



Service Line

NEWS AND IDEAS FROM AMSOIL

NOTES

Statement on the Price of AMSOIL Motor Oils

While crude oil costs have leveled off in recent weeks from the highs seen this summer, the cost of many of the specialty base stocks and additives AMSOIL uses have continued to rise. These costs are directly related to supply and demand issues, rather than the cost of crude oil. And while AMSOIL makes every effort to keep prices down, the company will not sacrifice product quality and performance to capture sales with low-cost, low-end products. Instead, AMSOIL customers will continue to receive the most technically advanced lubricants on the market. AMSOIL products may cost more upfront than some other products, but the cost of AMSOIL products is offset by reduced maintenance costs, improved fuel economy, extended drain intervals and longer equipment life.

AMSOIL customers can be assured that AMSOIL will continue to monitor its raw material and production costs and impose only those price increases proportionate to those costs. Furthermore, AMSOIL will ensure that any major reduction in raw material and production costs will be passed on to its customers.

Industry News...

Tire Pressure and Fuel Economy

According to a recent article in *Light & Medium Truck*, proper inflation is more important for extending the life of a tire in a metro fleet than it is for fuel economy. Fuel economy is always a high priority in preventative maintenance plans, and part of that includes ensuring optimal tire inflation based on a vehicle's load. But determining exactly how tire inflation affects fuel economy is not easy, particularly for metropolitan fleets.

"Tires that are inflated for the load they are carrying will operate as they have been designed to operate," said Guy Walenga, engineering manager at Bridgestone Firestone North American Tire LLC, Nashville, Tenn. "Properly inflated tires will give you the best performance throughout the tire's entire economic use, including mileage, handling and noise."

According to Walenga, making a difference in fuel economy comes down to roll resistance, which measures the force necessary to get the tires rolling. The harder and more inflexible a tire is, the lower the roll resistance, which results in better fuel econ-

omy because it's easier to get the vehicle in motion. As tire inflation decreases, roll resistance increases, and fuel economy suffers.

In the article, Walenga said that looking at tire inflation as a percentage can help medium-duty fleet managers determine the best rate. However, the rate at which an underinflated tire affects fuel mileage is up for debate. Walenga said a 10 psi variance for Class 8 tires, or 10 percent, translates into a .5 percent change in fuel economy, and a 20 percent change in psi would result in a two percent change. Curtis Decker, national manager of field engineering, commercial division for Continental Tire North America said, "Using SAE standards, it has been found that one flat tractor-trailer tire will cause a 14 percent loss in fuel economy. Add an additional tire at 10 psi under recommended levels and the loss rises to 20 percent." According to the article in *Light & Medium Truck*, SAE standards define a flat tire as one that is underinflated by more than 20 percent of optimum.

AMSOIL Products Improve Fuel Economy

AMSOIL products improve fuel economy for all types of vehicles. For optimum fuel efficiency, install AMSOIL ATF and AMSOIL Gear Lubes along with AMSOIL Synthetic Motor Oil.

AMSOIL Synthetic Lubricants provide increased lubricity, allowing moving parts to move more easily and creating less friction. Additionally, the imperfect, randomly-shaped molecules in petroleum oils create additional friction as they try to pass each other in the oil stream. Synthetic oils are naturally more lubricous. Their uniform molecules glide easily against one another, further reducing friction and increasing fuel efficiency.

Add AMSOIL diesel additives and AMSOIL Ea or Donaldson Endurance fil-

ters and improve operational efficiency even further. Not only do AMSOIL products provide the ultimate in protection and performance, they do so while improving business owners' bottom line by improving fuel economy and reducing downtime.





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Synthetics Infiltrating Quick Lube Market

While many quick lube owners have embraced synthetic motor oils and drain intervals beyond 3,000 miles, many more still shudder at the thought of telling their customers to come back less often. In reality, customers appreciate honesty and quality. Consumers are realizing that synthetic motor oils offer superior protection and extended drain intervals. In fact, most vehicle original equipment manufacturers (OEMs) recommend drain intervals well beyond the 3,000-mile interval consumers were used to. In Europe, extended oil drain intervals and specialized motor oils have been the norm for years, leaving many to wonder why Americans and American automakers haven't followed suit. According to an article in the August 2006 *National Oil and Lube News* (NOLN), the American oil market should be mimicking the European market sooner rather than later.

"Marketing niche and specialty products today can be a dress rehearsal for what's coming tomorrow," said Matthew Ansari, global technology manager for Passenger Car Motor Oils with Chevron. "Having a diversified line of products will be a necessity in three to five years."

Ansari thinks diesel engine technology will drive the need for a more diversified, and more European-like, motor oil offering. "OEMs have every intention of increasing diesel engines' population," said Ansari.

Diversification among diesel oils has begun already with the introduction of CJ-4. AMSOIL now offers Synthetic 5W-40 Premium Diesel Oil for 2007 and newer diesels, but still offers its classic stable of synthetic diesel oils for consumers who are looking for premium protection and extended drain intervals in vehicles made before model year 2007. Potential further need for specialty motor oils could result from the increasing popularity of

hybrids and engines run on E85 and biodiesel. This means lube operators will need to offer a wider array of products.

"These types of engines will proliferate, and you will see more of them in all classes of cars," Ansari said. "If a consumer goes to an installer who doesn't have the right oil, it's not a good scenario, automakers will insist that installers use the right oil."

According to NOLN, future motor oils will not only be highly specialized, installers can also expect these new oils, which can be synthetic, to cost more, meaning customers need to be educated about the expense. Ansari said one thing lube operators will have to accept are factory-recommended oil change intervals that are longer than traditional ones.

