

Hyundai-Kia Determined to Make Mark on Automobile Industry

The recent news about the floundering automobile industry in the United States has drawn worldwide attention. Once the dominating forces in vehicle production, the "Big Three," GM, Ford, and Chrysler, are now scrambling to keep their factories in business. The American car industry has experienced a decline in market share for years, as Japanese automakers Honda and Toyota steadily gain satisfied customers. One country that is making quite a bit of headway in automobile production and sales is South Korea. The idea of South Korea being a contender in the car market was practically unheard of twenty to thirty years ago.

The South Korean automobile industry had humble beginnings in 1955. An automobile mechanic, Choi Mu-Seong, and his brothers produced a "Sibal," an altered United States Army Jeep with a new engine. Today, South Korea is the world's fifth largest producer and sixth largest exporter of automobiles and is considered one of the most advanced producers of automobiles. Automobiles are one of the top ten exports from this Asian country.

The Hyundai-Kia Automotive Group is the most well known South Korean automobile manufacturer. Hyundai introduced its first car, the Pony, in 1975, and has been making gains in automobile production ever since. Hyundai-Kia is positioning itself for even greater market share by focusing on the design and development of smaller, "green" cars. Chung Mong-koo, chairman of this automobile group, recently announced, "The development of small cars is a key engine of the group's future growth."

Chairman Mong-koo solicited the help of Hyundai-Kia's engineers and researchers to accomplish the group's new goals. Mong-koo stated, "In addition, this development should also be implemented in parallel with a push for environmental friendliness, which is represented by three highs: high fuel efficiency, high quality and high design concept." Referring to the expenses incurred by research and development activities, Mong-koo indicated that reducing funding to this area is not an option, saying, "It would be a disastrous recipe for the future."

Parent company Hyundai and its largest affiliate, Kia, manufacture vehicles for a wide customer base. They offer passenger cars, vans, SUV's, and commercial vehicles. In November 2008, Consumer Reports rated Hyundai and Kia cars as some of the world's top vehicles. With consumers being more concerned than ever with getting more for their dollar, this is a huge announcement for Hyundai-Kia.

Car enthusiasts are waiting for the introduction of Kia's newest concept car at Detroit's 2009 North American International Auto Show. The press conference is scheduled for Sunday, January 11, 2009. Officials at Kia have not revealed much information about the automobile, except to say it is a crossover passenger car.

Considering the recent downfall of the American car manufacturers, there is little doubt that South Korea's Hyundai-Kia Automotive Group can make an impact on the automotive world. Chairman Mong-koo's initiative to move forward with the production of environmentally friendly automobiles indicates that Hyundai-Kia is serious about gaining market share. Hyundai-Kia's affordable and high quality electric and hybrid cars may be just what this evolving automobile company needs to reach a top spot in the world of car manufacturing.