



Consumers Deserve to Know What Oil They're Buying

National Conference on Weights and Measures
Annual Meeting
July 2012



Consumers Deserve to Know

- Not all engine oils sold meet OEM-recommended standards of performance
 - Some fail long-established performance tests
 - Others not brand expected
- Consumers need proof of oil quality
 - Packaged oils include brand, viscosity grade, and API performance
 - Same not currently true for oils dispensed from bulk containers (tanks, IBCs, drums)



API Annual Audit of Oils

	<u>2010</u>	<u>2011</u>
Products collected	634	708
Bottles/bulk	395/239	506/202
PCMO/HDEO	82%/18%	85%/15%
US & Canada/all others	73%/27%	81%/19%
Viscosity grade profile		
5W-20	12%	11%
5W-30	35%	30%
10W-30	19%	25%
10W-40	6%	6%
15W-40	17%	15%
All others	11%	13%



2010/2011 Sample Distribution

- 45 out of 50 states (not AK, AZ, CO, HI, NE) and Puerto Rico over last two years
- 13 countries: Australia, Mexico, Canada, Norway, Colombia, South Korea, Dominican Republic, Spain, India, Taiwan, Japan, Ukraine, Singapore



2011 API Audit Found Problems

Number of Oils	PASSENGER CAR		HEAVY DUTY DIESEL	
	BULK	BOTTLED	BULK	BOTTLED
OILS TESTED	138	407	29	79
OILS WITH ISSUES	29	48	4	4
%	21	12	14	5

Chart reflects number of oils evaluated to date; balance under evaluation now



2011 Specific Problems

Number of Oils	PASSENGER CAR		HEAVY DUTY DIESEL	
	BULK	BOTTLED	BULK	BOTTLED
WRONG VISCOSITY GRADE	6	17	3	1
WEAR UNDER LOAD (HTHS VISCOSITY)	3	9	2	1
VISCOSITY LOSS FROM USE-SHEAR STABILITY	2	5	0	0
COLD START PROBLEMS	17	33	0	0
OIL CONSUMPTION POTENTIAL-HIGH VOLATILITY	6	15	0	0
FOAMING	1	4	0	1
CORROSION	0	2	1	1
PERFORMANCE ADDITIVES	2	19	1	1

Some oils have multiple issues



What API Learned from Receipts

	All 2011 Bulk		2011 Individual Locations	
	Count	%	Count	%
Total Population	202	-	109	-
Receipt Contents				
Visc Grade	160	79%	77	71%
Marketer	31	15%	13	12%
Brand Name	71	35%	35	32%
Performance Level	32	16%	15	14%



API Addressing Problems

- Developing and maintaining motor oil standards for vehicles on road today
- Identifying which oils meet API standards through on-line Directory
- Continuing annual audit program to ensure licensed oils meet API standard
- Enforcing API standard
- Launching licensing program for distributors and installers based on chain-of-custody standard
- Most importantly, educating consumers to ask for API-quality oils through Motor Oil Matters program



Enforcing API Standard

- Licensed and unlicensed marketers tested notified of API test results
 - Response to nonconforming results required
 - Satisfactory responses to API findings include data supporting oil, oil reformulation, and/or oil recall
 - API actions when no response received include license cancellation posted on web, product recall, and/or legal action
- API filed complaints in 2011 against several marketers and individuals in IN and MI
- Ready to do more including auditing installer receipts



