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John Thody visits with a shop operator to discuss possible chassis-part improvements.

XRF President John Thody (left) and Vice President Stephen Thody

ore and more shop operators throughout North America are using XRF Chassis parts, and the reason for the increase, according to the company, is that the chassis-parts manufacturer pays attention to suggestions from shops and their technicians. John Thody, XRF Chassis president, noted that when he's not selling parts or working with those involved in manufacturing and design, he's talking with shop operators

and technicians to make sure XRF has the right products for the aftermarket – and he's asking for suggestions for improving his products. The process has been paying off, he said. U.S. sales of XRF chassis parts have increased more than 60% compared with last year and Canadian sales more than doubled in the first six months of 2010 compared with the year before, he said. In addition, readers of *Undercar Digest* voted the XRF ball joint one of the Top 10 Products for 2010.

Founded by John and his brother Stephen in 1995, XRF makes ball joints, tie-rod ends, idler arms, pitman arms, bushings, strut mounts, track bars, control arms, alignment cam bolts and bushings.

"We're taking extra steps to make sure we meet our customers' needs," John said. "I spend about 60% of my time with technicians. In order to differentiate XRF from others, I spend my time with the technicians because they are my teachers. They are very easy to talk with, because there just aren't that many company presidents who will come and visit a shop for advice. When we offer a part, Stephen and I want it to be the best part for the technician and the motorist. We don't design and build them for a board of directors, or even the distributor. However, most distributors who try our products continue to order them.

"We have four main objectives in our business – first, to build the strongest, longest-life product on the planet. Second, we want it to be very easy and fast to install correctly. When I say that, I'm not saying a technician doesn't know how to do his job. There are some applications that are just hard to install because of the way they were designed by OEM. When we put little benefits and features into our parts to make that job easier



and faster, we become that tech's new best friend, and we also make the warranty problems go away. As a result, XRF is attracting the flat-rate technician who now can do these jobs a lot faster and give himself an automatic increase in pay.

"Third, we work hard at making our parts physically attractive. They look good. If a technician is charging someone \$1,500 to \$1,800 to install four ball joints and a couple of tie-rod ends, rust doesn't look good to the customer. An attractive part makes it easier to sell and instills customer confidence. Fourth, we work very hard at the sweet spot in the pricing. The shop has to make money, the distributor has to make money, and the consumer has to be able to afford the parts."

Communication with the shop operator and the technicians is key to the success of all involved, John said.

"Every town where we have a

new distributor, we insist on going out with their sales people into the shops and introducing XRF to them, and we ask their advice and opinions on our designs and those of our competitors – and, especially, how to make the part easier to install and last longer.

"This policy really surprises many distributors. The shop owners are equally surprised and impressed. When we go in, I have a demonstration kit that has a series of our parts and a series of our components showing how we build the parts and the components we use. I've got a few comparison parts showing ours and our competitors'. We go in, the distributor introduces me, and we sit down and have a little chat. It's done very informally. In order for me to get this shop owner to open up I have to build a rapport with

John Thody examines a ball-joint design. The company is continually looking for ways to improve its products.

him. Once he realizes that the president of the company has come to ask his opinion, ask for his advice, all of a sudden there is a relationship here. I give him my business card and I ask him to call me when something comes up. Is OE doing something stupid? Do we need to put a little notch in a flange to slide this past a brake line – I'm all ears. I want to hear from him. I want him to pick up the phone and call.

"We're still little guys among the multibillon-dollar corporations, so we still have some holes in our distribution. In Canada we're particularly strong in British Columbia because there are so many pickups, SUVs and Ford Econoline vans. We have the answer for those trucks with our Zero-Lash ball joints. In layman's terms, that means we make a full-



John Holmes, winner of the 2009 Baja 1000, contacted XRF to ask for ball joints for his Ford Ranger truck after seeing an ad in Undercar Digest.



Four-wheel-drive Dodge Ram trucks equipped with Cummins diesel engines, especially when used off road and in construction work, are notorious for ball-joint failure. Many shops now install XRF products to eliminate that problem.







ball stud, fully encapsulated in a high-tensile-strength Acetel bearing. We allow zero vertical movement and zero lateral movement."

John noted that XRF uses computer numerically controlled milling equipment to meet exacting specifications and also uses a higher grade of steel – mid carbon steel that is heat treated for durability and longer life. Even with the higher quality of materials and manufacturing equipment, John said the cost of the products is very competitive. He noted that XRF doesn't own a corporate jet and doesn't spend a lot of money on promotional programs.

