

VOLUME 32, No. 4

NOVEMBER 2007

# Undercar Digest

BRAKE • EXHAUST • CHASSIS & MORE

## They Deliver



**High-Performance Brakes**  
**Catalog Showcase**  
**Emissions Issues**

**MAGNAFLOW**  
*Performance*  
**EXHAUST**

## A Company that Delivers

About five years ago MagnaFlow Performance Exhaust founder and President Jerry Paolone was faced with a dilemma. To compete in a global economy he would be forced to move manufacturing operations overseas or revitalize the California-based company with the latest manufacturing and distribution technology. Choosing the latter was easy in theory but complex in the actual implementation.

Paolone said that although many companies were moving manufacturing operations offshore, it just didn't "sit right" with his philosophy of doing business. The entrepreneur had moved to America from Italy after World War II and later – with perseverance, a high-energy workforce and vision for the future – built a successful company by manufacturing catalytic converters and, later, performance exhaust systems. Today, the MagnaFlow brand is recognized by virtually everyone in the automotive aftermarket.

"I did not want to become a repackager of products built by low-wage earners who had little or no medical benefits or retirement plans," he said.



Larry Norris and Jerry Paolone at MagnaFlow's new distribution center in Oceanside, Calif.

WDs and reps gather outside the new distribution center.



"Making that type of move also would put the quality of our performance exhaust products and our catalytic converters in jeopardy. That's not the way we want to run a business."

Larry Norris, MagnaFlow's global vice president of sales and marketing, noted, "Jerry has always said, 'If you can't do it right, don't do it at all.' We're doing it right."

Early last month MagnaFlow invited about 175 warehouse distributors and sales representatives to see the innovations put into place over the past four years. The guests were treated to an informative sales

meeting at Joe's Garage Car Museum in Tustin, Calif., where they viewed dozens of classic and race cars, possibly for the last time, since the museum will be closed soon and the cars auctioned. They also had the

opportunity to ask questions of racing legends Mario Andretti, Ivan "Iron Man" Stewart, Art Chrisman and Jerry Grant – and to meet new "MagnaFlow Girl" Jocelyn Ireland. The group then toured MagnaFlow's manufacturing and technical center in Rancho Santa Margarita, Calif., and its new state-of-the-art distribution center in Oceanside, Calif.

Brian VanDyke, MagnaFlow's international sales director, explained to those who attended that adding automation and robotics is not a straightforward process. Although robotic welders provide faster production and more-precise weld beads than possible with hand welding, they cannot recognize that a subcomponent may be slightly out of tolerance. As a result, MagnaFlow engineers reviewed thousands of the company's component drawings and then tightened tolerances on its parts fixtures, making them as exacting as those found at plants owned by companies such as Daimler, the maker of Mercedes cars. Although the process involved tremendous effort, the end result was a much-higher-quality product with an exacting fit.

The Twin Master robotic laser welder in MagnaFlow's 150,000-square-foot facility is the first of its kind in U.S. exhaust-system manufacturing plants, Norris said. It is complemented by Genesis three-stage laser robotic welders and multi-axis laser welders.

Even before these updates, MagnaFlow's fit already was more exacting than that of many products on the market because the company has always designed its systems by fitting them on actual vehicles as opposed to copying from competitors' products, VanDyke said.

When MagnaFlow engineers are designing performance exhaust systems for new-model vehicles, they also collect the information needed to supply that vehicle with replacement aftermarket catalytic convert-



New "MagnaFlow Girl" Jocelyn Ireland visits with Harold Schnelderman of H&R Undercar Warehouse, Lansing, Mich.

ers three to five years down the road. While some companies might be scrambling to design converters for vehicles reaching the replacement stage, MagnaFlow already has them, Norris said.

Another factor in

the quality fit is the pipe benders at the plants.

"All the stainless-steel pipe that is used here is mandrel bent on electric bending machines," Paolone said. "Mandrel-bent pipes provide free exhaust flow, and the use of electric benders provides exacting tolerances. The accuracy of commonly used hydraulic benders is affected by ambient-temperature changes."

Norris added that MagnaFlow owns two dynamometers in use at its technical center – one exclusively for testing converters and the other for testing cat-back exhaust systems. To test systems for all-wheel-drive vehicles, the company leases a third unit. MagnaFlow's ISO 9001 rating is a guarantee for quality and a "must," since the company produces parts for companies that include Roush Racing, General Motors and Nissan, he said.

During a tour of MagnaFlow's 281,000-square-foot facility in Oceanside, Norris told guests that the new distribution section of the building is comparable to those of international distribution centers used by UPS and FedEx. The facility drop-ships more than 1,000 UPS and FedEx shipments every day and soon will be capable of handling 5,000 a day.

From the time an order comes in, products are picked, sent through the conveyer system, labeled and ready for truck loading within seven minutes. The computerized facility also will be capable of picking warehouse orders rapidly, with products coming down the flumes in order so that heavy products can be stacked on the bottom section of the pallets and lighter ones toward the top of the shrink-wrap process – all designed to ensure quicker and more-efficient deliveries to WDs.

MagnaFlow's success depends greatly on the success of its distributors and the shops they serve, Norris said. As a result, several services are provided to assist them.

# MAGNAFLOW®

## Performance

### EXHAUST

The MagnaFlow Performance Group (MPG) is an Internet news bulletin that notifies customers of new products and their applications. On average, three new parts applications are introduced each week. Also, warehouses can obtain live training for their staff and shop customers in their facilities from MagnaFlow via Webinar (Web seminar). Training and certification also are available on the Web via a site provided through the Performance Warehouse Association. Quicker ordering processes and improved business-to-business communications also have been added to the Web.

MagnaFlow's marketing director, Jim Bell, noted that the boxes for MagnaFlow's new cat-back exhaust systems have been redesigned with full-color illustrations and multilingual packaging that includes English, Spanish, German, French and, of course, Italian. A new trilingual (English, French and Spanish) catalytic-converter box also will be available soon.

Bob Spano, catalog "guru" and director of product services, said MagnaFlow's recently released complete electronic catalog includes every part number offered by MagnaFlow. Each part number includes an image of the part, list and jobber pricing, and a link to the installation instructions, if applicable, which are created in PDF format for easy viewing and printing. Non-vehicle-specific applications, or universal components, include detailed descriptions. The user can search by vehicle application or by part number and can define which types of parts should be included in the search. MagnaFlow also offers a cross-reference feature on universal components, allowing the user to type in a competitor's part number to find its equivalent replacement MagnaFlow part number. All data accessed in a search can be exported easily to Microsoft Excel, and the catalog uses year/make/model indexing adhering to AAIA industry standards. The catalog will run on most Microsoft Windows platforms, he said.

Another key to the success of MagnaFlow and of its distributors and shops, according to Norris, is the company's strict enforcement of minimum advertised pricing (MAP) and the protection of its intellectual-property rights.



Tony Maggio, director of operations, explains the efficiencies of the new distribution center in Oceanside.



MagnaFlow performance mufflers are now produced by precise robotic welding equipment.