API Motor Oil Matters Program

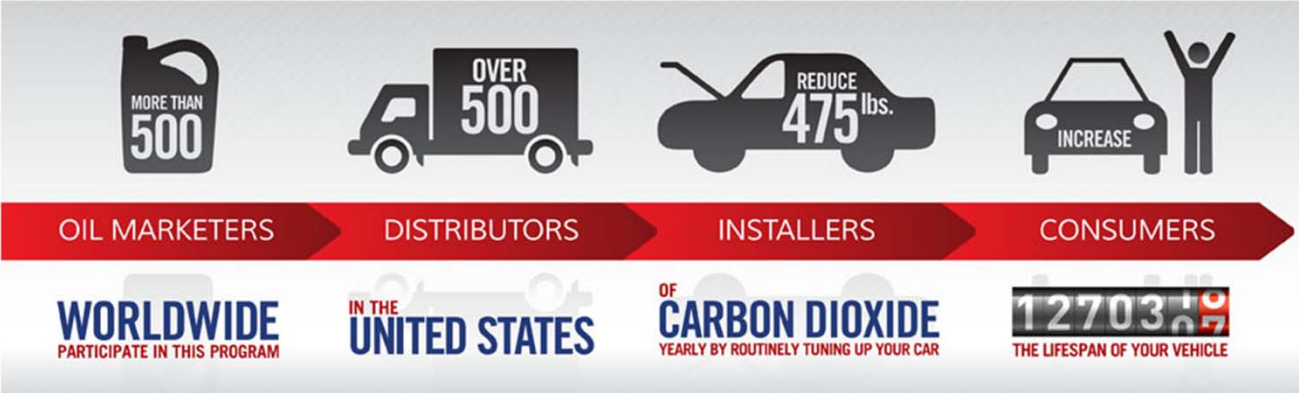
- Campaign for educating industry and consumers on importance of using high-quality oils meeting API performance standards
- Includes licensing program for motor oil distributors and installers meeting API 1525A chain-of-custody standard
- Message consistent with OEM recommendations
- Consumers encouraged to look for and demand quality oils



MOTOR OIL MATTERS



- About MOM
- Licensee Directory
- Licensee Benefits
- Join Now
- Report Abuse



MORE THAN 500
OIL MARKETERS
PARTICIPATE IN THIS PROGRAM

OVER 500
DISTRIBUTORS
IN THE UNITED STATES

REDUCE 475 lbs.
INSTALLERS
OF CARBON DIOXIDE
YEARLY BY ROUTINELY TUNING UP YOUR CAR

INCREASE
CONSUMERS
12703+
THE LIFESPAN OF YOUR VEHICLE

When you choose high-quality motor oil—like any of the products licensed through the American Petroleum Institute’s engine oil licensing program—you’re doing more than just protecting your engine. You’re also helping to improve fuel economy, protecting against deposits and reducing emissions.

API wants to make sure that when you choose an oil, you get exactly what you’ve come to expect for your car: a high-quality lubricant that protects your vehicle’s engine and emissions systems. To make finding the right oil easier, API has established Motor Oil Matters, a program that defines motor oil quality from the point of manufacture to the moment of installation in your engine.



MOM Campaign Underway

- Website
- Twitter, Facebook and YouTube platforms
- Search engine optimization and paid search campaign
- Trade Shows
- Public relations editorials
- Advertising/advertorials
- Direct communication
 - Email marketing
 - Video testimonials



Chain of Custody Standard

- Proposed new standard: API 1525A, *Bulk Engine Oil Chain of Custody and Quality Documentation*
- Marketer/blenders, distributors, and installers document brand, viscosity grade, API performance level through supply chain
- Developed in cooperation with marketer/blenders, distributors, and installers
- Installers provide brand, viscosity grade, and API performance level on printed customer receipts

MOM Program Features New Marks





Changing HB 130

- Consumers need to know what they're buying
 - Motor oil quality varies
 - Locations don't provide details on motor oils
 - Bottles tell consumers what they're buying—no reason bulk should be different
- Need NCWM to approve revision to HB 130 with proposed July 1, 2013 effective date for invoices or receipts
- Requiring viscosity grade, API performance standard, and brand for bulk oils strengthens API standard enforcement and will help consumers to know what they're buying
- **Brand critical to identifying product tested**



Current Handbook 130 Language

3.13.1. Labeling of Vehicle Motor Oil.

3.13.1.1. Viscosity. – The label on each container of vehicle motor oil shall contain the viscosity grade classification preceded by the letters “SAE” in accordance with the SAE International’s latest version of SAE J300.