"One of the things we promised our customers when we started this business was that XRF would not add cost to the parts that doesn't add value. I've yet to see a jet, a beer tent or stickers help make a better ball joint. We do have a tri-fold brochure with information about our products, and we do advertise in publications that are read by our core customers."

The design and engineering of the chassis parts are performed at XRF engineering facilities in Detroit and the Toronto suburb of Brampton, Ontario.

"Our thermoplastic and polyurethane bushings are made in North America, as well as some of our hardware. Anything that requires forgings takes place in Taiwan, where they have the latest forging tools and specialized heat treatment for our ball studs. We go overseas because that's where the best equipment is."

XRF has promoted its One Million Mile Warranty since the company started, and at times mentioning the warranty raises a few eyebrows.

"I always make a joke out of it," John said. "When they ask, 'What's your warranty?' they always expect to hear '90 days' or 'a year.' I always say, 'It's a millionmile warranty,' and they reply, 'Yeah, you wish!' Then we show them the brochure. Our returns are less than one-quarter of 1%. We seal everything in a polyurethane bag and turn every nut on every thread. Usually on the returns there is a greasy thumbprint where a hole has been punched into the bag and the nut is missing, which means someone probably unscrewed the nut, dropped it and it went down the drain."

XRF is sold through the traditional three-step and specialty two-step distribution channels, as well as some of the specialty undercar chains.

"Our real target customers are the two-step undercar warehouses, which now number near 500 in the U.S. and another 500 in Canada," he said.

"We have about 93% coverage for anything that ends up in a typical shop. XRF also makes parts for over-the-road trucks, such as Kenworth and Peterbilt. Basically, we will make any type of chassis part providing we get an order of at least 1,000 pieces. Order fill runs



Shops that service Corvettes have found XRF to be an excellent source for chassis parts all the way back to the first model year, 1953. The owner of this 1999 model keeps it in pristine condition.



Radius-arm bushings

an average of 92%, and we can ship any order across the country in four days. On average, 87% of all orders are shipped the same day."

John acknowledged that XRF does not have distributors in every region of the U.S. and Canada, but that doesn't mean a shop can't get the parts it needs.

"We try not to disappoint anyone," he said. "If we get a call from someone where's there's not a distributor in his area, we've got some Internet suppliers that will be glad to overnight the parts. We're also encouraging our existing warehouses to get involved in the same practice, because it's just one more way for them to increase their sales and profits. XRF also continues to look for quality distributors throughout North America where it needs distribution."

XRF's improved Web site – www.xrfchassis.com – also has a new online-forum support section that the company monitors and participates in. Now XRF receives even more input from shops that provide tech information and suggestions.

Although XRF offers wide application coverage, several applications are pointed out on the forums every day. As many technicians know, Chevrolet S10 pickups and Blazers were known for excessive ball-joint wear when the vehicles were at their peak popularity. Today, 2003-06 4x4 diesel-powered Dodge Rams and 4x4 Ford Power Stroke trucks are getting the same notoriety. For some reason the design of the Ram's internal ball stud just doesn't hold up. He said the Ford diesel pickup's ball joints, especially the Super Duty versions, have a good design, but the materials begin to wear rapidly once there is any movement in the stud.

"Although some of the lucky truck owners may go 80,000 miles without ball-joint failure, many trucks are failing as early as 10,000 miles. Once XRF ball joints are installed, they're home free."

When someone questions XRF's warranty, John likely will mention his personal vehicles – a Ford Excursion with more than 270,000 miles of wear on the XRF ball joints and his Ford Econoline van with nearly 700,000 miles of wear on a set of company ball joints.

There also are some niche vehicles for which XRF has become very popular. Owners of Corvettes with cars dating to the first model year, 1953, have discovered that XRF has the right coverage. In addition, many parts suppliers that specialize in Corvette parts sell XRF products under private label.

XRF is nearing production capacity at its 180,000-square-foot manufacturing facility in Taiwan, and construction already is under way for a new facility with the company's overseas partners.

There is, however, one question that many distributors and shop operators ask about XRF parts.

"They worry about the one-time replacement rate, noting that they

may never service chassis parts on that car again," he said. "I remind them that there are 377 million vehicles on the road in North America, and after all of them are repaired they will have earned enough money to retire comfortably."



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In the Commercial World Down-Time is Big Money

MILLION MILE WARRANTY

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