

Kia Announces New CEO In Mood Lighting Shuffle

Kelly Olsen, AP Business Writer

SEOUL, South Korea (AP) — Kia Motors promoted the chief of its overseas operations to the company's top executive job after his predecessor resigned following a global recall of more than 100,000 vehicles due to defective wiring.

The new boss, Lee Hyoung-keun, will retain his current responsibilities while also overseeing domestic business, global corporate planning and production and labor-management relations, Kia spokesman Michael Choo said Wednesday.

Kia, which posted a 61 percent surge in second-quarter net profit, manufactures vehicles in South Korea as well as at overseas plants in China, Slovakia and the U.S. It has a plant in West Point, Ga.

Lee, also known as Hank Lee, will take vice chairman as his title. He replaces Chung Sung-eun, who was one of two Kia CEOs, and stepped down on Friday.

Chung's resignation came after Kia earlier this month issued a global recall totaling 104,047 vehicles for a defect in electric wiring that controls mood lighting inside the car and could cause heat-related damage. Of that total, 35,185 vehicles were recalled in the United States.

Kia Motors Corp. is an affiliate of South Korea's top automaker Hyundai Motor Co. Together they form the world's fifth-largest automotive group.

Chung's resignation came amid a wave of recalls that have shaken the global auto industry since Japan's Toyota Motor Corp. began calling in vehicles in October last year. The world's top automaker has recalled more than 10 million vehicles for problems including faulty gas pedals and floor mats.

Choo said Tuesday that Chung's resignation came "in the light of" Kia's global recall, without elaborating.

South Korea's Yonhap news agency reported Tuesday that Hyundai Motor Chairman Chung Mong-koo asked Chung to step down to take responsibility for the recalls as they suggested possible quality problems.

Neither Choo nor Hyundai Motor spokeswoman Song Meeyoung could confirm the report.

Chung, the former Kia executive, is no relation to the Hyundai chairman, Choo said.

Seo Young-jong, another top Kia executive, retains his position as company president and CEO with a focus on domestic operations, Choo said.

Kia Announces New CEO In Mood Lighting Shuffle

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

The company's stock price rose 2.3 percent Wednesday to close at 34,150 won (\$29). Kia shares tripled in value in 2009.

Source URL (retrieved on 01/25/2015 - 6:03pm):

<http://www.impomag.com/news/2010/09/kia-announces-new-ceo-mood-lighting-shuffle>