

PANT PARTS & ACCESSORY NEWS TODAY

BULLETIN

06-05

March 30, 2006 Page 1 of 3

TO: Parts & Service Managers

SUBJECT: GTMO Program Update – 0w20 & 5w20 Motor Oil Introductions & May 1, 2006 Price Changes

BACKGROUND: In a continued effort to help improve the quality, durability, reliability and environmental impact of Toyota & Lexus vehicles, Toyota Motor Corporation is introducing 0w20 engine oil as factory fill for new engines in select vehicles.

With ever increasing demand and competition to help improve fuel economy and performance in cold climates, Toyota Motor Corporation has decided to use 0w20 as one way to continue its' technical leadership in the industry. Utilizing low viscosity engine oil (0w20) is one of the most efficient ways to help improve fuel economy and it also helps improve cold starting in extreme temperatures.

However, understanding that a complete and sudden transition from 5w30 to 0w20 may not be appropriate due to pricing, availability and compatibility issues, these new engines have been developed to also accept 5w20 engine oil, which is more readily available. We will also be introducing a 5w20 engine oil to launch on May 1st.

VEHICLE APPLICATIONS: The 2006 RAV4 4-Cylinder was the first engine to come with 0w20 motor oil as factory fill. In 2006 (2007 Model Year), the following vehicles will also be introduced with 0w20:

- Prius
- Camry 4-Cylinder (excluding Hybrid)
- Solara 4-Cylinder
- Highlander 4-Cylinder
- Tacoma V6
- ❖ 4Runner V6 & V8
- Sequoia V8
- ❖ LS460
- ❖ GX470

DISTRIBUTION LIST NO:

(X) 1	() 5A	() 7B	() 13A	(X) 15
()2	() 5B	(x) 8	() 13B	
()3	()6	() 11	() 14A	
(X) 4	() 7A	() 12	() 14B	

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<u>OWNER'S MANUAL & OIL FILLER CAP</u>: Starting with the RAV4, Owner's Manuals for these select vehicles will state, "SAE 5w-20 and SAE 0w20 engine oil may be used. However, SAE 0w20 is the best choice for good fuel economy and good starting in cold weather." The engine oil filler cap will show both 0w20 and 5w20.

NEW PRODUCT AVAILABILITY & ORDERING (5w20 & 0w20): In order to meet customer requests for the 0w20, we suggest that each dealer inventory at least one case at all times. Below is an outline of the 0w20 and 5w20 products that will be introduced:

Oil Grade	Container	Part Number	Dealer Price	Ordering	Availability
0w20	1 case (12/1qt.bottles)	00920-1QT0W	\$32.50/Case	Via your facing PDC	April 7, 2006
5w20	1 case (12/1qt.bottles)	00279-1QT20	\$22.35/Case	Via your authorized motor oil distributor	May 1, 2006
5w20	1 Drum (55 gallons)	00279-DRM20	\$318.45/Drum	Via your authorized motor oil distributor	May 1, 2006
5w20	Bulk Oil	00279-BLK21	\$5.79/Gallon	Via your authorized motor oil distributor	May 1, 2006

5w20 bulk oil will also have the following equipment loan options currently offered on the program: \$1/gallon, \$2/gallon and \$3/gallon increasing your base bulk oil price \$0.20/gallon, \$0.40/gallon and \$0.60/gallon respectively. Please see your local authorized distributor for details.

10w40 DISCONTINUED: In an effort to streamline product offerings, we will discontinue selling the 10w40 motor oil effective May 1, 2006. The 10w40 motor oil has little to no Toyota application.

<u>PRICE INCREASES:</u> Over the last six months, raw materials, finished lubricant and ethylene glycol pricing has continued to escalate in a dramatic manner. Given these recent increases, Toyota Motor Sales, USA, Inc. will be increasing the pricing effective May 1, 2006 on the following products distributed by ExxonMobil:

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Product	Part Number	С	urrent DLR Price	Nev	w DLR Price
10w30 Cased Goods	00279-1QT30	\$	21.63	\$	22.35
10w30 Bulk Oil Only	00279-BLK31	\$	5.26	\$	5.69
10w30 Bulk w/Equip Loan Option 1	00279-BLK30	\$	5.46	\$	5.89
10w30 Bulk w/Equip Loan Option 2	00279-BLK32	\$	5.66	\$	6.09
10w30 Bulk w/Equip Loan Option 3	00279-BLK33	\$	5.86	\$	6.29
10w30 Drums	00278-DRM30	\$	352.55	\$	375.00
5w30 Cased Goods	00279-1QT5W	\$	21.63	\$	22.35
5w30 Bulk Oil Only	00279-BLK51	\$	5.44	\$	5.79
5w30 Bulk w/Equip Loan Option 1	00279-BLK50	\$	5.64	\$	5.99
5w30 Bulk w/Equip Loan Option 2	00279-BLK52	\$	5.84	\$	6.19
5w30 Bulk w/Equip Loan Option 3	00279-BLK33	\$	6.04	\$	6.39
ATF T-IV Cased Goods	00279-000T4	\$	33.45	\$	33.90
ATF T-IV Drums	00279-DRMT4	\$	578.60	\$	586.85
Mobil1 5w30 Cased Goods	00279-MB5W3	\$	25.95	\$	26.63
Mobil1 10w30 Cased Goods	00279-MB103	\$	25.95	\$	26.63
Mobil1 5w30 Drums	00279-5W30D	\$	934.45	\$	959.20
Mobil1 10w30 Drums	00279-1030D	\$	934.45	\$	959.20
Long Life Coolant Cased Goods	00272-1LLAC	\$	67.90	\$	69.35

Pricing on all products listed does not include special handling and/or hazmat fees, which are a direct pass-thru from ExxonMobil and will appear on your parts statement for all motor oil purchases.

DEALER BENEFITS: With your Genuine Toyota Motor Oil purchases, dealers receive:

- General Parts Purchase Credit
- ❖ 3% Co-Op Credit
- 7% Monthly Parts Return Allowance
- Direct invoicing on your Parts Statement
- Volume discounts on cases & drums
 - Cases: 50 cases (2.4%), 75 cases (5.5%), 98 cases (7.8%)
 - Drums: 6 drums (3%), 12 drums (6%)

<u>BULK OIL PROGRAM:</u> In addition to the above listed benefits, dealers on the bulk oil program also receive:

- Marketing Support Materials: Banner, Posters, window stickers, and floor mats
- ❖ 3 different equipment loan options (\$1/gallon, \$2/gallon, or \$3/gallon)
- ❖ \$500 credit for Toyota Express Lube dealers

Thank you for your continued support of the Genuine Toyota Motor Oil program. If you have any questions, feel free to contact Program Headquarters at (310) 468-0546.

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