

Toyota Officials Appear Before Congress, Offer Explanations

by John Demas on 02/25/10 at 8:47 am

It's been a harrowing time recently for Toyota. The company is under worldwide scrutiny on the heels of <u>recalling more than 8 million vehicles</u> mostly because of a defect that causes the accelerator pedal to stick. The situation grew more intense for Toyota yesterday as two leading company officials appeared before Congress to explain the situation from the company's standpoint.

According to **CNN**:

"Toyota has recalled more than 8 million vehicles in connection with possible unintended acceleration. Separately, the 2010 Toyota Prius was the subject of a recall due to complaints about its brakes. Even with Toyota's long-time reputation for brand loyalty among consumers, dealers have seen sales plunge and continue to field phone calls from concerned drivers.

The first of three congressional hearings on Toyota's recall problems began Tuesday in the House Oversight and Investigations subcommittee. Chairman Bart Stupak, D-Michigan, has said his panel's preliminary review of 75,000 pages of Toyota's internal company documents raised significant concerns. In particular, Toyota boasted of saving \$100 million by dodging a more extensive recall of the Toyota Camry and Lexus."

Saving costs is one of the central missions of any business. In general, when a product is found to be defective, one of the points of analysis is a basic cost comparison. If the potential for legal liability outweighs the cost of a recall, then the recall is usually the next step. If the analysis concludes the opposite, companies will generally not take on the expense of a recall.

If you or someone you love has been harmed by a defective Toyota, you need the help of <u>Sacramento defective products attorneys</u> with a successful track record of taking on even the largest corporations. Contact Demas & Rosenthal today to schedule a free initial consultation.