

## Money | Business Monday

### Business Buzz

People and companies in the local business community

By HANK DANISZEWSKI, THE LONDON FREE PRESS

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#### EXHAUST DIRECT A SUCCESS

It's been a tough few years for the automotive parts sector, but one small London company is prospering with a "slow and steady" business strategy.

Exhaust Direct manufactures a variety of automotive exhaust products, including exhaust pipes, muffler straps and brackets. The company has seen 15 to 18% annual growth, with the last two years their best years ever.

Exhaust Direct began in Mississauga in 1997 with three partners in a small 1,800-sq.-ft. facility. Two partners (and brothers), Pat and Pete Bruder, bought the company and moved back to London, their hometown, in 1999 to take advantage of lower operating costs.

Starting in a 3,800-sq.-ft. facility, the company grew steadily, evolving from being a distributor to manufacturing and distributing their own products at a lower cost and higher quality.

In 2003 as business was booming, they built a 9,500-sq.-ft. facility on Scanlan St. with help from the Business Development Bank of Canada.

The company has 16 employees and ships products all over North America to aftermarket automotive warehouses and major auto



Pat Bruder, who co-owns Exhaust Direct with his brother Pete, is shown in the manufacturing area where they build for the automotive aftermarket. (SUE REEVE, The London Free Press)

repair chains.

The company is planning an 8,000-sq.-ft. expansion.

Pat Bruder said the aftermarket sector is doing well during the economic downturn, as more drivers chose to repair rather replace their vehicles.

Bruder said he has seen big companies in his sector go under because they had high overheads and were not prepared for swings in the American dollar and the downturn in the economy.

Exhaust Direct has benefited from embracing lean manufacturing strategies, he said. "We are far more efficient than we used to be."