

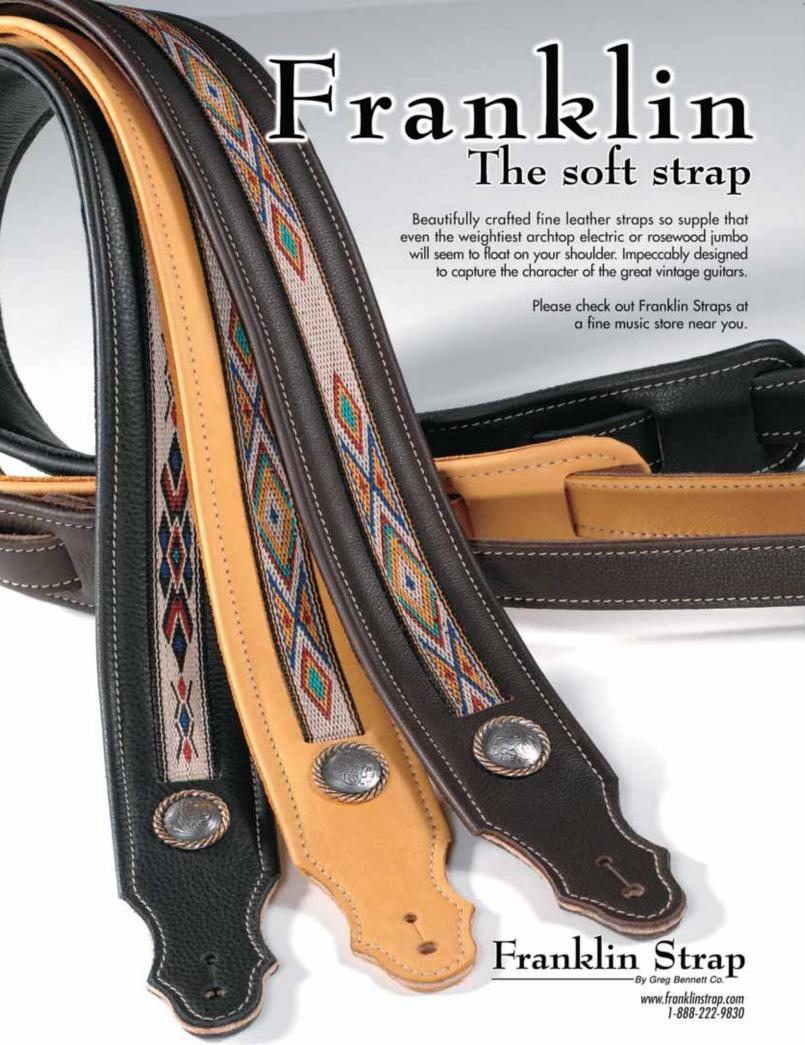


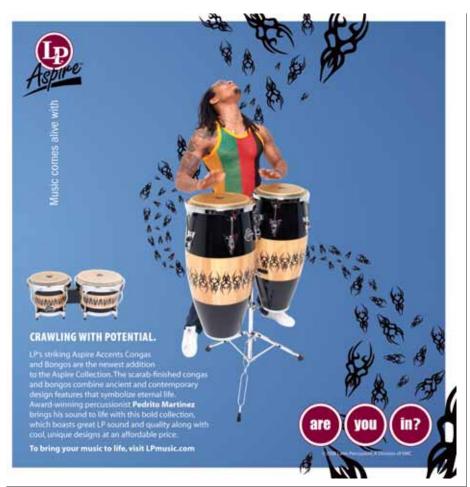
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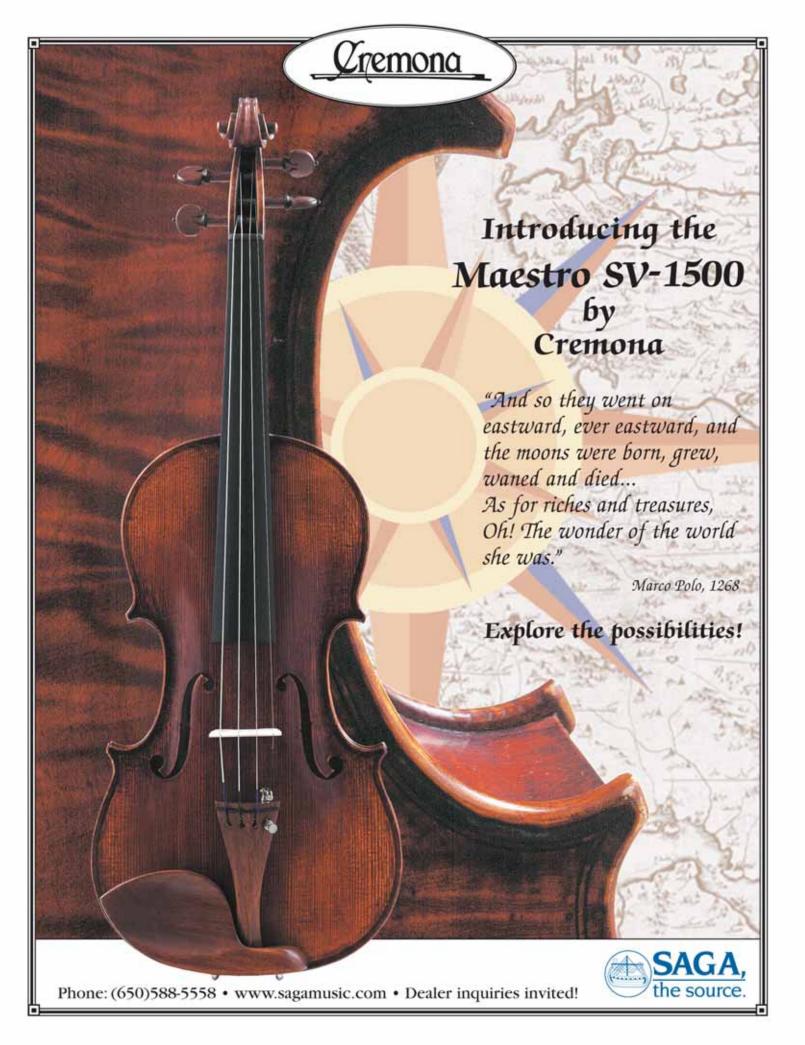
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>>> December 2009



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George Hines of George's Music teaches how careful calculation of everything from cash flow to customer feedback equals continued success for his 10 combo dealerships.

