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Lexus Hybrid Pushes Power

Toyota unveils a V8 luxury sedan with mileage in 'the low 20s.'

April 13, 2006

Toyota Motor on Thursday unveiled the most powerful Lexus hybrid luxury sedan, a car far more noteworthy for its performance than its mileage.

The LS 600h is expected to be the world's first hybrid vehicle with a V8 powertrain when it arrives in Europe in June 2007. With a five-liter engine and a large-capacity battery pack, the 435-horsepower sedan has the power of a 6-liter V12 engine, according to Toyota.

"The LS 600h was developed to explore the outer reaches of performance, style, and safety," said Bob Carter, Lexus Division group vice president and general manager, at the New York International Auto Show.

Unlike many other hybrids, especially the popular Toyota Prius, the focus here is not the gas mileage. Mileage information isn't even included in the press materials, and at a press conference, Toyota spokespeople said it would likely be in "the low-20s."

Toyota's decision to put a hybrid powertrain on its highest-level sedan makes good sense, said Dan Benjamin, a senior analyst with ABI Research.

"One of the points we've made for a long time is, for hybrids to really gain traction, they need to be offered on a wide variety of models so people can make a choice about what they want," he said. "By putting it on this luxury sedan, they are giving both performance and fuel economy. It's a good thing. As [the hybrid



'If you want to put a smile on my face, put a plug in a hybrid, so you can get more than 100 mpg.'
-Robert Wilder,
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powertrain] gets offered on more and more vehicles, it will become more and more popular. That will help drive up volume.”

He added that price, which has not been disclosed, will be an important factor in the new sedan’s success.

The 600h’s unveiling comes a month after Toyota rolled out Lexus’ first luxury hybrid sedan, the GS 450h. The 450h, which is expected to go on sale in early May, will have a 3.5-liter V6 engine, a suggested retail price of \$54,900, and will get 25 mpg in the city and 28 mpg on the highway. It will also go from 0 to 60 mph in 5.2 seconds.



The two hybrid luxury sedans point to a trend of hybrids doing less for gas mileage and more for performance. Cindy Knight, environmental communications administrator at Toyota Motor Sales, said the car company was driving in that direction last year.

“Our target audience is more mainstream, and a larger audience, than we originally had for the hybrid,” she told *Red Herring* last May. “The first goal was to make the most fuel-efficient car, but the fact is the mainstream public does not place fuel efficiency as top priority for choosing a car. That might change—and market research indicates that we’re changing consumer behavior—but power is very highly valued, and the strategy is that people will choose the hybrid for power, get used to it, and will be open to more and more hybrids.”

Plug It In

Robert Wilder, president of the WilderShares, which helps maintain two indices of clean energy stocks, said he understands Toyota’s position, but wishes car manufacturers would do more to push the trend toward smaller cars and better fuel economy.

“Toyota’s filling out their lineup of hybrid cars, including heavy cars, where in essence [the hybrids powertrain] is being used to increase horsepower with only a minor increase in mileage,” he said. “Of course someone might want a big, heavy car, a 300- or 350-horsepower car with roughly the equivalent mileage of a 200- or 250-horsepower version. I understand that, but in a way, it’s sad.

“Personally, I want to see more cars being produced along the lines of the Prius,” he said. “In fact, I’m working right now to try to get someone to make a plug-in hybrid, so I’m going the other way.”

A plug-in hybrid is a hybrid modified with batteries that can be recharged from an electric wall socket. Companies such as EnergyCS and EDrive are working on plug-in hybrids, but no car manufacturer has committed to making any.

Car makers say consumers want bigger, heavy cars, but Mr. Wilder said that’s only partly the case.

“We’ve kind of gotten used to that,” he said. “But car manufacturers didn’t have to do that. You could also have created a lineup of very sexy, very good-mileage hybrids. If you want to put a smile on my face, put a plug in a hybrid, so you can get more than 100 mpg.”

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