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Hagens Berman: Consumers Sue Kia, Hyundai over Fudged EPA Ratings

Today, the consumer-rights law firm Hagens Berman filed a proposed class-action lawsuit against Hyundai Motor America, owned by Hyundai Motor Company of Korea (KSE:005380.KS), and Kia Motors America, owned jointly by Hyundai Motor Company and Kia Motor Company of Korea (KSE:000270.KS), after regulators announced the companies overstated the fuel economy for many vehicles they sold in the United States.

The suit, filed in the U.S. District Court for the District of Central California, seeks to represent all consumers who own or lease Hyundai and Kia vehicles whose EPA fuel economy ratings were less than the fuel economy rating produced by the applicable federal test in that model's year.

Hyundai Motor Corporation admitted it overstated the fuel-economy estimates after independent tests by the Environmental Protection Agency (EPA) showed a discrepancy.

According to published reports, Hyundai will lower fuel-consumption estimates on most Hyundai and Kia models produced in 2012 and 2013. It will reportedly lower estimates by as much as five miles-per-gallon for its Kia Soul Eco, and by one or two miles-per-gallon for most other models.

The automaker apologized to consumers, according to published reports, and blamed the issue on what the South Korean company called "procedural errors" in its testing, which was done by a Korean lab.

"Many who purchased Kia and Hyundai automobiles did so because of the claims of fuel economy the company made to consumers," said Rob Carey, the attorney representing the proposed class and managing partner of the Phoenix office of Hagens Berman Sobol Shapiro.

"Regardless of how the errors occurred, the end result is the same – consumers overpaid for what they received, and a very slight difference on the low-end of fuel efficiency can make a big difference over the course of a year," Carey added.

Hyundai also announced plans to reimburse purchasers through a complex plan requiring owners to visit a dealership to verify mileage. The company intends to reimburse owners for the difference in the company's reported fuel economy rating and the EPA rating based on local fuel prices.

"While we think there are some laudable aspects to the company's approach to addressing the issues, we feel that consumers have rights under California law not yet addressed by the automakers," Carey added.

The suit was filed for a Seattle woman who purchased a 2012 Hyundai Accent; an Arizona man who purchased a Hyundai Genesis sedan; an Arizona woman who purchased a Hyundai Genesis sedan; and an Illinois man who purchased a 2012 Kia Sorento, all relying on the fuel-economy numbers provided by the car manufacturer.

The suit contends that Hyundai violated California's Unfair Competition Law, its false advertising law and its consumer legal remedy act. The suit also claims that Hyundai committed a breach of express warranty, and committed fraud and negligent misrepresentation under California Common Law, among other violations.

Hagens Berman has a long, successful record of representing consumer interests in litigation against Hyundai.

Individuals who purchased a 2012 or 2013 Hyundai or Kia vehicle are encouraged to contact Hagens Berman to discuss the case. Consumers can contact an attorney by calling (206) 623-7292 or by emailing rob@hbsslaw.com.

More information about this lawsuit is available at www.hbsslaw.com/hyundaifuelefficiency.

About Hagens Berman

Seattle-based Hagens Berman Sobol Shapiro LLP is one of the top class-action law firms in the nation, with offices in ten cities. Founded in 1993, we represent plaintiffs in class actions and multi-state, large-scale litigation that seek to protect the rights of investors, consumers, workers and whistleblowers. More information about the firm is available at www.hbsslaw.com.

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