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The 125th AES show featured hybrid products that continue to tighten the gap between MI and pro audio gear.

Cover photo by Phillip Parker

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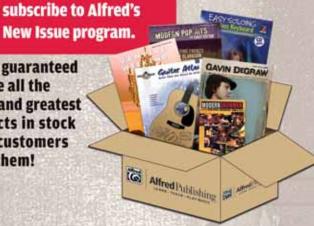


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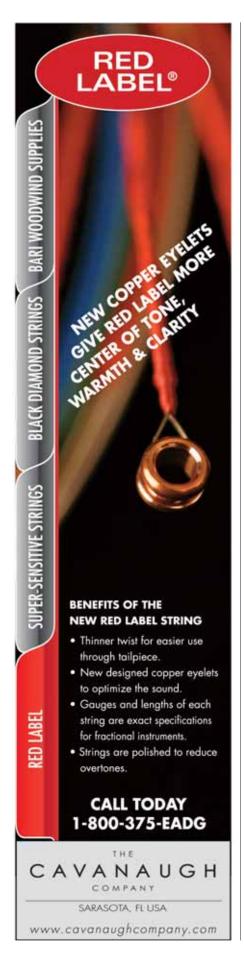


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PERSPECTIVE

PERSPECTIVE I BY ZACH PHILLIPS

REX LESSONS

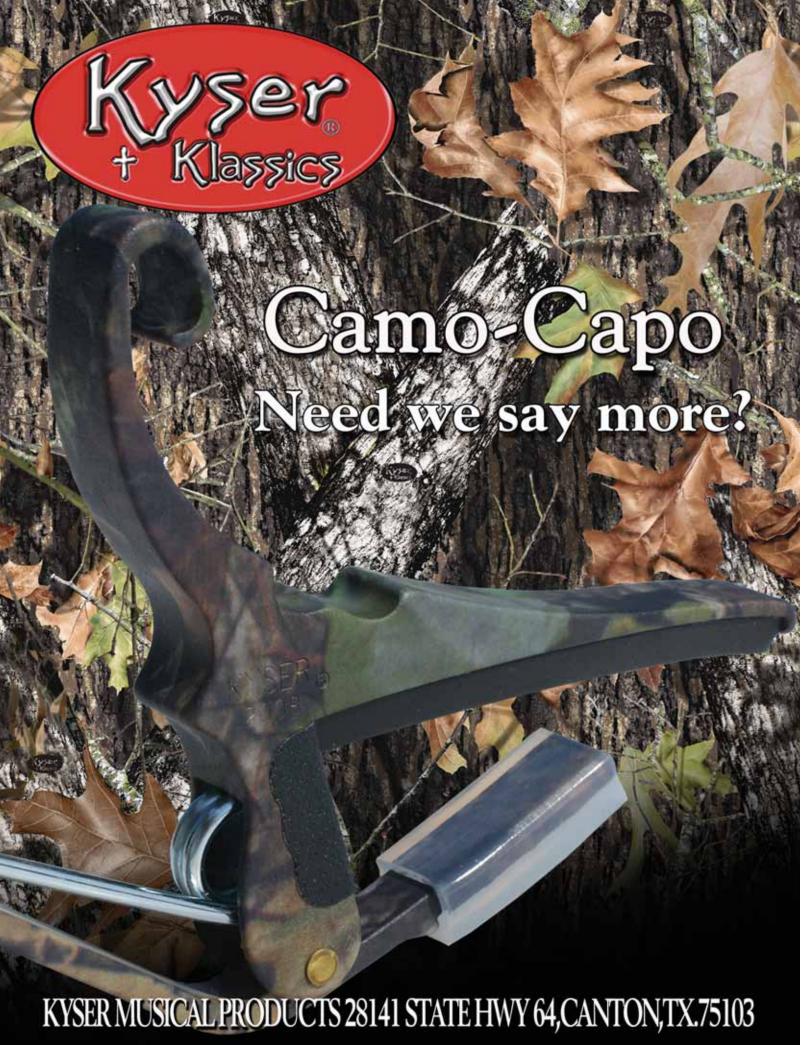
or 19 years, our annual Retail
Excellence (REX) Awards
issue has served as an industry
best-practices guide, packed
with business-generating
ideas from music retail's brightest.
And this year, in the face of unrelenting market challenges, winning
dealers pulled out all the stops. Hold



on to this magazine after you're finished reading it. I guarantee it'll come in handy in the upcoming year. (The REX Awards begin on page 31.)

I noticed a few overarching themes among this year's winners. We've heard them before, but they've never been so ubiquitous. Think of them as the key music retail trends for the next five years.

- **1. Events.** Forget sales. Savvy music retail marketers host clinics, educational opportunities, concerts, etc. to ingrain their brands in people's minds. They also remember to contact local press for coverage.
- **2. E-Commerce.** Ten years into the Internet boom, many music retailers still don't offer any form of e-commerce on their Web sites. It's easy to get started thanks to companies such as TriTech, Retail Up and ProActive, which sell affordable packages for getting e-nabled. Many e-commerce solutions also automatically update a dealer's Web site when the dealer adds inventory or changes prices.
- **3. Niche Web Sites.** Stanton's Sheet Music has launched a site for organ print music, Memphis Drum Shop for cymbals. Guitar shops, why not create a site strictly for finger picks? B&O shops, why not launch a clarinet reed-only site? It could give you increased visibility online.
- **4. Unique Compensation.** Money isn't everything, but it helps attract a high caliber of employees. Get creative with compensation. Overall Excellence winner Sims Music rewards salespeople an extra dollar for following up with customers after a purchase. That may be steep for some dealers, but even the most minimal motivation can help improve customer service essential in a merciless economy.
- **5. In-Store Repairs.** They're not for everyone, but they're fast becoming a lost art. If you can make money with them or at least break even, seriously consider offering in-house gear repairs. Several REX winners have used them as a way to differentiate their dealerships.
- **6.** The House-of-Worship Market. Times are tough. And where do people turn in tough times? 'Nuff said. Houses of worship need musical instruments and pro audio gear.
- 7. The Baby Boomer Market. Cater to these folks in your promotions, lesson programs and if it's appropriate to your business model store image. Baby boomers are starting to retire and are hungry for music and hobbies. And as a whole, they have more spending power than other demographics even with their tanking 401(k)s. MI



LETTERS

Go Local

or the last several years, we have been donating our time at marching band competitions. I was sitting there on Saturday night and looking at all the bands, many with new instruments, and wondering how many were purchased at local stores and how many were purchased at Internet stores.

