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October 23, 2009

Ms. Barbara Dennis, Chair
Lubricants Committee
American Petroleum Institute
1220 L Street, N.W.
Washington, D.C. 20005-4070

Re: GF-5/API License Program

Dear Ms. Dennis:

ILMA is concerned with the apparent impasse in the negotiations within the ILSAC/OIL Committee on the test limits for the GF-5 Specification. There exists the increasing possibility that, if the GF-5 Specification is not finalized by the December 2009 deadline, ILSAC and its members may withdraw their support for the API Licensing Program.

ILMA views the API License Program as the “backbone” for the standardization of engine oil specifications in our industry. The mere possibility that the API License Program, as it currently exists, could be in jeopardy is untenable for ILMA member companies. Simply, the API License Program provides a “level playing field” for independents to compete in the market for passenger car motor oils (PCMOs). The cost and complexity of securing approvals and/or licenses from multiple automakers for PCMOs with different specifications would create a significant competitive barrier to ILMA member companies.

At the same time, the loss of the current API License Program would not benefit the motoring public. ILMA believes that there would be the increased likelihood for “bad” PCMOs to be introduced into the marketplace if the current API License Program were to disappear. Further, the Association’s quality testing initiative, begun in 2007, would be jeopardized.

ILMA strongly supports the API Licensing Program and urges the API Lubricants Committee to take necessary action to maintain the integrity of the current API License Program for the most current PCMO specification.

Sincerely,

Celeste M. Powers, CAE
Executive Director

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