



AMSOIL WARRANTIES AND API LICENSING

Why aren't all AMSOIL motor oils API licensed?

Let us address API licensing in depth, as well as the issue of warranties. Some AMSOIL motor oils are API licensed, some are not. If you feel the need to use an API licensed oil, even after reading this blueprint, then the ***XL 5W-20 (XLM), 5W-30 (XLF), 10W-30 (XLT) and 10W-40 (XLO); OE 5W-20 (OEM), 5W-30 (OEF) and 10W-30 (OET)*** or AMSOIL ***Synthetic Blend 15W-40 (PCO)*** API licensed oils should be your choice. If you are looking for an alternative to frequent oil changes or just want the best performing oil for your car, then one of the AMSOIL top tier non-API licensed synthetic oils should be your choice. Read on, and decide for yourself.

Downloadable Files & Links	File Type	G-Number	File Size
<i>Extended Life 5W-20, 5W-30, 10W-30 & 10W-40 Synthetic Motor Oils (XLM, XLF, XLT, XLO)</i>	Data Sheet	G1404	223 KB
<i>OE 5W-20, 5W-30 & 10W-30 Synthetic Motor Oils (OEM, OEF, OET)</i>	Data Sheet	G3404	149 KB
<i>Synthetic Blend 15W-40 Heavy-Duty Motor Oil (PCO)</i>	Data Sheet	G151	464 KB

What is API licensing for passenger cars?

An API (American Petroleum Institute) license indicates that a specific motor oil formulation has passed the *minimum* performance standards as defined by a series of laboratory bench, physical, chemical and engine tests. These tests were selected and minimum performance standards were set by the API Lubricants Committee to address specific areas such as engine wear, deposits, fuel economy, emissions, etc. The committee is comprised of representatives from automobile, oil and additive companies. The current specification is SN/GF-5 for gasoline engines and CJ-4 for severe-duty diesel engine service and CF for indirect injected diesel engine service.

What are the costs of API licensing?

The cost for running a test program for a single fuel efficient passenger car motor oil formulation ranges from \$230,000 to \$350,000, depending on whether the formula passes the tests the first time through. A formula may require multiple test runs or formula modifications to achieve a passing average (testing costs for heavy-duty diesel oils are currently averaging between \$750,000 to \$1,000,000). Once that testing is complete and the formula has passed all of the minimum requirements, it can be licensed for \$1,250 per year for non-members and \$1,050 per year for members. There is also a royalty fee per gallon sold for all gallons over one million. The length of time between new specifications is now approximately two to three years, which does not allow a great deal of time to recover testing costs.

Which companies license formulas with the API?

Additive companies develop licensed formulas that they offer to oil companies to re-license. It is inexpensive to re-license one of these formulas, and the majority of oil companies choose to do this to avoid the costs associated with testing their own formulas. This lowers the value of such engine oils because the same chemistry is being sold under many brand names. The lubricant formulas from AMSOIL INC. are unique and proprietary.

Is there any flexibility in manufacturing an API licensed formula?

API licensing was originally developed for mineral-based oils, and it affords these oils more flexibility than synthetic oils.

Conventional oils comprised of petroleum base stocks may use a simple program called base stock interchange for added flexibility in manufacturing and purchasing. Interchange means that by completing the proper paperwork and running a few minor tests an oil company can choose to buy these petroleum base stocks from many different suppliers. This ensures adequate supply and competitive pricing. However, synthetic base stocks are supplier specific and base stock interchange is not allowed. For example, if a formula was tested with an ester base stock from a specific supplier then only that supplier's ester can be used. Complete engine testing would be required to use that exact same ester from another supplier and is therefore not performed because of the associated costs. This inflexibility makes price negotiations with synthetic base stock suppliers very difficult and it increases business risk. Supply disruptions from only one source could shut down production.

There is also something called viscosity grade read-across. Fortunately, this applies to both petroleum and synthetic base stocks, although the better cold temperature performance of synthetics makes it more difficult to achieve in some situations. The read-across guidelines ensure that if a manufacturer properly formulates the lubricant for which all of the API tests have been performed, then the manufacturer may use that same basic formula to make more grades (i.e. 5W-20, 5W-30, 10W-30, etc.) of the same motor oil.

Finally, there is a rule for substitutions in the CMA (Chemical Manufacturers Association) code of practice that allows a *small* degree of flexibility for all formulas. It allows a company to make changes of certain components in the formula with limited testing and paperwork requirements, provided that the additives are at the same or higher concentration.

So why doesn't AMSOIL license all of its synthetic motor oils?

If all AMSOIL motor oils were API licensed, the company could not source new raw materials from multiple suppliers, which would greatly increase the threat of supply disruption and the likelihood of extraordinarily high prices. To solve this problem, the API must establish base stock interchange guidelines for synthetic base stocks just as they have for other base stocks, as well as develop interchange guidelines for other components too.

Are manufacturers warranties affected by the decision to use an API licensed motor oil?