Then I began to think of how difficult times are becoming because of the economy and Internet business, and the perceived cost-benefit to the end customer. The fact is that local businesses are a great benefit to students and schools alike. Businesses like mine, aside from paying taxes both commercially and personally, contribute a great deal of time and money to programs that are sponsored by the local schools.

For example, my company sponsors baseball teams, ads in all the program books for all the concerts and competitions - some musical, some not. We contribute to D.A.R.E; library funds; drug awareness campaigns; auctions for private, parochial schools; and scholarship funds. We have been honored by the Make-A-Wish foundation and contribute to many cancer funds. I have yet to see this kind of local involvement from any of the Internetbased musical retailers.

My contention is that people and institutions that look toward the Internet or out of town for purchasing solutions are actually self-defeating. Now more than ever before, it is important that we go local to support the businesses that support our community and our children.



Four music product retailers selling an upscale experience (PAGE 51)



'The more local merchants we see go out, the smaller the pool of resources for the community.'

retailers and vendors, and nobody has told me they are having a stellar year. What I am hearing is that flat is the new up. We have already begun to see companies go out of business. My fear is that this is only the beginning.

Bruce Treidel

I get many people coming into my store asking me to fix I have spoken with several | the very low-end instruments |

they buy online. Many times, the cost of repair exceeds the purchase price! There is value, both financially and through a continued support of the product, in dealing with a music retail professional that offers advice. Most of us want our customers to get the best value for their hard-earned dollars, as opposed to just making the sale and walking away. The people we sell to are our neighbors, and we see them frequently.

It is not clear to me why people put up with the frustration of dealing with online ordering. Online retailers really do not know or demonstrate the subtleties of musical instruments. My company does not carry all of the musical instruments that are manufactured, and we do not want to. We act | FAX: 630-941-3210.

as a filter for our customers, in that we only carry the instruments that, in our professional opinion, meet or exceed the needs of our customers.

People, including professional teachers and musicians, ignore the value of dealing with the local merchant — the very same merchant that is asked to contribute to the programs that benefit our community. The more local merchants we see go out, the smaller the pool of resources for the local community to tap — at a time when we must all work together for our mutual benefit.

We need to come up with a solution for getting the message out while there is still time to benefit our industry: go local!

Bruce Treidel Bethel Music Center Bethel, Conn.

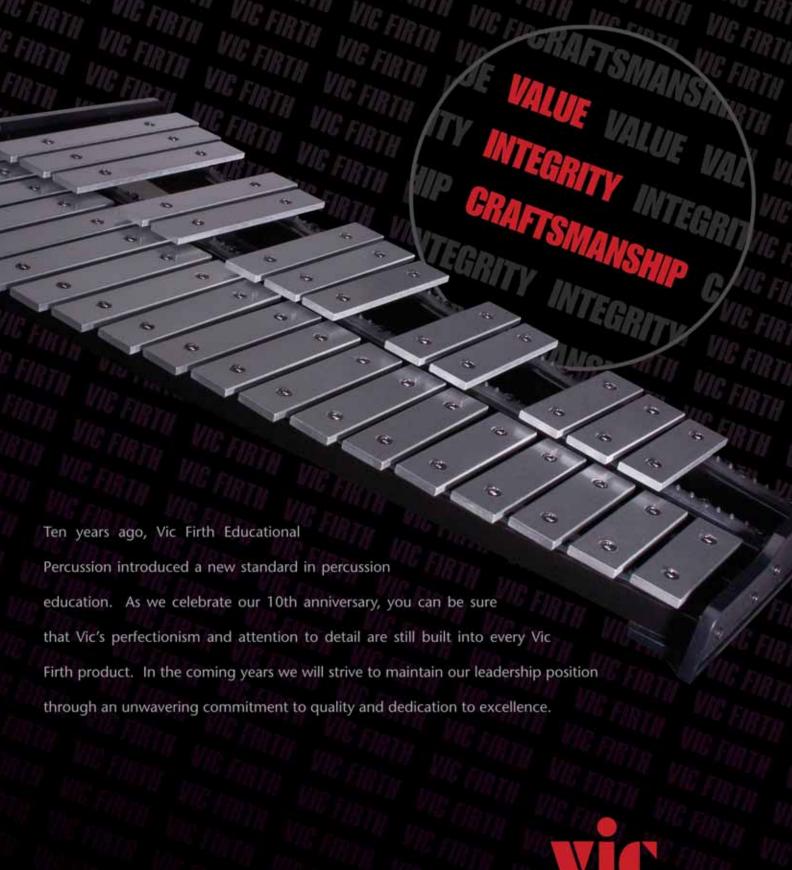
Corrections

In Music Inc.'s October 2008 Print & Multimedia section, Theodore Presser's Web site is listed as carlfischer.com. Theodore Presser is a separate publishing entity from Carl Fischer. Its Web site is presser.com.

Also, in Music Inc.'s Fall Product Preview (August 2008), we incorrectly referred to Rico's Reserve Reeds as "Laser-Cut Reeds." The reeds are measured with lasers but not cut with lasers.

Music Inc. regrets these errors.

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RETAIL

Inside RETAIL

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Appoint, promote new executives

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> Meyer Music
Gives to tornado-ravaged school

> Steinway Piano Gallery
Hosts Physicians Talent Showcase
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ECONOMY I BY JENNY DOMINE, WITH REPORTING BY ZACH PHILLIPS

DEALERS STRATEGIZE FOR A SLOW ECONOMY

dent, Robin
Walenta, recently
held an executive
committee meeting with the theme "Plan, Don't
Panic." Several other music
retailers, though anxious about
stomach-churning headlines,
share that approach in navigating their businesses through the
economy's uncertain shifts.

"Various departments are suffering while others are thriving," said Bananas at Large General Manager Alan Rosen of his San Rafael, Calif.-based store.

"Customer traffic has been lighter, though we are coming off our best B&O rental season ever," said Peter Sides, owner of Pennsylvania-based Robert M Sides Music Center.

LESSON RELIEF

Several retailers with music lesson programs, including West Music and Robert M Sides Music Center, share a general feeling of security due to the ongoing stream of business and income lessons generate.

Brian Reardon, owner of Monster Music, said he has noticed foot traffic and sales at his high-end store in Rockville Centre, N.Y., drop off recently,



but sales have remained strong at his Levittown, N.Y., store due to its lesson program.

Doug Ponier of Marietta, Ga.-based Ponier Music also mentioned that his lesson program was "holding steady."

