

NISSAN SECURITY+PLUS AND NISSAN MAINTENANCE+PLUS

A Study

December 5, 2010

Should I Buy Them?

But First ... What Warranties Come With Your New Vehicle?

NISSAN NEW VEHICLE WARRANTIES

The “36 months or 36,000 miles” standard warranty is at no charge for parts and/or labor and covers repairs and parts needed to correct defects in materials or workmanship of all parts and components, except for normal wear, tires, and maintenance. Many sites on the Net say the new vehicle warranty covers the complete vehicle. That is probably true, but I could not locate that statement in my car's warranty book.

The book says the covered items are the fuel-injection system, engine control module/on-board diagnostics device, oxygen sensor(s), mass air flow sensor, intake manifold, throttle body, catalytic converter(s), exhaust manifold(s), exhaust tube from manifold to catalytic converter from exhaust tube with catalytic converter permanently attached, camshaft position sensor(s), spark plugs, ignition coil and wires, ignition control module (exhaust manifold with catalytic converter permanently attached,) evaporative emission control system, fuel filter neck restricter and check valve, fuel tank an filler cap, idle air control system, positive crankcase ventilation system, and nearly everything associated with the emission systems.

Nissan vehicles also have a 60 month/60,000 mile limited power-train warranty that applies to transmissions and engines. See your handbook for details.

Nissan Security+Plus

Nissan Security+Plus pays for parts and labor to replace or repair some failures (called “breakdowns”) of certain parts of the vehicle's mechanical and electronic systems that are not covered in the standard warranties mentioned

above. Nissan Security+Plus can be purchased for up to 60 months.

The overlap of coverage between year one and year three by the new car warranty and Nissan Security+Plus suggests that the new car warranty does not cover all parts of the vehicle. The answer to that is important but is not clear from the literature.

What Nissan Security+Plus Does Not Pay For

- Maintenance services, such as oil changes, brake pads, wipers, etc.
- worn-out parts
- in-vehicle communications systems
- remote keyless entry systems
- exhaust systems
- air bag sensors
- disc brake rotors
- McPherson strut inserts
- shock absorbers
- moldings, weatherstripping, and outside, exposed parts of the vehicle
- failures caused by overheating of the power train

What Security+Plus Pays

The “60 months or 60,000 miles” Nissan Security+Plus Gold Plan covers failure of some brake parts, such as master cylinder and calipers (not pads); some electrical parts, such as tachometer and relays and keyless entry receiver; some air conditioner/heater failures such as, pressure tank and relays (and most parts associated with A/C system; some body and interior break-downs, such as door handles, sunroof rails, sunroof motor, fuel filler lid opener, rear seat-back lock; some Audio/Video failures, such as back up camera and most items having to do with the audio system. (Note that add-on, back-up camera systems sold by other companies as after-market products are often warranted for only two years.)

Nissan Security+Plus covers many items that have life expectancies of more than 60 months, which means on a statistical basis that most named parts do not fail before 60 months. Some obviously will fail earlier, but Nissan has built that eventually into its pricing and profit margin figures.

A comment online said that when part failure occurs, it is frequently in the early life-span of the part. This suggest that most will occur during the 36 month, new car warranty period.

Is It Worth It?

In 2010 a newsgroup reported that a Nissan Security+Plus six -year 100,000 mile Gold Preferred plan sold online for \$765 with a \$50 deductible. One writer said he paid \$1,200. Others paid \$2,000 or more. A December 2010 online quote for a 60-month 75,000 mile plan was \$1,726 with a \$50 deductible. It is not clear if that deductible is per visit or per item, which is an important distinction. One Nissan buyer said his new-car dealer included Nissan Security+Plus in the purchase “for free.”

During the first three years is the customer paying for coverage already covered by the new car warranty?

If you can afford to pay for items that “fail” – (remember that items that wear out are not in this conversation) – and you are emotionally prepared to do that, then you probably should not buy Nissan Security+Plus. However, if the comfort factor is more important than the cost of the contract, then buy it.