Fortunately, the law does not allow manufacturers to "void your warranty" simply because of the brand of oil you use, the specifications it meets or the miles you drive between oil changes. Specifically, they cannot deny fixing your broken radio, faulty valve or cracked piston because you used a non-API licensed AMSOIL motor oil, or because you've gone more than 3000 miles since your last oil change. Denial of warranty coverage must be specifically due to an oil related failure. To read more about [warranties and AMSOIL](#), click on the link below for an AMSOIL *ACTION NEWS* article addressing some key concerns.

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Warranties and AMSOIL	Action News Article	----	400 KB

Many high performance vehicles are factory filled with synthetic motor oils, and the manufacturers of vehicles such as Cadillac, Chevrolet Corvette and Dodge Viper encourage continued use of synthetic motor oils in order to achieve maximum performance. Many other automobile manufacturers neither recommend nor discourage the use of synthetic motor oils, requiring only that the oil meets a certain viscosity grade and performance classification.

Furthermore, automakers may not void warranties based solely on an owner's practice of extending oil drain intervals. Dealership personnel and district managers may be unaware of the serviceability of synthetic oils over an extended period, but they may not summarily dismiss a warranty claim based on the owner's practice of changing oil at extended intervals. To do so does not disprove a defect in manufacture or workmanship as the immediate cause of failure. Vehicle owners may appeal to a factory representative if the dealership and district manager do not satisfactorily settle the warranty claim. Factory representatives appreciate the value of used oil analysis, and do consider preventive maintenance oil analysis reports in their evaluations of warranty claims. They also consider post-failure oil analysis critically important to the disposition of a warranty claim. Their findings pull more weight than the opinions of dealerships or district managers.

If used engine oil is discarded without an independent analysis, the dealership and vehicle manufacturer lose their evidence to support a claim that the oil, and not a mechanical problem, caused the failure. For example, sludge may be formed through several avenues, not all related to the oil's performance. Antifreeze contamination or nitration due to poor electronic sensor performance may cause sludge, and both may be directly related to a defect in vehicle manufacture or workmanship, but clearly neither may be blamed on the oil.

Vehicle manufacturers base their owner's manual maintenance recommendations on their own research of how to best protect their equipment based upon lubricants of varying quality, reliability and value in the marketplace. A move toward extended drain intervals is in progress now. Ford recently extended its recommended drain interval to 10,000-miles in select 2011 models operating in normal service conditions, while GM has been recommending increased intervals when indicated by its oil monitoring system.

AMSOIL offers superior synthetic motor oils fully capable of providing extended drain service. AMSOIL is committed to backing its products, as well as protecting the interests of its customers. Therefore, AMSOIL INC. offers its customers a **warranty**. AMSOIL synthetic motor oils are formulated to surpass engine test specifications, offering protection far greater than competing motor oils for extended drain intervals. Most synthetic oil manufacturers make no claim to extended drain intervals, deferring to the maintenance schedule provided by the vehicle manufacturer. With its unparalleled oil and warranty program, AMSOIL offers consumers unprecedented protection and economics.

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AMSOIL Limited Warranty	AMSOIL Warranty	G1363	64 KB

Warranty Specifics

Any lubricant meeting viscosity and performance specifications may be used - Vehicle manufacturers describe lubricants by their viscosity grade and service classification, which are defined by the Tripartite Committee, composed of the American Petroleum Institute, the Society of Automotive Engineers and the American Society for Testing and Materials. All AMSOIL synthetic motor oils state their SAE viscosity grade and API performance classification on the product container, and all are recommended for the highest performance classification for their application.

The vehicle manufacturer may not specify by brand name the products you may use in your vehicle - The **Magnuson-Moss Act** is a federal law which states that a manufacturer may not require the use of a specific brand of aftermarket product, including lubricants, unless that part is provided by the manufacturer free of charge. To do otherwise constitutes an infringement upon free trade.

Downloadable Files & Links	File Type	G-Number	File Size
Magnuson-Moss Act	Web Article	---	---

Cause of failure is paramount to warranty claim payment - Vehicle manufacturers warrant their products to be free of defect in manufacture or workmanship. In order to avoid paying a warranty claim, a vehicle manufacturer must show that a failure is not due to a defect in the manufacture or workmanship of the vehicle. The manufacturer may not arbitrarily blame a failure on the consumer's practice of changing oil at extended intervals.

Verbal notification of refusal to honor a claim is insufficient - The refusal must be in writing and must state the specific reason a claim has been refused. If you still think a failure is due to a defect in vehicle manufacturing or workmanship, contact the dealership, district manager, manufacturer or arbitrator.

The AMSOIL warranty assumes protection where the vehicle warranty stops - AMSOIL offers complete protection to its customers through the finest line of lubricants and filters available and through the unique AMSOIL warranty. Customers following AMSOIL recommendations are protected by the AMSOIL warranty if they experience a failure caused by an AMSOIL product and the vehicle manufacturer won't honor its warranty.

