

March 3, 2023

The Honorable Keith Ellison
Minnesota State Attorney General
445 Minnesota Street, Suite 1400
St. Paul, MN 55101-2131

The Honorable Melvin Carter
Mayor, City of Saint Paul
15 W Kellogg Blvd #390,
St Paul, MN 55102

The Honorable Jacob Frey
Mayor, City of Minneapolis
350 S. Fifth St., Room 331
Minneapolis, MN 55415

Dear Attorney General Ellison and Mayors Carter and Frey,

On behalf of José Muñoz and Hyundai Motor America (“Hyundai”), thank you for the opportunity to respond to your inquiry regarding our ongoing efforts to enhance the anti-theft protections and options for Hyundai customers whose vehicles are not equipped with an engine immobilizer feature.¹ We appreciate and share your interest in addressing the rise in thefts of these vehicles in Minnesota and elsewhere.

As you note, this increase has been fueled by irresponsible social media video “challenges” which have promoted this criminal activity.² Hyundai has been actively monitoring and requesting immediate removal of videos on social media that demonstrate this theft mode for certain Hyundai vehicles. We have succeeded in having this content removed from a variety of social media platforms and we continue to monitor and seek removal of content showing this criminal activity as it reappears.

All Hyundai vehicles manufactured since November 2021 are equipped with an engine immobilizer as standard equipment.³ Hyundai has also taken several steps to enhance the security of our vehicles sold without engine immobilizers. Chief among these measures is the development and validation of a software upgrade for these vehicles to prevent the theft mode popularized on social media. In coordination with the National Highway Traffic Safety Administration (“NHTSA”), we are offering this upgrade at no cost to our customers as a

¹ All of our vehicles comply with the anti-theft requirements of Federal Motor Vehicle Safety Standard 114.

² As recently as 2021, no Hyundai model was among the top ten most stolen at the national level according to the National Insurance Crime Bureau. See, NICB Annual “Hot Wheels” Theft Report, July 19, 2022.

³ Some of the 2022 model year vehicles manufactured prior to November 2021 were not equipped with an engine immobilizer as a standard feature.



Voluntary Service Campaign. Our goal is to have a 100% completion rate for the in-service vehicles covered by this Campaign. We will continue to coordinate our progress with NHTSA to assist us in maximizing our completion rate in the most effective manner possible. This upgrade will be available for approximately 3,700,000 vehicles covering model years 2011-2022. Customers will receive notification by mail when the software upgrade is available for their vehicles. Once the software upgrade has been installed, our dealers will also affix window decals to the vehicle to alert would-be thieves that the vehicle is equipped with enhanced anti-theft technology.

The free software upgrade will be rolled out in phases - the first phase launched on February 14 for approximately 1,100,000 vehicles. This population was selected to go first as it covers the highest-selling vehicles and those most targeted by thieves according to our discussions with local law enforcement around the country. Using the latest vehicle registration data available, we have sent notification of the software upgrade by mail to all customers covered by this first phase. Supplemental notifications to these customers will be sent in the near future using email and other methods as available. As we process completion rate data, we also plan to send further written follow-up notifications to those customers who have not yet had the upgrade performed on their vehicles. We will utilize refreshed vehicle registration data to ensure that we have the most accurate available contact information for these customers. We will deploy these same customer notification methods for vehicles covered by later phases of the Campaign.

This Campaign is accompanied by a large-scale public relations program, including outreach through various media and social channels, to drive up completion rates quickly. We distributed a national [announcement](#) on the availability of the software upgrade and launched a microsite, <https://hyundaiantitheft.com/>, to drive consumer completion and provide updates on the rollout. In an effort to raise awareness in higher theft areas such as in Minneapolis/St. Paul, we are looking at ways to focus targeted media outreach (including through social media) to further enhance completion of the software upgrade campaign.

Approximately 15 % of the model year 2011-2022 vehicle population not equipped with an engine immobilizer from the factory cannot receive the software upgrade. For customers who own or lease these vehicles, we are finalizing a process to reimburse them for their purchase of steering wheel locks. Our intention is to notify these customers directly of this customer satisfaction program using the latest vehicle registration data. This program will allow concerned customers to obtain steering wheel locks quickly from their local sources with assurance that they will be reimbursed. To support these customers, we are providing a dedicated team of customer care agents. We are also in the process of finalizing a website where customers can confirm eligibility and submit a claim for reimbursement for their purchase of a steering wheel lock.

We are also continuing our existing national program to provide steering wheel locks to law enforcement free of charge for distribution to affected customers. The reception to this program has been positive. Our process with local law enforcement is a collaborative one. We speak with each department to ensure that we understand a variety of important logistical factors and the needs of each community.⁴ In these discussions, we also confirm that we will fill subsequent orders as requested. For example, in Minnesota, we have provided steering wheel locks to five different law enforcement agencies, including the Minnesota Commerce Fraud Bureau. We are in the process of reaching out to the Minneapolis and Saint Paul Police Departments to determine how to best provide free steering wheel locks for concerned customers in those areas. We remain committed to working with law enforcement agencies in Minnesota and elsewhere and appreciate their support with this issue.

Hyundai is committed to the security of our customers and plans to continue our ongoing support of the communities affected by this theft issue. We look forward to collaborating with you and other stakeholders to best address this concern.

Thank you for your attention to this important topic.

Sincerely,



Robert R. Hood
Vice President of Government Affairs
Hyundai Motor

⁴ These considerations include understanding how each department is equipped to receive, store, and distribute the steering wheel locks. Through this dialogue, we have found that law enforcement agencies overwhelmingly support having these delivered in lower amounts to allow for expedited shipping in boxes rather than in higher numbers on large pallets which take longer to deliver and are more difficult to store.