

Steadfast Confidence in Perilous Times

April 15, 2020



When Ted Ogawa was announced as Toyota Motor North America's (TMNA) new president and CEO earlier this year, he didn't know he'd be stepping directly into an unprecedented crisis.

But there was Ogawa on April 1 – his first day on the job – immediately navigating Toyota through the COVID-19 pandemic that has stopped the world in its tracks and stunned the auto industry.

Uncharted waters for sure. But in his 36 years with Toyota, Ogawa has seen more than enough to meet the challenge and create the calm *within* the storm.

Ogawa, who will continue his role as operating officer at Toyota Motor Corporation (TMC), is filling the rather large shoes of Jim Lentz, whose retirement was effective March 31. And while he aims to build on his predecessor's legacy, he knows he needs to bring his own guiding light to the task at hand.

"It's my job to remain calm and control what I can control," says Ogawa, overseeing the company's multi-faceted response to the crisis.

Still, Lentz offered prescient advice in transition.

“Jim Lentz said recently that confidence is contagious, and so is a lack of confidence,” Ogawa says. “That certainly applies here.”

Controlling the controllable right now includes reinforcing vital components of the business. Last month TMNA announced a controlled shutdown of its 15 North American manufacturing plants as a way to protect the health of workers and prevent excess inventory.

In service parts, the supply chain is still open, allowing dealers to keep their bays open and focus on customer needs. And in financing, Toyota Financial Services (TFS) President and Chief Executive Officer, Mark Templin, is working to assist customers with payment relief options and lease contract extensions. TFS is also helping dealers by lowering floorplan interest rates, and deferring principal and capital payments to help address short-term cash flow and liquidity.

What you’re seeing are clues to Ogawa’s leadership style. Simplicity reigns as he searches for the best solutions for employees, customers, dealers, suppliers and the others on Toyota’s family tree.

“When we start from the core Toyota pillar of ‘respect for people’ the correct path is always easier to find,” he says. “I’ve been lucky to see that in action and live it during my career at Toyota.”

A Global Perspective

Indeed, over his three-plus decades with the company, Ogawa, 60, has been exposed to the depth and breadth of the Toyota Way. Ogawa joined Toyota in 1984, starting in purchasing. Since then, his career highlights include:

- 1996 – Became Coordinator at New United Motor Manufacturing, Inc. (NUMMI).
- 2008 – Named to the executive team of Toyota Motor Sales (TMS) in Torrance, California, where he focused on product planning for the Lexus division.
- 2015 – Assumed TMC’s lead role in China, with the title TMC managing officer, deputy chief executive officer, China Region, and president, Toyota Motor (China) Investment Co., Ltd. (TMCI).
- 2017 – TMNA chief administrative officer and executive vice president.
- 2019 – TMNA chief operating officer and deputy chief officer of TMC’s External and Public Affairs group.

And while the resume is impressive, it’s Ogawa’s less quantifiable skills that fuel a leadership style. Lentz describes him as “kind, resourceful, hardworking and sharp as a tack.”

“Ted understands how to get things done at TMC,” Lentz says, “which will be a big help with our transition to a mobility company.”

Mobility for All

Perhaps Lentz’s lasting legacy is consolidating Toyota’s North American operations in Plano, Texas. Ogawa aims to continue that legacy, further breaking down silos and transforming Toyota into a mobility company.

His challenge, though, is striking a balance between meeting customer needs while undergoing profound transformation.

“My goal is to be of service to the greatest number of people possible with new mobility solutions,” Ogawa says.

The solution comes in a CASE – as in Connected, Autonomous, Shared mobility and Electrification – and a

strategic focus on using vehicle data and artificial intelligence to improve the mobility experience.

“We are in a time of great innovation,” Ogawa says. “It is through innovation and our belief in a better society that we can extend our mission beyond the traditional automotive model into a fully realized mobility company.”

Strength in Numbers

But a CEO is only as good as his team. And the new CEO is plenty confident in his TMNA team members.

“They are the soul of Toyota, the true engine of the company,” Ogawa says. “The work they do helps create the bond with our customers. Relationships are everything, including the trust our customers place in our products. The customer has a relationship to the brand, and we take that very seriously.”

So, once travel is again unrestricted, Ogawa plans to visit Toyota offices around the country to talk with leadership, team members, dealers and other stakeholders across the U.S. The goal? As always, it’s to better meet customer expectations.

“Toyota may evolve and grow, but the customer-first mindset is never forgotten,” says Ogawa.

As he surveys the tasks ahead, the contagious confidence Lentz spoke of is palpable throughout Toyota’s team members, who welcomed Ogawa with open arms. That’s what Ogawa believes will guide Toyota through this challenging time, the branches of a tree rooted in the strength of the North American economy and the auto industry.

“Recovery and a return to normalcy are inevitable,” Ogawa says. “We may not be able to predict the timing, but we will get through this situation and emerge stronger. And that’s a belief that can spread like wildfire.”