"A lot of installers like to see customers every 3,000 miles, but it's counterproductive to sell synthetics and have customers come back every 3,000 miles," said Ansari. "Synthetics last longer and do offer extended drain intervals."

Ansari said that synthetic motor oils are what give European customers and automakers the peace of mind to go for extended drain intervals. "Synthetics offer a higher degree of assurance," he said. Lube operators will be able to move synthetic lubricants more into the mainstream once they accept that customers don't necessarily have to come in every 3,000 miles.

"Synthetics are a niche product because they're currently not offered for the value they can deliver," said Ansari. "Frequent customer visits are predicated on quality service." AMSOIL offers a full line of synthetic lubricants that offer extended drain capabilities. AMSOIL Synthetic Motor Oils provide superior protection and peace of mind over extended drain intervals from the world's first synthetic oil to meet API requirements.



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E85 Burns Cleaner But Is Less Efficient

According to tests and an investigation conducted by *Consumer Reports*, E85 ethanol costs consumers more money than gasoline, raising concerns over whether or not the government's support of flex-fuel vehicles will really help the U.S. move toward energy independence. AMSOIL has been providing top-quality synthetic lubricants that decrease U.S. dependence on foreign oil for over 30 years. AMSOIL Synthetic Motor Oils reduce the amount of oil consumed through extended drain intervals, and AMSOIL products are made in the United States.

According to the *Consumer Reports* report, E85 emits less smog-producing pollutants than regular gasoline, but provides fewer miles per gallon, costs more and is hard to find outside the Midwest. While the price of E85 varies, in some places the retail price is more than regular gasoline, in others it is not, its inefficiency when compared to gasoline makes it consistently more expensive. *Consumer Reports* also claims that government support for flex-fuel vehicles is indirectly causing more gasoline consumption rather than less.

The study involved a 2007 Chevy Tahoe Flexible-Fuel Vehicle (FFV) that was submitted to various fuel economy, acceleration and emissions tests. *Consumer Reports* noted an overall fuel economy drop from 14 mpg when regular gas was used, to 10 mpg when using E85. The Tahoe got 15 mpg on the highway and 7 mpg in city driving. According to *Consumer Reports*, a similar decrease in gas mileage in any current FFV should be expected because ethanol has a lower energy content than gasoline; 75,670 British thermal units (BTUs) per gallon vs. 115,400 BTUs for gasoline according to the National Highway Traffic Safety Administration. This means vehicles have to burn more fuel to generate the same amount of energy.

According to the Oil Price Information Service, the retail pump price of E85 averaged \$2.91 in the month of August, a 27 percent

fuel-economy penalty means drivers would have paid an average of \$3.99 for the energy equivalent of a gallon of gasoline. *Consumer Reports* also calculated the Tahoe's driving range and discovered that the SUV got around 300 miles on a full tank of E85, compared with about 440 miles when running on gasoline.

Another inhibiting factor for E85 is its lack of availability. Because most of the ethanol in the U.S. is made from corn, and all of the cornfields and ethanol production facilities are in the Midwest, that's where nearly all of the gas stations that offer E85 are as well. Nationwide, there are only around 800 out of 176,000-plus gas stations that offer E85. Despite E85's lack of availability, the Big Three auto manufacturers have fully embraced FFVs, partly because government credits FFVs with more fuel economy than they actually get using gasoline, even though the majority of them may never run on E85. This allows automakers to build more large vehicles that get poor gas mileage under the Corporate Average Fuel Economy rules. As a result, these credits have increased annual U.S. gasoline consumption by about one percent, or 1.2 billion gallons, according to a 2005 study by the Union for Concerned Scientists.

While E85 provides some environmental benefits over gasoline, it is clearly not a long-term solution. AMSOIL products go a long way toward solving many of the issues that are fresh in the minds of consumers today. Environmentally, AMSOIL products reduce emissions and the amount of used oil generated. Economically, AMSOIL products provide improved gas mileage, reduced maintenance and downtime and less money spent on oil and oil changes each year. Mechanically, AMSOIL products offer protection and performance that can't be matched by any competing products. Better for the environment, better for the checkbook, better for equipment; AMSOIL is clearly a better choice.

AMSOIL ATF Provides Protection for 162,000 Miles

AMSOIL Direct Jobber Gerry Reid of Raleigh, N.C. purchased a 2000 Ford E350 van new off the showroom floor. Reid had the dealership install 15 quarts of AMSOIL Synthetic Universal Automatic Transmission Fluid before he drove it home. Recently, Reid realized his van had accumulated 162,000 miles and had never had the ATF changed. He and his family were leaving for a trip to Branson, Mo. pulling a 9,600-lb. travel trailer, so Reid thought it was wise to change the ATF before they left.

“I had pushed far beyond the AMSOIL-recommended 100,000-mile drain interval, especially considering the towing I had done and knowing that these transmissions weren’t bulletproof,” said Reid.

Reid waited at the local Ford dealership while they changed the fluid. He asked to see the transmission oil pan before they cleaned it so he could take some pictures.

“You can still see the red color, the pan looks like new and the filings were minimal,” said Reid. “Needless to say

the parts manager was impressed, asked a lot of questions about AMSOIL and wants to start carrying AMSOIL products.”



Gerry Reid's transmission oil pan was exceptionally clean after having the ATF in service for 162,000 miles.

The AMSOIL Service Line sent courtesy of your Servicing AMSOIL Dealer.

Jeff Fisher

866-292-4700

www.SyntheticOils.us

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