, dominates the compact pickup market with its Tacoma, which controls 60 percent of the market, Carter said. But he said competition is coming from new General Motors trucks next year.

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