3.13.1.2. Intended Use. – The label on each container of vehicle motor oil shall contain a statement of its intended use in accordance with the latest version of SAE J300.

3.13.1.3. Engine Service Category. – The label on each container of vehicle motor oil shall contain the engine service category, or categories, met in letters not less than 3.18 mm (1/8 in) in height, as defined by the latest version of SAE J183 or API Publication 1509, “Engine Oil Licensing and Certification System.”

3.13.1.3.1. Exception for Quantities of One Gallon (3.785 L) or Less. – A container of engine vehicle motor oil with a volume of 1 gal (3.785 L) or less that does not meet an active service category, as defined by the latest version of SAE J183, shall bear a plainly visible cautionary statement in compliance with SAE J183, Appendix A, for obsolete API oil categories.



Method of Sale (232-3)

2.33.1. Labeling of Vehicle Motor Oil.

2.33.1.1. Viscosity – The label on a vehicle engine oil container, receptacle, dispenser, or storage tank and the invoice from service on an engine that includes the installation of vehicle engine oil dispensed from a receptacle, dispenser, or storage tank shall contain the viscosity grade classification preceded by the letters “SAE” in accordance with the SAE International’s latest version of SAE J300.

2.33.1.2. Intended Use – The label on a vehicle engine oil container shall contain a statement of its intended use in accordance with the latest version of SAE J183.

2.33.1.3. Brand – The label on a vehicle engine oil container and the invoice from service on an engine that includes the installation of vehicle engine oil dispensed from a receptacle, dispenser, or storage tank shall contain the name, brand, trademark, or trade name of the vehicle engine oil.

2.33.1.4. Engine Service Category – The label on a vehicle engine oil container, receptacle, dispenser, or storage tank and the invoice from service on an engine that includes the installation of vehicle engine oil dispensed from a receptacle, dispenser, or storage tank shall contain the engine service category, or categories, met in letters not less than 3.18 mm ($\frac{1}{8}$ in) in height, as defined by the latest version of SAE J183 or API Publication 1509, “Engine Oil Licensing and Certification System.”

2.33.1.4.1. Inactive or Obsolete Service Categories – The label on a vehicle engine oil container, receptacle, dispenser, or storage tank and the invoice from service on an engine that includes the installation of vehicle engine oil dispensed from a receptacle, dispenser, or storage tank shall bear a plainly visible cautionary statement in compliance with SAE J183, Appendix A, whenever the vehicle engine oil in the container or in bulk does not meet an active API service category as defined by the latest version of SAE J183.

2.33.1.4.2. Tank Trucks or Rail Cars – Tank trucks, rail cars, or other types of delivery trucks that are used to deliver vehicle engine oil are not required to display the SAE viscosity grade and service category or categories as long as the bill of lading or other documentation provides that information.

All references to invoice or receipt will be enforceable effective on July 1, 2013.



Engine Fuels and Automotive Lubricants Regulation (237-6)

3.13.1. Labeling of Vehicle Engine Oil.

3.13.1.1. Viscosity – The label on each container of a vehicle motor engine oil container, receptacle, dispenser, or storage tank and the invoice from service on an engine that includes the installation of vehicle motor engine oil dispensed from a receptacle, dispenser, or storage tank shall contain the viscosity grade classification preceded by the letters “SAE” in accordance with the SAE International’s latest version of SAE J300.

3.13.1.2. Intended Use – The label on each container of a vehicle motor engine oil container shall contain a statement of its intended use in accordance with the latest version of SAE J300 J183.

3.13.1.3. Brand – The label on a vehicle engine oil container and the invoice from service on an engine that includes the installation of vehicle engine oil dispensed from a receptacle, dispenser, or storage tank shall contain the name, brand, trademark, or trade name of the vehicle engine oil.

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Thanks for Listening

Kevin Ferrick

Manager, Engine Oil Licensing and Certification System

Diesel Exhaust Fluid Certification Program

Motor Oil Matters Program

1220 L Street, NW

Washington, DC 20005

USA

ferrick@api.org

1-202-682-8233