"People always want what's best for their kids, and if the kid wants lessons, hopefully, that is the last thing they will cut," Ponier said.

Billy Cuthrell, owner of Raleigh, N.C.-based Progressive Music Center agreed, noting he often sees parents manage with less so that their kids can continue with music lessons.

CREDIT CRUNCHED

The credit crunch remains retailers' biggest short-term challenge. "Many customers are telling us that the purchases that they had intended to make in the near term are being deferred

until they have some confidence that their remaining savings are not going to disappear," said Craig Gigax, president of Meridian Music in Carmel, Ind.

"As credit approvals become tougher to obtain for customers, music stores need to look for ways to rent or finance more and more purchases in-house to worthy customers," Sides said.

However, Ted Eschliman, coowner of Dietze Music in Southeast Nebraska noted that the current retail climate could result in more responsible spending. "I expect to see a more mature pay-as-you-can purchase philosophy supersede a borrowfrom-the-future approach to personal credit," he said.

Some dealers said this has produced a more favorable market for used gear. "And in times when people are looking to save a few bucks, the fact

that we're selling used gear will help out a lot," said Chris Gleason, senior vice president of Manchester, N.H.-based Daddy's Junky Music.

"We are selling more on the Internet — used gear on eBay — and those sales seem to be doing fine," Ponier said.

THINK LONG-TERM

uthrell suggested staying realistic about the economic fallout's long-term effects. He said he sees a light at the end of the tunnel, but not without a long, rough road to recovery.

"Focus more on customer retention/development vs. customer acquisition," Sides said. "Cash flow needs and continued bad economic news may dictate that the price and effectiveness of traditional advertising are not in your favor. Focus on the things you can control: training, communication, business basics, the customer experience and your attitude so that you provide leadership that your employees can believe in during tough times." MI

Updated from the online exclusive, "MI Dealers Prepare for Tough Economy." For more daily news, editorial exclusives and retail resources, go to musicincmag.com.

COMMUNITY

Love at First ... Duet?

Middle C Music is a full-line music store and lesson studio, but it turns out the Washington, D.C., establishment is also a matchmaker. Two Middle C voice students, Rod Smith and Katie Szabo, married in September. The couple met when their teacher, Jean Cioffi, suggested that they sing duets together. They will be performing at Middle C's Adult Student Recital in December.

PROMOTION

Sweet Recording

Session

Epic recording artist Lenka (right) recently recorded a



cut at Sweetwater's in-house recording studio in Fort Wayne, Ind., for a charity CD to benefit Riley Children's Hospital. The CD is sponsored by Sweetwater and Fort Wayne radio station WAJI.

"I just recorded at Sweetwater Sound, and my goodness, was it sweet!" Lenka said during an interview with WAJI. "I had a really great time, so thanks everybody!"

RESOURCES

Customized Retail Display Tags

RNR Plastics now offers a full line of

vinyl retail display tags and pouches that can be fabricated to a retailer's specifications. They include a variety of attachment methods and



accessory hangers. The display tags and pouches can be made from clear, general-purpose vinyl or environmentally friendly EnviroVinyl. Styles include fact, price and POP tags; rigid vinyl price rail ticket holders; standard ticket holders; and multi-pocket pouches. They're available for inserts from 2 inches square up to 22 by 28 inches square. {rnrplastics.com}



MF, GC SHUFFLE TOP MANAGEME

uitar Center and Musician's Friend, which celebrated its 25th anniversary this year, recently made several key management changes.

Musician's Friend announced on Nov. 6 that company founder Robert Eastman will be stepping down from his day-to-day functions and assuming the role of chairman emeritus, effective Jan. 1, 2009. Craig Johnson will fill the position of CEO. Eastman will continue to have a presence within the company, serving as advisor to Johnson.

"For several years, we have been building a world-class management team," Eastman said. "With a solid management team in place, I decided that at the end of the year I will move into a chairman emeritus role and that Craig Johnson will become CEO. I look forward to getting to spend more time with my family and having time to travel and, of course, go fishing!"

Johnson assumes his new role as CEO after serving as Musician's Friend's president and chief operating officer for the last two and a

half years. He previously served as the company's executive vice president of merchandising and marketing and senior vice president of merchandising. His background has given him experience in distribution, supply management and direct marketing.

Industry veteran Keith Brawley was also promoted to vice president of merchandising and creative at Musician's Friend. He will oversee both the purchasing and creative teams producing the company's catalog and Internet efforts. For the past five years, Brawley has served as vice president of merchandising for the company's Guitar and Amplifier division.

At GC, Gene Joly, a music industry veteran of 30 years, has been promoted to executive vice president of stores, with responsibility for sales in the chain's 214 locations. Joly is returning to the retail division of the company after spending three years with Musician's Friend, where he most recently served as executive vice president and merchandising manager.

MUSIC ROOM STOCKS UP

The Music Room in Palatine, Ill., played host to music industry executives, local press and area musicians after closing shop on Oct. 24. The occasion was a catered party celebrating the addition of several key product lines to the company's stock. These include G&L, Mesa Boogie and Line 6.

Manufacturer reps Michael Fine (G&L), Shawn Farbman (Mesa Boogie) and David Seal (Line 6) came out to demo and discuss their products. The Music Room's acquisition of Mesa Boogie also gave the retailer an opportunity to show off its new guitar and bass amplifier room, an upscale, closed-off hall where customers can crank amps without having to worry about disturbing fellow shoppers.

"The acquiring of Line 6 and [Mesa]



Boogie really expands our offering and allows us to sell to a wider demographic of MI customers," said John Giovannoni, co-owner of The Music Room. "Line 6 is a fast turner with plenty of bells and whistles, and Boogie gives our high-end customer something to chew on. G&L has been with us for a couple of seasons now and really gives us the opportunity to offer our customers the real thing."



MEYER MUSIC I CHARITY

MEYER BRINGS MUSIC TO TORNADO-RAVAGED SCHOOL

We eyer Music of Overland Park, Kan., recently donated more than \$7,500 worth of musical instruments to help rebuild school music programs in Chapman, Kan. A tornado hit the area on June 11, wiping out Chapman High School.

Meyer Music cooperated with the Blue Valley School District on the effort. Blue Valley students and families also raised nearly \$1,500 at the district's annual marching festival in September. Representatives from Blue Valley and Meyer Music then drove to Chapman and delivered the instruments to Chapman High School's superintendent and principal.

"We have been so blessed to be involved in music, and we believe it is a powerful tool in helping children in many aspects of their lives," said Mike Meyer of Meyer Music.







