



STATE OF WISCONSIN
DEPARTMENT OF JUSTICE

Josh Kaul
Attorney General

Room 114 East, State Capitol
PO Box 7857
Madison WI 53707-7857
(608) 266-1221
TTY 1-800-947-3529

March 20, 2023

Sent via E-mail

John Yoon
Executive Vice President and General Counsel
Kia Motors America
111 Peters Canyon Road
Irvine, CA 92606

Jason Erb
Chief Legal Officer
Hyundai Motor North America
10550 Talbert Avenue
Fountain Valley, CA 92708

Dear John Yoon and Jason Erb:

We write regarding the ongoing crisis of thefts of Hyundai and Kia model automobiles not equipped with anti-theft immobilizers. The recent announcement¹ of a customer service campaign – not a recall – which combines warning stickers, longer alarms and a software upgrade, is positive news but less than is called for under the circumstances. Our concerns with the adequacy of the newly-announced measures are informed by your companies' slow response and lack of acceptance of responsibility for the crisis over the past few years.

Alarming high rates of theft of these vehicles have been sustained over a long period of time. Your consumers continue to be harmed as a result, and worse yet, the thefts contribute to an erosion of public safety as they are frequently accompanied by reckless driving and the commission of other crimes, further endangering our

¹ *Hyundai Introduces Free Anti-Theft Software Upgrade, Beginning With More Than 1 Million Elantras, Sonatas and Venues* (Feb. 14, 2023), available at: <https://www.hyundainews.com/en-us/releases/3768>.

John Yoon
Jason Erb
March 20, 2023
Page 2

communities. While your companies are reported to have taken some steps to address this crisis, it hasn't been enough, and it hasn't been done fast enough.

The surge in thefts of these vulnerable vehicles has been truly shocking. In 2020 there were 895 thefts of Hyundai and Kia vehicles in Milwaukee. In 2021, there were 6,970.² While thefts slightly declined in Milwaukee in 2022, there were still six Hyundai and Kia vehicles being stolen every day as of the end of September of last year.³ Theft of Hyundais and Kias in Minneapolis increased by 836% in 2022 over the previous year.⁴ Year over year from 2021 to 2022, St. Louis County, Missouri saw a 1,090% increase in thefts of Kias and Hyundais.⁵ In Chicago, there were over 7,000 thefts of Hyundai and Kia vehicles in 2022, alone. The thefts account for 10% of all registered Kias and 7% of all registered Hyundais in Chicago.⁶ From 2019 to 2022, Philadelphia witnessed a nearly 800% and 400% increase in thefts of Kias and Hyundais, respectively.⁷

² Source: Milwaukee Police Department.

³ *Hyundai dealerships to begin selling security kits to prevent auto thefts on Saturday*, WTMJ-TV Milwaukee News (Sept. 30, 2022), available at: <https://www.tmj4.com/news/local-news/hyundai-dealerships-to-begin-selling-security-kits-to-prevent-auto-thefts-on-saturday>.

⁴ *Kia and Hyundai thefts skyrocket 836% in Minneapolis; attorney general and Twin Cities mayors urge recalls*, Star Tribune (March 2, 2023), available at: <https://www.startribune.com/kia-hyundai-thefts-tiktok-ellison-minneapolis-frey-st-paul-carter-mayor-urge-recall/600255806/>.

⁵ *Kia, Hyundai thefts still booming in St. Louis area despite prevention efforts*, St. Louis Post-Dispatch (Oct. 14, 2022), available at: https://www.stltoday.com/news/local/crime-and-courts/kia-hyundai-thefts-still-booming-in-st-louis-area-despite-prevention-efforts/article_2d4041cd-88b7-5782-816a-50692f1c2e6a.html.

⁶ *More than 7,000 Kias, Hyundais stolen in Chicago this year*, CBS Chicago (Dec. 14, 2022), available at: <https://www.cbsnews.com/chicago/news/kia-hyundais-stolen-chicago>.

