



HYUNDAI



Official name: Hyundai Motor Company

Owned by: Hyundai Kia Automotive Group.

Owms: Kia Motors.

Current situation: Hyundai is the world's fourth-largest carmaker, measured by sales. Toyota, General Motors and Volkswagen occupy the top three places. After a dreadful few years in the late 1990s, both sales and profits have gradually improved, even in the face of economic recession. Hyundai's quality has also improved: Hyundai has beaten Toyota in some car reliability surveys. However, Hyundais are still well behind the likes of Toyota when it comes to longer-term reliability. The rise of the Chinese car industry also threatens Hyundai's position.

Chances of survival: Okay.

If Hyundai can maintain its quality, it could become Korea's Toyota •



A brief history of Hyundai

Founded in 1947 by the noted industrialist Chung Ju-yung, Hyundai was originally a construction company, which gradually expanded into other areas. As Korea industrialised, Hyundai seized the opportunity to become a major car manufacturer. For its first decade in the car business Hyundai simply assembled Ford Cortinas under licence.



CHUNG JU-YUNG

In 1976, Hyundai released its first car, the Pony, a rehash of the British Morris Marina, with parts borrowed from Mitsubishi and Ford.

The world's motoring press fell over itself laughing, except in places like Canada. The Canadian market was set up around large American gas-guzzlers, but the fuel crisis of 1973 created a sudden demand for small, cheap, fuel-economic cars. Thus, in Canada at least, the Pony was a minor success (it was never sold in the US because it couldn't pass the smog regulations).

Buoyed by the success of the Pony, Hyundai decided to run before it was even very good at walking. Hyundai management got permission to build an obsolete model of the Mitsubishi Mirage under licence. They rechristened it the Excel. The Mirage was a well proven vehicle with a good reputation, however, Hyundai cut corners in every part of the car.



HYUNDAI PONY

Choi Ok-gon, who was assembling these cars when they first came out, said of them: "We were so busy putting them together we didn't even think about quality."



For the average price
of a new car,
you can get a Hyundai Excel.



And a spare:



Since today's average new car costs well over \$22,500, the new Hyundai Excel makes twice as much sense. Because for that much money, you can buy both the 4-door Excel GL and the 3-door Excel^{hatch} that are packed on this page.

Both are available. Save front-wheel drive, four-wheel independent suspension and a fuel-efficient 1.8-liter overhead-cam engine.

The Excel's drive means enough to fit the. And even standard features there are car in their class. Available features, like an electric rear window defroster, five full-size steel-belted radial tires and reclining bucket seats.

The Excel even offers an option that the average priced car can't.

And that's a second Hyundai Excel.

So call 1-800-295-2759 for the location of your nearest Hyundai dealer.

HYUNDAI
Cars that make sense.

The Excel became the symbol of shoddy Korean craftsmanship wherever it was sold. A desperate Hyundai was forced to offer a ten year warranty in America in order to retain its few remaining customers.

Chung Mong-koo, the oldest surviving son of the founder of Hyundai took over at this point, making quality a top priority, but it took a long time for the message to sink in.

As the public became more sensitive to crash safety, Hyundais also developed an unenviable reputation for being death-traps, right up until the end of the 20th century.

In order to survive the 1997 Asian financial meltdown, the Hyundai corporation was split up into a number of different companies – each bearing the Hyundai name, but no longer directly connected.

In classic Asian style, the Hyundai Motor Company grew by offering a range of extremely cost-effective cars, loaded with gadgets and options. With the rise of China, however, it became clear that anything that Korea could do, China could do on a far grander scale. So, in place of being a builder of cheap and cheerful budget models, Hyundai recently moved towards producing higher quality cars like the Sante Fe and Elantra.

Hyundai's quality has improved to the point where its cars rate alongside Japanese makes and far ahead of their European rivals.

However, Hyundais are still well behind the likes of Toyota when it comes to longer-term reliability. The rise of the Chinese car industry also threatens Hyundai's position.

Hyundai's profits are currently good, but its longer term survival depends on Hyundai's ability to stay ahead of the Chinese •