Cascio's Rouse **Contest**

ascio Interstate Music of New ■ Berlin, Wis., has partnered with Archer Guitars and Rhino/Rykodisc Records to host a contest for an Archer Josh Rouse 1972 Signature Guitar, jazz archtop model. Other prizes include a

gift card to Cascio Interstate Music and Rouse's latest CD. The contest expires

on Feb. 1, 2009. The Archer Josh Rouse quitar is currently available for pre-order through Archer Guitars' and Rouse's Web sites. The single-cutaway

Cascio, **Archer Guitars.** Rhino host contest to win new Josh Rouse **quitar**

instrument features twin Performance Studio Level pickups: an arched, laminated, flamed maple top; deluxe art deco tuners; a maple body and set neck; a rosewood fingerboard; and Rouse's initials in the back headstock.



STEINWAY PIANO GALLERY I EVENT

3eatles

n Oct. 20, local physicians gathered at the Sugden Community Theatre in Naples, Fla., and raised more than \$20,000 for local charities. But instead of black ties and tuxes, they donned guitars and basses, and rocked out to Beatles' songs before a near-capacity crowd.

The 4th Annual Physicians Talent Showcase was hosted by the Steinway Piano Society, the nonprofit, philanthropic branch of the Steinway Piano Gallery of Bonita Springs.

Emceed by Steinway Piano Gallery's own Rob Meads, the event benefitted the Neighborhood Health Clinic and the Steinway Piano Society. The physician pianists, guitarists and vocalists were backed by Throat Culture, a band composed of Greg Billings, founder of Steinway Piano Society and Steinway Piano Gallery, along with other society

"The popularity of The Beatles' 'Love' remix CD, the Cirque du Soleil and the movie 'Across The Universe' have made The Beatles very hot this year," Billings said. "Fortunately, our friends at Hal Leonard published an 1,100-page

compilation of the complete scores of all The Beatles recordings. It would have been nearly impossible to do the program without the scores, especially with a five-piece horn section. The doctors and musicians really got into it and came up with wonderful '60s-era costumes."

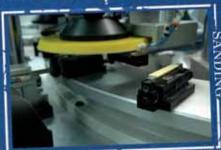
The event was also a PR bonanza for the Steinway Piano Gallery. In addition to a newspaper article, two magazine articles and a one-hour NPR talk radio show, the local PBS station recorded rehearsals, the event itself, and hours of interviews with Billings and the physicians for a 20-minute segment that will air on the TV show "Connect" later this winter.

"Everyone had a great time, and we were able to raise a substantial amount for two great charities," said Sara Billings, a registered nurse and the event's chairperson.

The Neighborhood Health Clinic delivers medical care to low-income, uninsured Collier County adults, and the Steinway Piano Society's scholarship fund provides pianos and lessons to economically disadvantaged children.

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NAM® News "We're Going After the Freeway..."

COME TOGETHER! Why It's More Important Than Ever to Join Your Peers at the NAMM Show

Note from Joe

This has been a challenging year for anyone in business-and no one knows for certain what to expect in the months ahead. That's why it's more important than ever to take charge of your future by coming together with your peers at the NAMM Show, January 15-18, 2009. It's the one thing you just can't cut from your budget because there's no other industry event that will give you a better game plan for the year ahead and a better return on your investment.

So what exactly are you investing in? You're investing in yourself, in your key staff and, ultimately, in the future of your business. The NAMM Show is the ideal place to arm yourself with tools, insights and ideas, and line your store's shelves with the latest, most innovative products on the market. Plus, this year the NAMM University courses are laser-focused to help our Members find solutions to the challenges they currently face, and assist them in making the best possible decisions for their businesses in the year ahead.

The NAMM Show is the world's music products show—the place where we chart our course for the future. In good times and in bad, our industry has always turned to the NAMM Show as a source of solutions and support. And while no one knows what 2009 will bring, one thing is for sure: by coming to the NAMM Show you'll do what industry leaders have done for generations to prepare themselves and get their year off to the best possible start.

On behalf of our Board of Directors, Executive Committee and staff, we wish you and your family a very happy holiday season and a prosperous New Year.

See you at the show!

Joe Lamond NAMM President/CEO

Find Innovations You Won't See Anywhere Else

The NAMM Show is where you can stay up on the latest trends and be the first to witness-and order-the newest musical innovations produced by leading manufacturers from around the world. Your customers are seeking exciting new products; shouldn't you be the local retailer to offer them? Come check out the 175+ brand new exhibitors joining us to show off their wares.

See Your Friends

The NAMM Show is the one place where our entire industry comes together to re-connect.

Pick Up NAMM U Tips

Tough times call for new strategies. We've assembled the best and most successful industry players. Each session is focused to address today's challenges and opportunities, from maximizing your Internet outreach to growing your local customer base. Take your business to the next level of effectiveness!



Rekindle Your Passion for the Industry

Many attendees say that soaking up the unique vibe of the NAMM Show helps them to remember why they got into this industry in the first place. Getting away from your day-to-day and re-energizing your approach can increase your value to your company and start off your year in high gear.

Do More on a Tighter Budget

In addition to bringing you the latest innovations in musical products, NAMM has also brought together a variety of business service providers who can help you look at your current expenses and see how they can save you time and money.

Return Inspired, Ready to Transfer Your Knowledge

With all you will see and learn at the show, you'll have lots to share with the folks back at the store and your customers when you return. Get your staff pumped up too by transferring your knowledge, sharing the new ideas you picked up and brainstorming strategies for the year ahead.

One Great Idea Can Pay for Your Trip

Chances are, continuing to do the same thing will only get you the same results. By attending the NAMM Show, you can up the ante in your store, and find new products, ideas and strategies that will set you apart from the competition. Besides, sometimes all it takes is one successful strategy to pay for the entire trip (not to mention, you can write it off!).

Housing and registration for the NAMM Show are now open. Register for your FREE badges now by visiting www.namm.org. Be sure to do it before the December 5



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> Crown

Names Bush V.P. of sales

> Korg

Recovers stolen cargo
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GRETSCH I BY MARY WILCOP

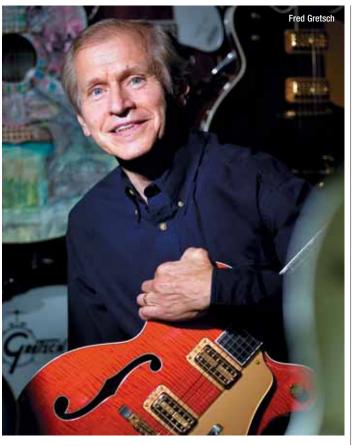
THE LEGACY PITCH

retsch used its 125th anniversary this year to launch throwback products and promote its legacy.