⁷ *Kia and Hyundai thefts in Philly outpace other car manufacturers, thanks to a TikTok challenge*, Philadelphia Inquirer (Feb. 22, 2023), available at: <https://www.inquirer.com/news/kia-hyundai-thefts-philadelphia-tiktok-challenge-20230222.html#:~:text=Kia%20and%20Hyundai%20thefts%20in.increases%20over%20the%20same%20period.>

John Yoon
Jason Erb
March 20, 2023
Page 3

The thefts show no signs of abating anytime soon. In the first three weeks of January 2023, Kias and Hyundais made up 44% of all car thefts in Washington, D.C. (176 thefts out of a total of 393), which was a sharp rise compared to July 2022, when Kias and Hyundais only accounted for 9% of thefts (31 out of a total of 332).⁸ In Buffalo, New York, the numbers of stolen Kia and Hyundai vehicles have skyrocketed, from 400 during all of 2022 to 350 in just the first two months of 2023.⁹

Beyond dealing with the risk of having their vehicle stolen, Hyundai and Kia owners are now facing the threat of being unable to insure their vehicles. Major insurance companies are now refusing to insure the Hyundai and Kia models most susceptible to theft.¹⁰ In states where insurance is required to own and operate a vehicle, the inability to obtain car insurance can mean that certain Hyundai and Kia owners can no longer legally drive their car.

Your companies made the choice not to include anti-theft immobilizers as standard equipment in many of your vehicle models sold in the United States during a period when every other manufacturer was doing so – and even though these vehicles come equipped with immobilizers when sold in Canada and Europe. These highly effective immobilizers were standard equipment on 62% of other manufacturers' car models in 2000, and by 2015 they were standard on 96% of other manufacturers' vehicles. And yet, in that same year, only 26% of Hyundai and Kia models came equipped with an immobilizer as standard equipment.¹¹ You waited until November 2021 to make immobilizers standard equipment on all your vehicles.

⁸ Source: DC Metropolitan Police Department.

⁹ *Kia and Hyundai theft victims speak out as stolen car numbers continue to soar*, WGRZ.com (March 5, 2023), available at: <https://www.wgrz.com/article/news/crime/kia-hyundai-theft-victims-speak-out-stolen-car-numbers-soar/71-1d399638-a5cf-44d9-a230-379e76810f96>.

¹⁰ *State Farm, Progressive deny new policies to Kia, Hyundai owners amid rise in thefts*, Chicago Sun-Times (Jan. 31, 2023), available at: <https://chicago.suntimes.com/2023/1/31/23580264/state-farm-progressive-deny-new-policies-to-kia-hyundai-owners-amid-rise-in-thefts>.

¹¹ *Hyundais, Kias are easy targets amid boom in vehicle thefts*, Insurance Institute for Highway Safety (Sept. 22, 2022), available at: <https://www.iihs.org/news/detail/hyundais-kias-are-easy-targets-amid-boom-in-vehicle-thefts>.

John Yoon
Jason Erb
March 20, 2023
Page 4

But between 2019 and 2021, more than 8,000 Kia and Hyundai vehicles had already been stolen – just in the city of Milwaukee.

These thefts often result in more than simple property crimes. In one example, a teen was killed after stealing a Kia Sportage and fleeing police before colliding with another vehicle.¹² In another, four teens were killed after the stolen Kia they were riding in crashed into an embankment at high speed.¹³ Thieves have also used stolen Hyundais or Kias to smash through the walls of businesses in order to rob them.¹⁴ Stolen Hyundai and Kia vehicles are suspected or confirmed as being involved in numerous other crimes, including robberies, shootings, and homicides.¹⁵ In Portland, Oregon, a 16-year-old has been involved in at least 3 Kia thefts, two of which ended in dangerous accidents.¹⁶

Public reports indicate that your companies, and others, have provided some physical anti-theft steering wheel devices for distribution by local law enforcement

¹² *Teen killed in Milwaukee stolen car crash, 100+ mph seconds before*, Fox6 Milwaukee (Oct. 5, 2021), available at: <https://www.fox6now.com/news/teen-killed-in-milwaukee-stolen-car-crash-100-mph-seconds-before>.

¹³ *Teenage driver charged in crash of stolen car that killed 4*, The Seattle Times (Nov. 22, 2022), available at: <https://www.seattletimes.com/business/teenage-driver-charged-in-crash-of-stolen-car-that-killed-4/>.

¹⁴ *Kia Boyz Use Kias, Hyundais to Smash Into Stores in St. Louis-Area Robberies*, St. Louis Riverfront Times (Aug. 31, 2022), available at: <https://www.riverfronttimes.com/news/kia-boyz-use-kias-hyundais-to-smash-into-stores-in-st-louis-area-robberies-38403844>.

¹⁵ *14-year-old boy gravely injured after crashing stolen Kia in Minneapolis*, Star Tribune (Dec. 12, 2022), available at: <https://www.startribune.com/14-year-old-boy-gravely-injured-after-crashing-stolen-kia-in-minneapolis/600235268/>. *Hyundai and Kia Thefts Soar in Chicago, What Can Drivers Do To Protect Themselves?*, NBC Chicago (Jan. 9, 2023), available at: <https://www.nbcchicago.com/consumer/hyundai-and-kia-thefts-soar-in-chicago-what-can-drivers-do-to-protect-themselves/3036890/>.

