LubriTec LUBRICATION TECHNOLOGIES

INTERNATIONAL EDITION

OEM/Lube News

Lube Related OEM News, Lube Industry Personnel Appointments, New Lube Blending and Base Oil Plants, Mergers & Acqusitions, and Other Corporate News

Volume 14 Issue 4 •

In This Issue:

INTERNATIONAL EDITION
LubriTec LUBRICATION TECHNOLOGIES
OEM/Lube News
Lube Related OEM News, Lube Industry Personnel Appointments, New Lube Blending and Base Oil Plants, Mergers & Acqusitions, and Other Corporate News

Finished Lube Price Increases Continue

Last week, Shell (SOPUS Products), Martin Lubricants, Advanced Lubrication Specialties, Sinclair, Chemlube and Pinnacle Oil notified their customers of a price increase on finished lubricants. SOPUS Products on January 15, 2018 notified its customers that it will implement a price increase of up to 5% on finished lubricants, effective February 19, 2018. Shell attributed this adjustment in part to increasing costs of raw materials used in the production and delivery of its products. Martin Lubricants on January 18 announced a general price increase on SynGard, Extreme and Gard branded products. This increase will also apply to private label lubricants and greases. Prices will increase on most products in the range of 4 to 7% per gallon based on product category effective February 19. Martin attributed the increase to ongoing increases in raw materials including base oils, additives and resin for bottles and pails. Advanced Lubrication Specialties on January 16 announced it will increase the price of its finished lubricants by 6 to 10%, effective February 5, 2018. Advanced Lubrication Specialties attributed the price adjustment to increasing costs of raw material and transportation. Sinclair on January 17 announced it will implement an increase of up to 6% on its finished lubricants, effective March 1, 2018. Sinclair attributed this price adjustment to the increased cost of raw materials used in production. Chemlube advised its customers on January 18 it will increase prices on its Savannah products by 20 to 25 cents per gallon, effective February 5, 2017. Chemlube attributed this price adjustment to the increase in cost of raw materials used in manufacturing lubricants. Pinnacle Oil on January 19 announced it will increase the price of its bulk and packaged lubricants by 6 to 10% effective after February 5, 2018. Pinnacle attributed the increase to the rising costs of raw materials. Last week, we reported that Cam2 announced a price increase ranging between 6% to 10% on bulk and packaged lubricants and greases effective February 5. The previous round of price adjustments were price increase announcements by the majority of major oil companies and independents during the October to November 2017 time frame during which finished lubricant prices were adjusted upwards by anywhere from 5% to 10%, most of them taking effect in November to December 2017. Expect more announcements this coming week.

LubriTec LUBRICATION TECHNOLOGIES
INTERNATIONAL EDITION
OEM/Lube News
Lube Related OEM News, Lube Industry Personnel Appointments, New Lube Blending and Base Oil Plants, Mergers & Acqusitions, and Other Corporate News

CITGO to Keep Its Headquarters in Houston

CITGO Petroleum said it will keep its headquarters in Houston, Texas where it has been since 2004, despite speculation that it would move the offices of its top executives to the Caribbean following the appointment of a new chief executive. CITGO President and CEO Asdrúbal Chávez recently conducted his first corporate meeting with top senior executives and management to review the Company's 2017 results during which he announced the company will stay in Houston. The future of CITGO, the U.S. subsidiary of Venezuela's state-owned oil company, Petróleos de Venezuela, S.A. (PDVSA), the national oil company of the Bolivarian Republic of Venezuela, has seemed uncertain since the arrest in November of six of CITGO's top executives on corruption charges by government of President Nicolas Maduro. The Maduro government later named Asdrúbal Chávez, a cousin of the late Venezuelan president and Maduro mentor Hugo Chávez, as the CITGO CEO. It was reported that following the leadership change, CITGO was considering moving its headquarters from Houston to Aruba, where CITGO also has a refinery (in San Nicolas, Aruba). Asdrúbal Chávez, a former Venezuela oil minister, plans to unveil his vision for the future of the company over the coming months, CITGO said. CITGO Petroleum Corporation began back in 1910 when Henry L. Doherty created the Cities Service Company. Occidental Petroleum bought Cities Service in 1982, and CITGO was incorporated as a wholly owned refining, marketing and transportation subsidiary in the spring of the following year. Then, in August, 1983, CITGO was sold to The Southland Corporation. In September, 1986, Southland sold a 50 percent interest in CITGO to PDVSA, who acquired the remaining half of CITGO in January, 1990. Prior to 2004, CITGO's headquarters was located in Tulsa, Oklahoma. CITGO employs about 4,000 people in the U.S., including more than 800 in Houston. The company has roughly 160 branded gas stations in the Houston area, and about 5,500 nationwide. CITGO owns oil refineries located in Lake Charles, La., Corpus Christi, Texas and Lemont, Ill.

