

# Local firm lands \$3M contract with Toyota

By Keith Gushard

09/28/06 —

WEST MEAD TOWNSHIP — It's taken about five years, but Toyota's popular Corolla model soon will have parts made in Meadville.

Meadville Forging Co. has landed a five-year, \$3 million contract to supply the automaker with 875,000 wheel spindles a year for the Corolla model, Bill Glavin, company president confirmed Wednesday. The spindle is where the wheel attaches to the vehicle.

While the contract won't add to the company's employment, "It's a start into that market that will allow us to grow," said Glavin.

The firm already makes more than 26 million wheel hubs a year — more than half of the U.S. domestic auto market for automobiles and light trucks.

Glavin said U.S. automakers have been losing market share and Meadville Forging has been looking at making parts for foreign-based automakers with U.S. assembly plants.

"Most of the parts of (foreign) cars assembled in the U.S. come from people in the U.S. supplying parts," he said. "Those cars are growing in the marketplace. One of our initiatives is to expand and get into the foreign market."

It's taken more than five years of negotiations to get the Toyota contract, and the product has been undergoing testing in recent months by Toyota, he said.

"It takes six to nine months of testing before full production," Glavin said. Full production is expected by about the first of the year, he said.

Palmiero Toyota Scion of Meadville plans to feature the fact Meadville Forging is making parts for Toyota in its advertising, said Allison Palmiero Brady, the dealership's general manager.

"It's nice for the community to know who we serve," Glavin said.

Corollas are currently manufactured in Japan, the United States (Fremont, Calif.), Canada (Cambridge, Ontario), the United Kingdom, China, Taiwan, Pakistan, South Africa, Brazil, Turkey, Philippines, Thailand, Venezuela and India.

According to auto industry reports through August 2006, there had been 274,074 Corollas sold worldwide this year, up 16.1 percent from this date in 2005 when 235,980 sold, making it one of the top passenger cars produced for industry leader Toyota.

Meadville Forging also is bidding on making parts for Toyota's Rav 4 model as well as two other foreign automakers with U.S. assembly plants — Nissan and Honda, Glavin said.

Meadville Forging has about 625 employees, with about 385 in Crawford County. Some 300 are at its main plant just north of Meadville, and another 85 are at its Cambridge Springs facility. The rest are at its Virginia Forge Co. in Buchanan, Va.; and at its Carolina Forge Co. in Wilson, N.C.