Toyota’s First U.S. Vehicle Plant Shifts Transformation into High Gear

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GEORGETOWN, Ky. (October 29, 2021) – You might think Toyota Kentucky (TMMK) has seen it all during its 35-year history. But today, Toyota announced a series of changes and projects that will boost the Georgetown plant's transformation to meet shifting customer demand, reduce its carbon footprint and advance future capabilities.

A new investment of $461 million will support TMMK's transformation plans, including three primary purposes:

- **Facility Enhancements and Operational Upgrades:** Advanced manufacturing equipment and technologies, coupled with facility layout improvements, will increase the plant's operational speed, flexibility and competitiveness. These improvements will expand TMMK's ability to produce new products, including future electrification.
- **Expansion of Powertrain Capabilities:** TMMK's powertrain operation will increase its product mix with a 2.4-liter turbo engine line. The new line will support an expanded range of vehicles produced in North America, further increasing the plant's flexibility to quickly meet an evolving market.
- **Direct Hire Program:** The plant is changing its employment structure to a direct hire process. Approximately 1,400 variable team members, currently employed through Kelly Services, will be offered a direct Toyota position, along with all new hires. TMMK is among other Toyota plants across the U.S. to implement the change to help improve recruiting efforts, retain top talent and provide a more inclusive work environment.

"As Toyota's most experienced assembly plant in the U.S. with a workforce of about 9,000, TMMK must transform physically and strategically to meet the changing needs of customers," said Susan Elkington, president of TMMK. "I am confident in our highly skilled team members who drive us forward every day as we prepare for the future of advanced manufacturing, whatever the products might be."

TMMK will continue to build the best-selling Camry, Camry Hybrid and RAV4 Hybrid. To help create space for future products and to better align with U.S. market demand, production of the Lexus ES and Lexus ES Hybrid will shift from the facility and consolidate production back to Japan prior to the next major model change.

"Expanding TMMK's powertrain capabilities and product mix supports our growing North America manufacturing footprint and commitment to build where we sell," says David Rosier, head of TMMK Powertrain. "The 2.4T engine line will give us more flexibility to offer a full portfolio of products, meeting current and future customer demand."

In 2006, Toyota debuted its first U.S. manufactured hybrid electric vehicle at the Kentucky operation. The most recent electrification milestone announced TMMK's powertrain plant as the site for assembling fuel cell modules for use in hydrogen-powered, heavy duty commercial trucks starting in 2023.

"Kentucky's automotive industry is growing at a record pace, and Toyota Motor Manufacturing Kentucky is at the center of that growth," said Kentucky Governor Andy Beshear. "Toyota changed the landscape of manufacturing in our state when the Georgetown facility first opened more than 30 years ago, and now the company is preparing for growth. I am thrilled that future will include Kentucky in a significant way."

TMMK's transformation began in 2017 with a $1.3 billion investment in its operations – equipping the facility with the Toyota New Global Architecture manufacturing platform and a new paint operation. Once this project is complete by 2025, TMMK's total investment will be over $8.5 billion.

The Georgetown site is also home to Toyota's Production Engineering Manufacturing Center (PEMC) and the Manufacturing Production Innovation Center (MPIC), which spearheads mobility transformation initiatives, technologies and advanced processing initiatives for the company's 14 North American manufacturing facilities.