

OEM BULLETIN

JOHN DEERE

The Union of the European Lubricant Industry (UEIL) is the umbrella association of the European Lubricants Industry, representing their members and, in particular, the interests of SMEs and independent lubricant companies. To date, the UEIL represents more than 450 lubricant companies, who manufacture and distribute lubricant products under their own various trademarks throughout the European Union. With members in more than 22 European Countries and a unique collective experience of lubricants and the lubricants market, UEIL is the sole representative body for independent manufacturers of lubricants in Europe and has been recognised as such by the European Commission. It is UEIL's policy to favour free and fair competition within the scope of prevailing EU and national laws.

<u>Summary</u>

On the basis of information provided by the Lubricant Industry, the Centre for Protection against Unfair Competition in Germany [Wettbewerbszentrale] opened a case against John Deere regarding its communication about the "JDQ-78X specification" and the "Plus-50 II oil".

Centre for Protection against Unfair Competition

This association is the largest and most influential German and cross-border self-regulatory institution for the enforcement of the Act against Unfair Competition. The Wettbewerbszentrale's task is to promote fair competition through legal research, information services, and law enforcement. It is a self-regulatory institution for the entire business community with the task of protecting competition in the interest of the general public.

Statements

During the discussions between John Deere and Wettbewerbszentrale, the Manufacturer notably stated:

- The « JDQ-78 X » is neither a « standard » nor a « specification ». It is an internal benchmark test.
- The exact composition of the developed engine oil is not known by John Deere because it constitutes a trade secret of the lubricant manufacturer concerned
- Any lubricant manufacturer, as John Deere's partner, is at liberty to manufacture the relevant lubricants using its own tests

It also acknowledged that:

 The use of the terms « specification » and « standard » in connection with the « JDQ-78X » test might be misleading

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- The advertising slogan « Each of our lubricants is developed by John Deere engineers » has not been checked for accuracy by its legal department prior to publication ; it regretted this and intitated all steps within its power to prevent the slogan from further publication.

Commitments

Finally, John Deere committed to cease from:

- 1° Using the terms "specification" and/or "standard" in the scope of advertising the « JDQ-78X » test
- 2° Advertising the following claims :
 - "Each of our lubricants has been developed by John Deere engineers".
 - "Plus-50 II oil stays (in viscosity) grade much longer and better than conventional engine oils. It provides for up to 500 hours smooth running of your engine/proven by the offroad-dyno-test JDQ-78X".
- 3° Advertising with the term « Main Advantages » in context with the lubricant "Plus-50".

It obligated itself to:

- Regarding item 1°: to pay a penalty of 5 001 € to the Centre for Protection against Unfair Competition for every case of culpable breach of this obligation.
- Regarding items 2° and 3°: to pay a contractual penalty of 5 000 € for any case of offense in the course of trade within the German Federal Republic in the context of advertisement for lubricants and oils for engines.

Brussels, April 2019