



Helping Shops Prosper



Jerry Paolone, CEO and founder, is adamant about building relations with MagnaFlow customers.



Dan Paolone, president, has instituted a major push for quality, being first to market and offering extensive training for shops.

*By Jim Wilder
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One of the most important goals set by MagnaFlow Exhaust Products is to help shops succeed. With new strategies already in place, that's exactly what's happening, according to Jerry Paolone, CEO and founder, and Dan Paolone, president.

"We're making this happen with quality coverage, being first to market and by backing it up with the training and service that the shops and distributors deserve," Dan said. "As cars evolve and become more technologically advanced, the shops need to move more in that direction. There is a big push on our side to help the move in that direction – through training and through our tech line."

"The evolution of muffler and undercar shop is happening right now," Jerry said. "When a car comes into their shop they are



Darron Shubin, national sales director, has increased the sales team to improve communications with customers.

going to be able to diagnose it properly and install the right application."

"It's been a natural progression," Dan said. "As the vehicles get more technologically advanced and emissions standards become even more stringent, they are being forced to diagnose the vehicle properly. Our product line is evolving also. Being in California we need to meet certain standards to meet California Air Resources Board (CARB) rules. Those CARB rules are going to be pushed across the country sooner or later. It's

just a natural progression of the vehicle. If you look at the emission controls on a vehicle of today compared to five years ago there is a big difference. We see that moving forward with ULEV (ultra-low-emissions vehicle) and SULEV (super-ultra-low-emissions vehicle) applications, so that's our push."

Gary Stamberger, director of training, has been with MagnaFlow for more than four



Gary Stamberger, training director, is now conducting larger regional training sessions to reach more technicians.



Peter Nitoglia, chief strategy officer, has a number of duties at MagnaFlow, including converter certifications for North America and Europe.

Richard Waitas, senior manager, compares a MagnaFlow manifold converter with an improved stamped stainless manifold to the OE unit, which exhibits a design with high reported defects, both for a late-model Nissan with the 2.5-liter four-cylinder engine.

years and has witnessed the ongoing transition. On average, Gary spends 50% of his working days on the road, helping technicians keep up with emission-controls technology. That includes conducting seminars at trade shows such as Showpower, SEMA and AAPEX, and events sponsored by warehouse distributors. Although this training will continue, MagnaFlow is taking a different tack this year by sponsoring its own regional training classes, which a number of distributors in a region encourage their shop customers to attend. This enables



Gary to reach more technicians at each gathering. He recently completed a training session in Northern California that produced very positive results.

"Four years ago some shop owners who specialized in exhaust would say serious diagnostics were not part of their duties," he said. "Today, they ask, 'What scan tool do you want me to buy?' We started to see that the first year I was here. Now it just keeps growing. Many of these specialty shops are faced with the same decisions general-repair business owners

faced in 1989 or 1990. They were asking themselves: 'Am I going to get into diagnostics or not. If I do decide to get in, am I jumping in with both feet? Am I going to spend the money on the tools that are necessary and am I going to educate my technicians?' Those who decided to jump in with both feet, 20 years later, say it was a very good idea. Diagnostic scan tools cost from \$5,000 to \$8,000 on average but can easily pay for themselves in less than a year. Many also include graphing meters and have lab scopes and databases. They give the technician as much information as possible at their fingertips."

Diagnostic classes of today are much different from four years ago, he explained. Much of the misunderstanding earlier was that shops didn't know what the catalyst really was and how it worked.

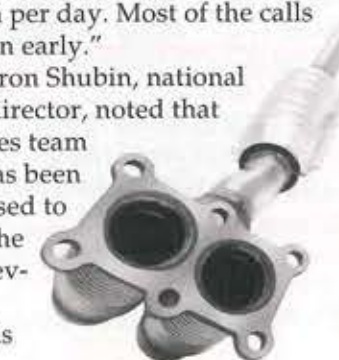
"Some thought the precious metal soaked into the brick and when the brick broke down that was it. They didn't understand that the precious metals, which are the catalyst, sat on the surface of the cells of the brick so they could interact with the gases that flowed

through the converter. If a brick was coated with carbon, that carbon covers the precious metals and it's like laying a blanket over the cells. The gas flows right through and no reaction takes place. Today, the questions at seminars are much more advanced and complex."

Customer-service operations also have been beefed up to answer questions when a shop has a vehicle in the bay, Jerry said. "It's all part of building relationships with the shops and being honest with them so they can succeed," he said.

"Seven customer-service reps who are trained to answer questions about converters and performance exhaust are at the phones from 6 a.m. to 5 p.m. Pacific time," Dan said. "A recent study showed that the customer-service department was answering 150 calls per person per day. Most of the calls come in early."

Darron Shubin, national sales director, noted that his sales team also has been increased to 12 in the past several months





Laurie Paolone has played a major role in developing the company websites, and social-media programs that promote the MagnaFlow brand for consumer awareness. Her dog Pepe has become the office mascot and has even starred in several YouTube videos.