Go it on your own? Put the money you would have spent on Nissan Security+Plus under your mattress. You can spend it later on anything that fails, not just the items named in the Nissan Security+Plus contract. If you are lucky there might be some left at the end.

Nissan Maintenance+Plus

(This contract and the one above are available through Nissan Extended Services North America, GP, P.O. Box 685004, Franklin, TN 37068-5004, Telephone: 615-725-1000)

Nissan Maintenance+Plus is a service agreement. You prepay (one-time, up front, basically) for regular maintenance service, which primarily means periodic oil changes and the 15K, 30K, and 60K services to keep in force Nissan's 36 month and 60 month warranties. If you buy Nissan Maintenance+Plus within 6 months or 7,500 miles of a new-car purchase then no premium charge is added.

60,000 mi is the longest Nissan Maintenance+Plus plan sold. Plans are priced according to how extensive and how many months of service you want, i.e., 12, 24, 36, 48, or 60 months. All plans are for fluid changes, filters, and light inspections (visual inspections and fluid checks.)

Service is done at Nissan dealers. If you do not buy Nissan Maintenance+Plus, you pay the going rate each time you use the Nissan dealer's service. Nissan also reminds you that if you go elsewhere for service, you will miss locking in an agreed upon price for work for the period of the contract. If you do have service done elsewhere, you should meticulously document the work and the quality of parts used. Note disclaimer from

Nissan: "FAILURE TO PROVIDE SUCH EVIDENCE, OR FAILURE TO PROPERLY MAINTAIN THE VEHICLE IN ACCORDANCE WITH YOUR OWNER'S MANUAL, MAY DISQUALIFY YOU FROM COVERAGE."

Is It Worth It?

Below is the "Gold Level 2" schedule for light-use vehicles (not Titan, Armada or the Murano sports car.) Prices are a California dealer's walk-in charge for the services as of December 2010:

3,750 miles or 3 months: (Free oil and filter change said dealer, but service book says no need to change oil.)

***7,500 mi or 6 mo:** Oil and filter, rotate tires. About \$30

***15,000 mi or 12 mo:** Oil and filter, in-cabin air filter, rotate tires. About \$120.

***22,500 mi or 18 mo:** Oil and filter, rotate tires. About \$30

***30,000 mi or 24 mo:** Oil and filter, replace brake fluid, engine air filter, in-cabin air filter, rotate tires. At 30,000 mi or 24 mo Nissan recommends the "Optional Premium Upgrade," which appears to be at additional cost, for replacement of auto trans fluid, engine coolant, differential oil (includes AWD), engine drive belts, radiator cap, and wiper blades. About \$530.

***37,500 mi or 30 mo:** Oil and filter, rotate tires. About \$30

***45,000 or 36 mo:** Oil and filter, in-cabin air filter, rotate tires. About \$120

***52,000 mi or 42 mo:** Oil and filter, rotate tires. About \$30

***60,000 mi or 48 mo:** Oil and filter, replace brake fluid, engine air filter, in-cabin air filter, spark plugs, rotate tires. "Optional Premium Upgrade" adds replacement of auto trans fluid, engine coolant, differential oil (includes AWD) engine drive belts, radiator cap, wiper blades. About \$530.

If you do not have Nissan Maintenance+Plus, your cost at a Nissan dealer for the individual services (shown with * which includes the "Optional Premium Upgrade") would be about \$1,350 based on December 2010 California prices.

Dealer mark-up for Nissan Maintenance+Plus is about 40% to 70% and probably is the same as is charged for walk-in service. Online reports show pricing for Nissan Maintenance+Plus as high as \$2,000. Those dealers who want to see your car regularly in the shop, and thus prime for other work, should offer you Nissan Maintenance+Plus at pricing substantially below the walk-in figure of \$1,350. If they want you as a regular customer they need to make it worth your while.

The maintenance work might be better preformed at a trusted repair shop, but as stated earlier, if convenience and comfort factors are more important than the price of a Nissan Maintenance+Plus contract, then buy it.

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