Customers are Covered - As long as customers maintain their vehicles properly and follow either the vehicle manufacturer recommendations or AMSOIL recommendations, their vehicles are warranted against failure by either the vehicle manufacturer or AMSOIL INC.

Courts of law will find against any manufacturer or dealership that strong-arms customers in regard to warranties. If any automobile dealership insinuates that your warranty will be void if you use AMSOIL products or utilize extended drain intervals, let AMSOIL INC. know the name of the Dealership, the address, the owner's name and the name of the employee that made this statement.

You can mail this information to:

AMSOIL INC.
Attention: Technical Services Department
One AMSOIL Center
Superior, WI 54880

Or email to:

tech@amsoil.com

Manufacturers are usually hesitant to put such statements into writing, but if they do send AMSOIL a copy of the letter for our records. In either situation, AMSOIL will send out a **letter** informing them to cease the intimidation of our customers.

Downloadable Files & Links	File Type	G-Number	File Size
AMSOIL Warranty Letter	AMSOIL Sample Warranty Letter	----	----

Only if the oil is determined to be the direct cause of the engine problem can a manufacturer or dealership deny warranty coverage for that specific problem. In this situation, the AMSOIL warranty would apply and the AMSOIL Technical Services Department would assist you in processing your claim and in getting the vehicle repaired. AMSOIL INC. sells millions of gallons of oil per year and warranty claims are a rare occurrence. If you ever have a warranty problem with an automobile manufacturer or dealership, AMSOIL will assist you by analyzing the problem and providing data supporting the fact that repairs should be made under the vehicle manufacturer's warranty. If this does not resolve the problem, AMSOIL will submit a claim with our insurance company and request that an adjuster have the vehicle repaired and pursue legal settlement later if necessary.

How does AMSOIL INC. ensure that its products meet or exceed the minimum specifications of the tests required for API licensing?

First, AMSOIL INC. works closely with major additive companies to select the top performing, and usually most expensive, passenger car and heavy-duty diesel motor oil additives. These additives have already passed all of the API licensing requirements in a petroleum or synthetic based formulation. Then, AMSOIL works with the additive company to *maximize* the amount of additive used and to boost the additive package in selected performance areas to achieve an optimum performing additive package for reduced wear and extended drain intervals. This is unlike other oil companies which, because additives are expensive, use the *minimum* amount of the least expensive additives required to meet the minimum API requirements.

AMSOIL then utilizes a combination of synthetic base stocks with known performance characteristics as replacements for the petroleum base stocks to optimize performance in areas of lubricity, volatility, viscosity index, oxidation and nitration resistance, pour points, flash points, deposit control, soot handling, emissions and many other areas as well. AMSOIL also utilizes a high quality V.I. improver with better viscosity and cleanliness properties. This replaces the inexpensive, low quality V.I. improver used in the API licensed petroleum formula. AMSOIL does laboratory bench tests and runs field tests to verify the superiority of the synthetic formula. AMSOIL continues to monitor the performance of the oil through close scrutiny of tens of thousands of oil analysis tests per year across a wide variety of vehicles all around North America and the world. AMSOIL INC. has been collecting used synthetic oil samples from passenger cars since 1982. No other oil company has such a vast database of the performance of synthetic lubricants over extended drain intervals.

AMSOIL products and formulations outperform API licensed oils because they are engineered for top performance from the very beginning.

Conclusion

AMSOIL INC. has never conformed to industry norms or standards when those standards are contrary to peak performance. AMSOIL introduced synthetics to the automotive world in 1972 with the first synthetic motor oil to exceed API performance specifications. At that time other manufacturers refused to recognize the superior performance of synthetic motor oils. Today, however, most companies sell synthetic lubricants, vehicles are factory filled with synthetic motor oils and gear lubes and some manufacturers even offer extended warranties if you use synthetics. AMSOIL has always offered extended drain intervals because the oil was capable of performing for extended drains and it was the right thing to do for the consumer. Now the entire industry is moving in that direction. General Motors is now extending drain intervals (as much as 12,000+ miles) through the use of their oil life monitoring system, Ford has extended its drain interval recommendations and some foreign automakers recommend 10,000 mile and longer oil drain intervals. Additionally, competitive oil companies are now extending drain intervals to 15,000-miles.

AMSOIL *is* a company of firsts. That doesn't happen by conforming to industry norms and standards. API licensing of lubricants is voluntary, and it ensures automobile manufacturers and consumers that the product meets a set of *minimum* standards. For those who feel pressured to use an API licensed product, AMSOIL has options available (XLM, XLF, XLT, XLO, OEM, OEF, OET and PCO). AMSOIL does offer better performing motor oils that are not API licensed for all of the reasons explained above. They provide customers with alternatives to the commodity products typically available in the market today. If you want the convenience of extended drain intervals or the top performance from your vehicle, AMSOIL has engineered the very best money can buy.