MagnaFlow's manufacturing and distribution center in Oceanside, Calif., was designed to be the most-high-tech facility of its kind in the nation.



with the addition of four new account managers who have worked for major manufacturing companies. Among the sales team are two individuals whose sole duties are to visit shops, assist them and build the MagnaFlow brand. Giancarlo Gladish, field manager, specializes in visiting shops in California that are mandated to use CARB-approved converters. Linda Weller, field specialist, covers most of North America.

"They provide consistent information to the marketplace," Darron said. "With the increase in personnel, sales-team members now handle 10 to 15 accounts each instead of 40 to 50. They have done a phenomenal job for us.

"MagnaFlow's first-to-market approach is also a plus for shops. We're always first to market on performance exhaust systems, and we place additional resources on market-leading applications such as the 2013 and 2014 Mustang. We are constantly getting measurements on preproduction vehicles to get products completed and into our customers' hands."

Darron noted that customers

appreciate MagnaFlow's efforts to get them popular products. MagnaFlow's Aluminized Diesel Series exhaust kits were a Top 10 Products winner, as was the 51000 series catalytic converter that is part of MagnaFlow's premium OEM offering. These winning products were selected by *Undercar Digest* readers.

Peter Nitoglia, chief strategy officer, has a number of duties at MagnaFlow, including converter certifications for North America and Europe. Being in California, he is in constant contact with CARB,

giving MagnaFlow an edge over competitors with headquarters in other states, he said. In addition to CARB compliant converters, MagnaFlow offers three 49-State product lines: Standard Grade is designed for pre-OBD-II vehicles, normally 1995 models and older; Heavy Metal OBD-II and the OEM Grade line, which includes the 49000 and 51000 series converters, and features many of the same characteristics of the CARB market units.

MagnaFlow recommends that shops follow the application rec-

ommendations provided in its catalogs and website application lookup database (www.magnaflow.com), Peter noted. Heavy Metal units are recommended for most OBD-II vehicles with federal emissions systems, and because California emissions systems are more complex, the company recommends using the OEM Grade line for California emissions system vehicles registered outside of California.

These "California emissions vehicles" are prime candidates for converter replacements, and requests for them are increasing daily, he said. The introduction of this line eliminates the need for shops to buy converters for newer vehicles from car dealerships.

Richard Waitas, senior manager, noted that the OEM line is designed to meet or exceed the specifications required by the EPA for aftermarket catalytic converters as used in California emissions vehicles. The new MagnaFlow manifold converter is just one example.

"With the new manifold-style catalytic converters, one of the things we have incorporated is our stamped-designed technology," he said. "We have created our own forms that emulate or improve the



The MagnaFlow-designed, Chip Foose-inspired 1949 Chevy pickup, the Revolver, makes appearances at trade shows, car shows and a variety of racing events around the country. Four pairs of performance mufflers can be exchanged in a matter of minutes so audiences can compare the sounds of various MagnaFlow and competitor mufflers.

OE flow characteristics to enhance catalyzing actions and what we do in our formulations to make sure that the parts we build - while they may look aesthetically different - perform as well as or in many cases better than OEM."

He noted that not only do the stamped manifolds exhibit better airflow characteristics but also their stainless construction is not as susceptible to cracking or fracturing as the heavier OE cast-iron units. And although universal units still involve about 60% of converter sales, the increase in manifold converters at the OE level is resulting in increased sales of direct-fit models.

"MagnaFlow now offers more than 2,700 different catalytic-converter part numbers, with new numbers being released on a regular basis," Dan said. "Between our catalytic converters and our performance exhaust we are introducing 15 part numbers a week. When you multiply that by 52 you can see the full scope of our efforts. Getting that product to the warehouse and then to the shops is also a key component of the business. Our Oceanside, Calif., manufactur-



ing and distribution center was built to provide better service to our customers."

With that in mind, plans are also under way to enhance MagnaFlow's presence in the eastern United States.

"The concept behind Oceanside was to make it the most-high-tech facility of its kind and to keep production in the United States," Jerry added.

"We're proud to be an American company," Dan said. "We made a decision a long time ago to keep production here. We see manufacturing coming back to the U.S., and that's a good sign for MagnaFlow and the entire country."

Laurie Paolone, who has been heavily involved in MagnaFlow's websites and social-media programs for the past 12 years, notes that more and more shops are using MagnaFlow's electronic catalogs and the company's application recommendations. But duties for the website team go far beyond that. Team members are continually checking websites to make sure they follow MagnaFlow's Minimum Advertised Pricing (MAP) policy. They search the Internet to shut down unautho-



MagnaFlow's Aluminized Diesel Series exhaust kits were Top 10 Products winners.

riized dealer websites that violate MAP. This policy protects the brand and the profitability of the distributors and shops that sell MagnaFlow products, she said.

And although some shops may not be involved in Facebook, YouTube and other such Internet programs, consumers are, Laurie said. She and others on the team are continually involved in announcing events; promoting MagnaFlow apparel; the new, bolder logo; and many other aspects of the company, including the MagnaFlow-designed and Chip Foose-inspired 1949 Chevy pickup called the Revolver that travels the country allowing consumers to compare the sounds of various MagnaFlow performance mufflers with those of competitors. ■



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