The company, which operates out of Savannah, Ga., was founded in 1883 by Friedrich Gretsch, a German immigrant who began making instruments from a warehouse in Brooklyn, N.Y. A family-owned business for all but 18 years, the company was taken over by Baldwin from 1967-'85. Fred Gretsch, fourth-generation owner and current president, made it his personal charge to buy back the company, which he did 17 years later as Baldwin's financial and insurance wings went bankrupt.

GOLDEN AGE GEAR

This year, Gretsch debuted several limited-edition product lines that harken back to what Fred Gretsch called "the golden age" of the company's guitar and drum production. The limited-edition Custom Shop Chet Atkins G6120 guitar, featuring gold-plated hardware, and the Progressive Jazz drum kit, modeled after the classic Gretsch "Birdland" kit from the 1950s, pay tribute to Gretsch's place in the history of rock and jazz.



"We recognized that the golden age of guitars and drums were ones where we had developed careful recipes with collaborations of the major artists of the day, jazz greats on the drum side and guitars built with artists like Chet Atkins on the guitar side," Gretsch said. "The challenge was to come up with unique instruments that would fit that mold."

To promote their new products, Gretsch and wife Dinah have taken off across the country on their Meet The Gretsch's tour, where they've made instore appearances at select music retailers and music institutions worldwide.

"It was important for us to personally [go on tour] because we think its the last one we'll be leading," Gretsch said. He added that he isn't worried as he speaks with music retailers on the future of the industry. "There's a solid base of business here," Gretsch said. "In tough times, it's all about covering the basics, doing the things you do every day well.

"People are, and will always be, interested in making music."

SAVING THE MUSIC

To guarantee that, Fred and Dinah have spent the past two decades contributing to various charities, for which they were inducted into the Georgia Music Hall of Fame this past September. They were recognized for their dedication to encouraging music participation through partnerships with groups like The Salvation Army and VH1's Save The Music foundation, as well as through gifts to college and elementary school music programs.

Gretsch has also spearheaded the Next Gretsch Greats Unsigned Artist Competition, an online search for independent bands from around the world. Gainesville, Fla.-based band Colourslide scored \$15,000 in Gretsch instruments and a performance at the company's 125th Anniversary Concert in New York in November. MI



LICENSING

Alfred Meets Zeppelin
Alfred Publishing has been named the exclusive licensing agent for the physical and digital print rights for Led Zeppelin's song catalog. The territory defined in the deal is worldwide, excluding Europe.



"The best part of the meeting was to find out that Led Zeppelin shared our passion and vision for helping people experience the joy of making music," said Ron Manus, Alfred's executive vice president. Alfred has also

announced it has become the worldwide distributor for Schaum Publications. {alfred.com}

MARKETING

Vittek Enters Marketing

Guitar industry executive Josh Vittek has created an independent marketing firm, Joshua Vittek and Associates, specializing in the MI industry. The company's goal is to provide manufacturers and retailers an independent. dedicated staff to help them fulfill their marketing needs in a cost-effective, efficient manner. Services offered vary but include press releases, media relations, artist relations, Web site design and management, advertising, marketing and sales, catalog design, and brochures. {joshvittek@msn.com}



HONORS

AES Honors Voishvillo

JBL has announced that Dr. Alexander Voishvillo was recently awarded the AES (Audio Engineering Society) Fellowship for his research in modeling and assessing the nonlinearities of horn drivers and other audio equipment. Voishvillo's work at JBL is in the area of design and development of new high-frequency professional transducers. He's a member of AES and participates in an AES Standards Committee. For the last several years, he has been an active member of the JAES Review Board. {harman.com}



MUSIC CHINA I STATS

MUSIC CHINA RISING

usic China, held Oct. 9-12 at the Shanghai New International Expo Centre in China, attracted a record number of visitors from 91 countries and exhibitors from 23 countries.

NAMM University organized a "Big Issues" panel discussion entitled "The impact of weakening economies on the global music industry." The discussion included: Huang Weilin, chairman of Guangzhou Pearl River; Jon Gold, senior V.P. of marketing and sales for Fender: Werner Husmann, director of marketing and sales for Steinway & Sons; Joe Lamond, CEO and president of NAMM; Wu Hsieh, president of KHS; and Cheng Jiantong, president of Roland Shanghai.

"The panel discussion was probably the most popular panel discussion at NAMM U in China in three years,"

CHINA'S RISING NUMBERS

- 14% Increase in visitors over last year
- 16% Increase in local visitors over last year
- 2,626 Overseas visitors
- 1,106 Total number of exhibitors
- 286 Overseas exhibitors
- 53% Increase in attendance at NAMM U during Music China over last year

said Betty Haywood, NAMM's director of international affairs. {messefrankfurt.com}

ELIXIR, TOM ANDERSON I PROMOTION

Elixir Cables Partners with Tom Anderson

or a limited time, musicians purchasing any Tom Anderson Guitarworks model will receive one complimentary 10-foot cable by Elixir.

The Tom Anderson Guitarworks and Elixir promotion is available at all retail locations that sell Tom Anderson quitars. To receive the complimentary Elixir Cable, a postcard will be enclosed within the Tom Anderson Guitarworks case, which will require the model's serial number before it is mailed to Elixir Strings for redemption.

{elixirstrings.com}

Johnstone Honored by IAEE

NAMM's trade show director, Kevin Johnstone, has been inducted into the Platinum Circle of the International Association of Exhibitions and Events.

The Platinum Circle celebrates the contributions of individuals in the trade show field for 25 years or more.

Johnstone is responsible for producing the NAMM Show and Summer NAMM, two of the largest events in the music products industry. He has been with the association for 14 years. Prior to joining NAMM, Johnstone worked for Advanstar and United Expo.

"There's nothing like face-to-face meetings to create the kind of long-term business relationships that truly drive an industry," Johnstone said. "I feel privileged and honored to serve the music products industry in this way and look forward to many more fantastic NAMM Shows." {namm.org}

CCLLEGAL

FCC REACHES WHITE SPACES DECISION

SUPPLY **SUPPLY**

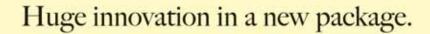
n Nov. 4, the Federal Communications Commission (FCC) voted to let technology companies produce white spaces devices that will use the same radio frequency spectrum now being used by wireless microphone systems.

