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Fiat Chrysler Unveils Its \$10.5 Billion Electrification Plan

Soon-to-retire Fiat Chrysler Automobiles (FCA) CEO Sergio Marchionne Friday before last at a presentation of the 2018-22 business plan said the company will invest EUR 9 billion (USD 10.5 billion) to develop and deploy and expand its lineup of electric-powered vehicles, part of an EUR 45 billion (USD 52.4 billion) investment over the next five years. Marchionne said he expects that by 2025, fewer than half of all the cars sold in Europe will be fully combustion-powered, as gas and diesel give way to hybrid, electric and fuel-cell drivetrains. Fiat Chrysler said it plans to phase out diesel vehicles by 2021 in Europe, to meet increasingly stricter emissions rules. FCA's EUR 45 billion investment is focused on four core brands: Jeep SUVs, Ram pickups and Alfa Romeo and Maserati luxury cars. Only about 15% of the company's planned EUR 45 billion spending will be used for its combustion engine technology. Fiat Chrysler Automobiles plans to offer electrified versions across its entire Alfa Romeo, Maserati and Jeep lineups to be launched in the next five years while the truck brand, Ram will have alternative powertrain for high-end premium trucks only. Jeep will stop selling diesel cars in Europe, and introduce four new, fully electric models. Maserati will target Tesla Inc. with a full-electric sports car that reaches more than 186 miles per hour. The head of the luxury line Maserati, Tim Kunsiskis, said the brand aims to compete with Tesla with an all-electric supercar named "Alfieri" that will accelerate from 0-100 kilometers (0-60 miles) an hour in around two seconds. Maserati is entering an exclusive deal with Ferrari for all future powertrains, including hybrid, plug-in hybrid and full-battery electric, while it eliminates diesel engines. "This plan will provide the portfolio of products aligned with our brands that will ensure our ability to comply in each region," with stricter emissions and fuel-economy standards, Marchionne said. By boosting sales of SUVs and trucks while investing in future technologies, such as electric-powered and self-driving cars, Fiat Chrysler hopes to double operating profit to EUR 16 billion (USD 18.6 billion) by 2022 and reach double-digit profit margins. The automaker also said it is pursuing an aggressive growth agenda globally, led by Jeep which will launch three all-new vehicles, including a subcompact for emerging markets and a reintroduced supersize Grand Wagoneer for the U.S. It will also expand electric engine options to all Jeeps, including four fully electric SUVs. "All models will have a range of electric options" by 2022, said Mike Manley, head of the Jeep and Ram brands. Fiat Chrysler plans to downsize its namesake brands, people familiar with the matter said. The company is considering ending sales of Fiat cars in North America and China in the coming years. Marchionne plans to retire some time next year, but it is believed by insiders that he will stay on in some way to get the 2022 targets off to a good start also stating it would please investors if he stayed on perhaps as Chairman. Perhaps the biggest question for investors is who will be chosen as the new CEO after Marchionne is gone. Marchionne, one of the longest serving in the auto industry, is leaving at a time of great transition. Chairman Elkann has said the new chief will be chosen among Marchionne's closest aides. Chief Financial Officer Richard Palmer, Europe head Alfredo Altavilla and Jeep chief Mike Manley are seen as the leading candidates.

TOTAL to Manufacture Kubota's Line of Genuine Oils in Canada

Total Canada Inc. and Kubota Canada Ltd. have signed a partnership agreement on April 26, 2018. Through this partnership, Total will manufacture Kubota's complete range of Kubota Genuine Oils in its Montreal based plant. In order to cater to the needs of the Agricultural market, Kubota Canada is launching its new line of genuine engine oils, hydraulic oils and universal differential transmissions (UDT) fluids, manufactured by Total Canada, in all 150 Kubota dealerships starting now. Jack Fasoli, HDMO Key Account Manager, Total Canada advised OEM/Lube News these oils are as follows: - Kubota Premium Heavy Duty 15W-40 Engine Oil - SAE 15W-40 API CK-4/SN engine oil for both gasoline and diesel engines - Kubota Premium Heavy Duty 10W-30 Synthetic Blend Engine Oil - SAE 10W-30 API CK-4 Semi-Synthetic diesel engine oil - Kubota Premium UDT Hydraulic Transmission Fluid - a universal tractor hydraulic/transmission fluid - Kubota All Season Hydraulic Excavator Oil - ISO 46 AW hydraulic oil - Kubota K4 Trans Hydraulic Fluid - ISO 68 oil specifically formulated for Kubota's new M7 tractors and meeting others specifications as well - Kubota SSV-SVL Hydraulic Oil 46 - ISO 46 oil specifically for Kubota SSV and SVL models and loaders "Our plant is based in Montreal, where all the Kubota products are made and we deliver to all Kubota's dealerships across Canada" Fasoli told OEM/Lube News. New packaging sizes including 208 litre drums and 1 litre jugs, are being added to its range. "We are excited to have formed this strategic partnership with Total. Having Total's headquarters based in Canada keeps us close and focused on our distribution & service levels, allowing Kubota Canada and our dealers to better service their customers with the product, package sizes and the distribution network they require", says Parts Manager Brandon Hickey. "Total is very proud of this close cooperation which is the result of our know-how and our lubricant R&D efforts. Total is the 4th global player in the engine oil industry," adds Franck Bagouet, President of Total Canada. Kubota Canada Ltd. was formed in 1975 as a Canadian company affiliated with the Kubota Corporation of Osaka, Japan.