¹⁶ *Mother pleads with Portland police to crack down on thefts of Kia, Hyundai vehicles*, KGW.com (Aug. 26, 2022), available at: <https://www.kgw.com/article/news/crime/kia-hyundai-thefts-portland-mother/283-163b2993-8879-4209-bae2-ba52c46edff2>.

John Yoon
Jason Erb
March 20, 2023
Page 5

and other agencies.¹⁷ More needs to be done so that every current owner can obtain one of these devices at no cost as soon as possible – especially those owners whose cars are not compatible with the software upgrade you recently announced.

Other reports suggest that Hyundai arranged for a third-party firm to manufacture a glass-break anti-theft add-on kit which can be installed by dealers and others.¹⁸ However, we understand that the recommended retail price of this kit is \$170 (which does not include the cost of installation), and we are aware of no information that your companies have invested in delivering these kits to vehicle owners in need at reduced or no cost.

The recent announcement of a customer service campaign, including a software upgrade for some affected vehicles, is long overdue and still not enough. First, the announcement states that you will communicate the new measures to customers “through multiple points of contact,” without committing to provide affirmative notice to all current owners of affected vehicles. Second, as of now, the software upgrade will not be available for most of the affected models until June. Third, you have indicated that the software upgrade cannot be installed on certain 2011-22 models for technical reasons, but you have not identified which models those are, nor have you committed to assisting the owners of those vehicles with free security protection.

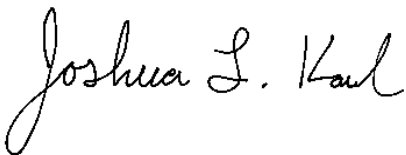
We urge you to do everything in your power to accelerate the implementation of the software upgrade and to provide free alternative protective measures for all those owners whose cars cannot support the software upgrade.

¹⁷ *Police: Watch for stolen Kia, Hyundai cars; free anti-theft devices to be offered*, Fox 8 Cleveland (Dec. 7, 2022), available at: <https://fox8.com/news/police-watch-for-stolen-kia-hyundai-cars-free-anti-theft-devices-to-be-offered/>; *Waunakee police giving out steering wheel locks to Hyundai, Kia owners*, Channel3000.com (Jan. 14, 2023), available at: https://www.channel3000.com/lifestyle/automotive/waunakee-police-giving-out-steering-wheel-locks-to-hyundai-kia-owners/article_2bc51b8e-826f-51ce-a5b7-a00d95b94809.html.

¹⁸ *Hyundai Charging Customers \$170 for a Kit to protect its easy-to-steal cars*, Car and Driver (Oct. 1, 2022), available at: <https://www.caranddriver.com/news/a41477937/hyundai-security-kit-easy-to-steal-models/>.

John Yoon
Jason Erb
March 20, 2023
Page 6

Your companies' decisions not to install anti-theft immobilizers as standard equipment on certain vehicles sold in the United States has caused ongoing consumer harm and undermined public safety in communities across the country. It is well past time that you acknowledge your companies' role and take swift and comprehensive action to remedy it.



Joshua L. Kaul
Wisconsin Attorney General



Kris Mayes
Arizona Attorney General



Rob Bonta
California Attorney General



Philip J. Weiser
Colorado Attorney General



William Tong
Connecticut Attorney General



Kathleen Jennings
Delaware Attorney General



Brian L. Schwalb
District of Columbia Attorney General



Kwame Raoul
Illinois Attorney General

John Yoon
Jason Erb
March 20, 2023
Page 7



Anthony G. Brown
Maryland Attorney General



Andrea Joy Campbell
Massachusetts Attorney General



Aaron D. Ford
Nevada Attorney General



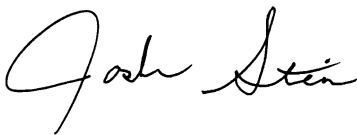
Matthew J. Platkin
Attorney General of New Jersey



Raúl Torrez
New Mexico Attorney General



Letitia James
New York Attorney General



Josh Stein
North Carolina Attorney General



Gentner Drummond
Oklahoma Attorney General



Ellen F. Rosenblum
Oregon Attorney General



Michelle A. Henry
Pennsylvania Attorney General

John Yoon
Jason Erb
March 20, 2023
Page 8



Peter Neronha
Rhode Island Attorney General



Marty Jackley
South Dakota Attorney General



Katherine Hart
Director, Utah Division of Consumer
Protection



Charity R. Clark
Vermont Attorney General



Bob Ferguson
Washington State Attorney General