Mic maker Shure reported that the FCC adopted certain important elements of its microphone interference protection plan.

Still, in a statement issued by the company, Shure expressed concern that the FCC's action "opens the door to a new breed of wireless gadgetry

that relies on unproven technology as a safeguard against interference to wireless microphones."

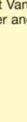
But in a public statement, the FCC reported that wireless microphones will be "protected in a variety of ways." It read: "The locations where wireless microphones are used, such as sporting venues and event and production facilities, can be registered in the database and will be protected in the same way as other services." {fcc.gov}



The new Vandoren Flow Pack packaging. Every reed we make is now wrapped in humidity balanced packaging resulting in reeds that are factory fresh. The most remarkable part of this innovation is you don't have to do anything to benefit from it. No special storage, no little bags...nothing. Just put them in the store and watch your customers marvel at the consistency and quality you provide...at no extra cost.

It's a huge innovation, but that's what Vandoren is all about...one huge innovation after another.

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SUPPLY **SUPPLY**

APPOINTMENTS

Bush Appointed to Crown

rown Audio has named Matt Bush its vice president of sales. Bush joins Crown Audio from sister company Harman Music Group, where he served as vice president of operations. He has taken the position previously held by Scott Robbins, who was promoted to vice president of sales at Harman Professional in October.



Lowrey Organ's Brad Bryan has been promoted to business management director, and Bruce Mihalek has been named sales program development manager.

Steinway & Sons has appointed Heidi Dettinger as the new director of marketing and communications.

TC | US has named Miguel Hadelich to the technical sales manager position for the live and install division.

Zero Crossing, maker of the N-Tune Onboard Chromatic Tuner, has appointed George Mantoan as its international sales manager.

LEVITON I DISTRIBUTION

LEVITON CUTS RIBBON

On Oct. 20, local politicians and community development groups joined Leviton's chief execs at a ribbon-cutting ceremony to announce the February 2009 opening of the company's new distribution center in Lebanon, Tenn. The 450,000-square-foot, fully automated facility will serve as one of two domestic warehousing and distribution hubs.

"We look forward to serving as a responsible corporate citizen, and bringing jobs and new sources of revenue to the local community," said Stephen Sokolow, chairman of Leviton's board of directors. The center will bring 150 new jobs to the area.

The facility will service U.S. customers east of the Mississippi River {leviton.com}

VOX I GEAR

JAMVOX SHIPS

Vox Amplification's first software product, JamVOX, is now shipping with an MSRP of \$340. JamVOX delivers precise models of 19 guitar amplifiers, 12 cabinets, 54 vintage and modern effects, and a choice of guitar pickup simulations. Each of the unit's more than 100 preset programs feature one amp/cabinet combination and a chain of up to five effects, plus noise reduction. User programs may be saved and shared online.

{voxamps.com}





KORG I LEGAL

Korg Recovers Cargo

This past summer, a cargo container of Korg products, worth more than \$700,000, was stolen from a holding area after being received into the United States.

"We were especially disheartened by the prospect of disappointing our retail partners who had been patiently waiting for certain back-



ordered items," said Diana Cecchini, Korg vice president of finance."

A month and a half after the stolen cargo was reported, Korg Warehouse Manager Michael DeLorenzo received a phone call from a New Jersey State Police cargo theft unit detective. The detective said he was involved in a sting operation targeting several individuals, who were allegedly trying to offload the contents of the container. The detective asked for Korg's assistance.

The FBI and New Jersey police successfully raided a warehouse full of stolen goods, recovering Korg's products. {korg.com}

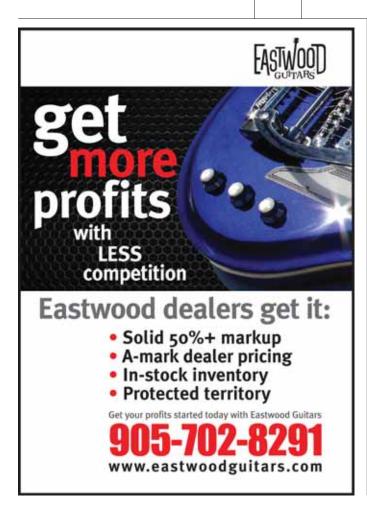


DAISY BOCK I WER NEWS

Daisy Rock's Tween Appeal

Daisy Rock has established a musicthemed kit on girlsense.com, a virtuallife fashion Web site aimed at tweens and young teen girls.

This venture will give GirlSense members the opportunity to purchase virtual guitars, gear and accessories from Daisy Rock-sponsored auctions. They can then use a music-themed kit of Daisy Rock accessories to create their own online fashion boutiques and trade items with other members. {daisyrock.com}





Congratulations 'Retail Excellence Award' winners and nominees.

George's Music Retailer of the Year

Memphis Drum Shop

Retailer of the Year, Indie

Mom's Music Strait Music Ted Brown Music Sam Ash Music Daddy's Junky Music Guitar Center

Overall Excellence

Washington Music Center

Customer Service

Zone Music

Marketing

Beacock Music Paige's Music

Design and Display

West Music

Education

Lonestar Percussion

Hot Prospect



BECAUSE SOUND MATTERS

SI Audio Engineering Society

Inside SHOWS

The 125th Audio Engineering Society Annual Convention in San Francisco drew in more attendees but fewer exhibitors than 2006's show, AES's last in San Francisco.

• 17,892 attendees came out to the Moscone Center, as compared to 20,674 at last year's convention in New York and 17,445 at 2006's convention in San Francisco.

• A total of 407 companies exhibited, as compared to 445 last year and 420 in 2006.

AUDIO ENGINEERING SOCIETY CONVENTION I BY DAN DALEY

THE NEW NAM!

he somewhat scaled-down 2008 Audio Engineering Society (AES) convention mirrored the music industry and recording studio market. The expo, which opened in San Francisco's Moscone Center on Oct. 3, had been shifted to a smaller hall, and like AES's show in New York last year, it was trimmed from four days to three.

But as with the music business, digital technology tends to distort the picture. There were fewer major names on the show floor. Most notably missing were Apple and Yamaha. (The latter opted for showroom and demo space elsewhere in the convention center.)