ExxonMobil and TOTAL USA Announce Finished Lubricant Price Increases

In a letter dated June 1, 2018, ExxonMobil Fuels and Lubricants Company advised that effective July 1, 2018 ExxonMobil branded and unbranded passenger vehicle lubricants, commercial vehicle lubricants, industrial, marine & aviation lubricants and greases will increase in price by up to 9%. No specific reason was given by ExxonMobil in the letter for the price increase. In a letter dated June 8, 2018 to TOTAL Specialties USA customers, TOTAL announced that as a result of the continued escalation in cost of base oils, additives and other materials used in the manufacturing and distribution of finished lubricants, effective Monday, July 9, 2018 prices on TOTAL branded lubricant products will be adjusted. On the effective date product prices will increase from 4% to 6% for most products.

BASF Names Chemroy a Distribution Partner in Canada

BASF announced last Monday it has signed a distribution agreement with Chemroy, a distributor of specialty chemicals, to manage its portfolio of antioxidants, base stocks, surfactants and additives throughout Canada. The product brands include Irganox®, Irgacor®, Irgalube®, Irgaflo®, Synative®, Plurasafe® and Breox®. The agreement supports customers participating in the lubricants and metalworking market and becomes effective June 1, 2018. 'Chemroy's industry expertise, agility and adaptability to meeting individual customers' needs makes them the right distributor for our lubricant additives and metal working products in Canada,' said Eric Escobar, Director of Corporate Distribution, BASF. The global business unit Fuel and Lubricant Solutions is a leading supplier to the transportation and mineral oil industries worldwide and part of BASF's Performance Chemicals division. Offerings cover fuel performance packages, refinery additives, polyisobutenes, engine coolants and brake fluids as well as lubricant additives, compounded lubricants, synthetic base stocks and components for metalworking fluids. The business unit has its main facilities in Ludwigshafen, Germany, Cincinnati and Florham Park in the USA, Nanjing and Shanghai in China, as well as Sao Paulo, Brazil. Research and development is mainly driven out of Ludwigshafen, Germany, Tarrytown, USA and Shanghai, China. BASF Corporation, headquartered in Florham Park, New Jersey, is the North American affiliate of BASF SE, Ludwigshafen, Germany. BASF has more than 18,200 employees in North America, and had sales of \$17.9 billion in 2017. BASF generated sales of €64.5 (US\$76) billion in 2017.

SK Capital Buys SI Group

SK Capital Partners, a private investment firm focused on the specialty materials, chemicals and pharmaceuticals sectors, announced today an agreement to acquire SI Group, a global developer and manufacturer of performance additives and intermediates. Headquartered in Schenectady, New York, SI Group operates 20 manufacturing facilities on five continents with more than \$1 billion in annual sales and over 2,800 employees worldwide. SI Group is being acquired from the descendants of W. Howard Wright, who founded the company in 1906. At the close of the transaction, SK Capital will combine SI Group and Addivant, a global supplier of additives including antioxidants, antiozonants, inhibitors, polymer modifiers and UV stabilizers used by customers to improve the production and performance properties of polymers, plastics and rubbers. SK Capital has owned Addivant since 2013. SK Capital formed Addivant in May 2013 to acquire the antioxidant and UV stabilizer business of Chemtura Corporation. Barry Siadat, a co-founder and Managing Director of SK Capital, noted, "We are excited that SI Group will be joining the SK Capital portfolio of chemicals and pharmaceutical businesses. SI Group has an excellent fit with the technologies and end markets of several SK Capital businesses, including Addivant in additives, Noramco in the area of pain management pharmaceuticals, and TPC Group in building block chemicals for certain SI Group products. These technology and market connections will enhance and accelerate the continued growth and transformation of SI Group. Additionally, by combining the complementary strengths of SI Group and Addivant, we will be creating a global technology and industry leader in plastic, lubricant, oilfield and rubber additives." "SK Capital is a firm known for its sound business practices, deep industry experience, and impressive portfolio of companies in the chemicals sector," said Wallace A. Graham, Chairman of SI Group. "We are thrilled by the prospect of SI Group joining SK Capital, as it will enhance the company's performance additives and intermediates business in the plastic, oil and gas, pharmaceutical and rubber sectors. We expect to see great things in the years ahead." The transaction is expected to close in the second half of 2018.

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