LubriTec LUBRICATION TECHNOLOGIES
INTERNATIONAL EDITION
OEM/Lube News
Lube Related OEM News, Lube Industry Personnel Appointments, New Lube Blending and Base Oil Plants, Mergers & Acqusitions, and Other Corporate News

Pilot Chemical to Build New Innovation Center in Pittsburgh, PA

Pilot Chemical Company last Tuesday announced it is investing $5 million this year – and tens of millions of dollars over the next five years – in technology and innovation. A majority of the investment will create and support a state-of-the-art Innovation Center, as well as expand the company's existing technological resources. Patrick McCarthy, president of recently acquired Pilot Polymer Technologies, Inc. (formerly ATRP Solutions, Inc.), will oversee all technology and innovation initiatives in his new, additional role as Vice President of Technology and Innovation. "It is a fantastic time to work in chemical manufacturing," said McCarthy. "And innovation is once again invigorating the industry. This considerable investment proves that Pilot is a leader in that movement." Other employees with new roles to support the initiative from the technology center in Cincinnati are: Rick Shook, formerly Corporate Technical Manager, who has been named Vice President of Research and Development; Bill Rohrer, formerly the Product Manager for the Pilot business line, who has been named Director of Technology; and Bob Golden, formerly Research Chemist, who has been named Research Fellow. The Innovation Center will be an expansion of the Pilot Polymer Technologies laboratory facility in Pittsburgh, Pa., and will double the size of the current facility. Its focus will be on addressing customer needs and the development of new products. Pilot Chemical will add nine new roles to staff the facility, which will be operational by June 2018. "This is an opportunity to reinforce our legacy and build on our success," said Pamela Butcher, CEO and president of Pilot Chemical. "Pilot began through innovation with ice-cold sulfonation, and we continue to challenge ourselves by thoroughly focusing on the future and the changing needs of the marketplace."

LubriTec LUBRICATION TECHNOLOGIES
INTERNATIONAL EDITION
OEM/Lube News
Lube Related OEM News, Lube Industry Personnel Appointments, New Lube Blending and Base Oil Plants, Mergers & Acqusitions, and Other Corporate News

KH Neochem to Build Refrigeration Oil Additives Plant

Japanese petrochemical firm KH Neochem Co., Ltd. announced that it resolved at a meeting of its Board of Directors held on December 25, 2017 to build a ¥7.5 billion (U.S. $67 million) facility in western Japan (2-3 Daikyo-cho, Yokkaichi city, Mie prefecture), to manufacture additives for refrigeration lubricants. Total amount of investment is estimated at 7.5 billion yen (US $67 million) (machinery, equipment and structures, etc.) The company said it expects to start construction in May 2018 (planned) with completion of construction in November 2019 and start of production in January 2020. The company said that in recent years, the demand for its refrigeration lubricant raw materials has been growing, reflecting the expanding air-conditioning market in China and other emerging countries and a shift to refrigerants that focus on the prevention of any damage to the ozone layer and global warming. Demand for eco-friendly refrigeration lubricants is expected to grow further, which will be associated with increasingly stringent international environmental regulations. The website of Schaumburg, IL-based KH Neochem Americas states that it supplies a broad range of high performance products, including synthetic fatty acids, specialty diols, and functional monomers. All are key components in lubricants, adhesives, coatings, personal care products and other formulations.

LubriTec LUBRICATION TECHNOLOGIES
INTERNATIONAL EDITION
OEM/Lube News
Lube Related OEM News, Lube Industry Personnel Appointments, New Lube Blending and Base Oil Plants, Mergers & Acqusitions, and Other Corporate News

CPC Vietnam Lube Plant to Open in 2019

Kaohsiung, Taiwan-headquartered CPC Corp., Taiwan state-owned petroleum company, announced that its lubricant blending plant in Vietnam's Dong Nai Province, near Ho Chi Minh City, will start production by the end of next year. The lube blending plant, which will have an annual capacity of 32,000 kiloliters of lubricants, and solvents, includes 15 storage tanks for base oils and additives to make finished lubricants. In January 2015, CPC signed a joint-venture agreement with Excel Chemical Corporation and Unishine Chemical Corp. setting up the enterprise Maxihub Company Limited. CPC, Excel Chemical and Unishine Chemical will invest a total of NTD 1.75 billion (US$60 million) in the Maxihub joint-venture. Excel Chemical and Unishine Chemical will each hold a 30% share, with CPC taking the remaining 40%. The plant will be operated by MAXIHUB. Maxihub will produce own-brand lubricants for the Vietnam market and also manufacture under contract both the "Kuo-Kuang" and "Mirage" brand lubricants for CPC. According to CPC's introduction on its website, "expanding Vietnam and ASEAN markets with MAXIHUB Company Limited" is part of the development strategy of CPC's Lubricants Business Division, which was founded in March 1999. The state-owned company said the project was undertaken in accordance with the Taiwanese government's New Southbound Policy to explore opportunities in Southeast Asian markets.

LubriTec
LUBRICATION TECHNOLOGIES

INTERNATIONAL EDITION

OEM/Lube News

Lube Related OEM News, Lube Industry Personnel Appointments, New Lube Blending and Base Oil Plants, Mergers & Acqusitions, and Other Corporate News

Please Complete the Form to Subscribe!

Please fill out the form below to subscribe or unsubscribe to the OEM/Lube Industry Newsletter.

Email Address:

Add Remove

Send As HTML

First Name:

Last Name:

Company:

Address Line 1:

Address Line 2:

City:

State:

Country:

Postal Code:

Submit