

Hyundai Starts Touting Fuel-Economy Gains by Sharing Monthly MPG Results

By Alan Ohnsman - Feb 2, 2011

[Hyundai Motor Co.](#), aiming to offer the most efficient U.S. vehicle line, began revealing overall fuel economy for its cars and light trucks based on monthly sales as regulators prepare to set tougher rules for automakers.

Autos sold by Hyundai, [South Korea](#)'s largest carmaker, in January got an average of 34.7 miles per gallon of gasoline, based on [U.S. Corporate Average Fuel Economy](#), or CAFE, guidelines. Hyundai's U.S. fleet averaged 34.4 miles per gallon in December and 31.7 in the 2009 model year, the latest period for industry data, said [John Krafcik](#), the company's U.S. chief.

“We look at this information internally, so we thought, ‘Why not share it externally?’” Krafcik said yesterday in an interview. “It might be helpful to policy makers and the general public because there’s a lot of discussion about big CAFE targets.”

Oil price fluctuations and fuel-economy rules aimed at cutting [carbon emissions](#) linked to [climate change](#) are pushing automakers to introduce more efficient vehicles and hybrid, plug-in and electric models that use little or no gasoline.

In the U.S., where Hyundai was the fastest-growing mass-market carmaker last year, regulators are developing rules that may require vehicle fuel economy of 47 to 62 miles per gallon by 2025, compared with a requirement of 27.3 for 2011 models.

“It puts to bed the old auto industry canard that consumers don’t care about fuel economy,” said [Dan Becker](#), director of the Safe Climate Campaign, a Washington-based group that lobbies for higher fuel-economy rules. “This is the first time I’ve heard of a company doing this. The industry should do the same to inform consumers, their workers and the government.”

Keeping ‘Honest’

Jose Ucles, a spokesman for the National Highway Traffic Safety Administration, which oversees CAFE rules, declined to comment on Hyundai’s action.

The carmaker rose 1.1 percent to 181,000 won in Seoul trading on Feb. 1, extending its gain this year to 4.3 percent. Markets in [Seoul](#) were closed yesterday and today for a holiday.

Hyundai set a goal in 2008 of increasing its fleet's CAFE rating to 35 miles per gallon by 2015 and said last year it aims to reach 50 miles per gallon across its lineup by 2025.

Fuel efficiency is "one of our top three business imperatives," Krafcik said. Disclosing monthly fuel-economy details is "a way to keep ourselves honest," he said.

Unlike [General Motors Co.](#) and Nissan Motor Co., which are boosting sales of rechargeable Volt and Leaf cars, Hyundai aims to curb fuel consumption mainly by using small, efficient, direct-injection and turbo-charged engines and lighter steel alloys that cut a vehicle's weight.

No Followers

Hyundai began selling the [Sonata Hybrid](#) in the U.S. in January, its first gasoline-electric model for that market. Krafcik declined to say how many of the cars were sold last month.

For now, none of Hyundai's biggest competitors in the U.S. plans to make the same fuel-economy information available.

[Toyota Motor Corp.](#) has no plans to report CAFE monthly, said John Hanson, a company spokesman. Similarly, Honda Motor Co. and Nissan won't be giving fuel-economy figures when sales are released, said Chris Martin, a Honda spokesman, and Katherine Zachary, a spokeswoman for Nissan's U.S. unit.

"Anything other than on an annual basis could be confusing to customers because it can widely fluctuate," said Sharon Basel, a spokeswoman for GM, which also doesn't plan to follow Hyundai. "The thing that's really important to the customer is what the fuel economy is on the sticker of the vehicle they are shopping for."

[John Stoll](#), a Ford spokesman, declined to say if the automaker would report monthly CAFE results.

Chrysler Group LLC doesn't have any plans at this time to report the results each month, Rick Deneau, a company spokesman, said in an e-mail.

Hyundai said yesterday U.S. sales rose 22 percent in January. The Seoul-based company's U.S. sales unit is in [Fountain Valley, California](#).

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