Still, there was a lot more product. One wall had the equivalent of stalls in a hightech bazaar, where software companies like Celemony, Antares, Serato, Overloud, SoundToys and Neyrinck showed off the cream of the plug-in universe, lined up and ready for digital speed dating. Legacy audio companies like Solid State Logic (SSL) and API valiantly showed rackspace hardware, but it was clear that

More hybrid products at AES point to the continued convergence of MI, pro audio

minus a few exceptions — microphones, large-format consoles and speakers — pro audio has become an increasingly virtual proposition.

EVOLUTION OF THE LEGACIES

ot that the legacies were complaining. SSL continues to adapt well to a leaner universe. Its new Matrix system integrator can organize and mediate a studio's entire analog outboard complement and control the user's digital audio workstation for a fully integrated worksurface for

1. Cakewalk's Kimitaka Kondo (left) and Greg Hendershott; 2. Audio-Technica's Gary Boss (left) and Glenn Roop; 3. Blue Microphones' Doug Brewer; 4. Mixing console legend Rupert Neve (left) and sE Electronics' Josh Thomas







\$26,000. Its Duende FireWire plug-ins are also now configured in three classes: Classic, Mini and PCIe. According to Dan Duffell, SSL's director of marketing, some of the new products reflect how the British console maker is leveraging its larger products to create new ones that more closely straddle the pro audio/MI line.

ple, started as a way to make the algorithm from the C200 [digital console] line more widely available," he said.

And as SSL's AWS 900 console has dropped in price, Duffell said he expects the company to become a more engaged player in high-end MI retail

As SSL moves toward a "The Duende line, for exam- | broader audience, the current

1. Demos of DigiDesign's new Video Satellite interface; 2. Heil Sound's Bob Heil; 3. JBL's Simon Jones: 4. SSL's new slimmed-down product line

industry standard bearer, Digidesign, continues expanding upward. It debuted Pro Tools 8, which has a basic LE version upgrade that sells for \$149, with its HD version upgrade costing \$249. It dovetails with Digi's new Ethernetconnected Video Satellite link that interfaces Pro Tools with an Avid Media Composer, combining the power of a fullon video editor with fully synced HD audio.

"Pro Tools 8 was designed to let the user stay within Pro Tools from conception to completion," said Digi's Max Gutnick. "Coupled with he Video Satellite, you can literally create all of your own audio and video media."

SOFTWARE FEST

ot surprisingly, there was V plenty to see virtually at the show. Waves Audio added its popular Z-Noise noise-reduction processor to its Restoration, Broadcast & Production and Diamond bundles. Along with processors, including X-Noise, X-Hum, X-Crackle and X-Click, the new Restoration bundle now includes everything needed to revive damaged noise recordings. The 24-bit, 96-kHz Z-Noise reduces a wide variety of unwanted sonic artifacts in real-time without impacting the quality of the original source.

The new Restoration bundle lists for \$1,800 Native and \$3,000 for the TDM version. Diamond, Broadcast & Production and Restoration owners with Waves Update Plan coverage can add Z-Noise for \$400 through their user accounts.

shipment of its new Sonar 8 Producer and Sonar 8 Studio digital audio workstations. Sonar 8 Producer has updates to the core application, including workflow enhancements, new features and performance optimizations throughout. It also features a production toolset with new go-to instruments, effects processors and creative content.

Cakewalk's PR Director Steve Thomas explained that the trend - seen elsewhere on the show floor at platform makers - is to create as comprehensive a recording, processing editing and mixing proposition as possible in a single box. Like others, Thomas drew an unambiguous connection between pro audio and MI. "Musicians are taking more control of the recording process of their music," he said. The toolsets are starting to reflect that: The hardware GUIs are simpler and feature both a standard quarter-inch guitar input and an XLR microphone input on the unit's front.

THE MI CONNECTION

lug-ins at AES also further blurred the line between pro audio and MI. Line 6's POD Farm was new for the show and offers 78 guitar amps, 24 guitar cabinets, 28 bass amps, 22 bass cabs, 97 stomp boxes and rack-type effects, and six pre-amps. It sells for \$100 and is compatible with Mac and Windows OS.

Overloud's Breaverb comes with a hardware controller reminiscent of the classic Lexicon 224XL. Various values can be input through six sliders that control reverb category, room and plate sizes and characteristics, predelay, tone, equalization, and gating.

Universal Audio's new Cakewalk announced the | Moog Multimode Filter plug-



in features classic ultimate analog Moog sounds with some digital add-ons like self-oscillation, synchronization and quantization. It has an introductory price of \$199 and is also available as a demo download for two weeks from uaudio.com.

Virtual instruments were represented by products like Spectrasonics' Omnisphere power synth plug-in. The hybrid synth engine has plenty of on-board samples and filtering, including chaos envelopes, composite morphing, DSP synthesis, variable waveshaping and Spectrasonics' patented Flex-Mod modulation routing system. MSRP: \$499.

THE HARD STUFF

Dut there was hardware aplenty, too. Line 6's pair of BackTrack mini digital recorders are aimed at helping guitarists practice, rehearse and capture fleeting inspirations, with on-board processing and easy WAV file transfer via USB port, for \$99.99. The BackTrack + Mic adds a condenser microphone for acoustic instruments for \$149.99.

Tascam had its own pocketrocket recorders with the DR-1 and GT-RI. Both have a pair of built-in condenser microphones and save data as WAV or MP3 files, with the guitaroriented GT-R1 also having the ability to change speed without affecting pitch.

Tascam also joined what was a slew of microphones on the AES show floor with the introduction of its TM-ST1, TM-ST2 and TM-STPRO mics. The TM-ST1 is a midside stereo microphone that can capture broad latitudinal soundscapes with the mics set at either 90 degrees or 120 degrees. The TM-ST2 and TM-STPRO microphones

come in X-Y configurations and both feature a low-frequency roll-off switch.

Other microphone entries included DPA's 4099 instrument-mounted microphones, specifically adapted for trumpet, sax, guitar and violin. These condenser microphones feature super-cardioid polar patterns and good gain-before-feedback performance.

beyerdynamic's new CK 930 compact, true-condenser microphone offers large signal-to-noise-ratio and flat frequency response. Its tight cardioid pickup pattern with off-axis rejection reduces the risk of feedback, particularly helpful when used for sound reinforcement applications.

And for tactile junkies, there was still plenty of highend outboard signal processing to be found. Universal Audio's LA-610 MKII tube mic pre evokes the classic sound of the legendary Bill Putnam's 610 mic pre combined with the old Teletronix LA-2A-style T4 compression for a street price of \$1,599. Tascam introduced its SD-01U surround decoder, another indication that 5.1 music mixing is coming for the masses. Automatic switching in the unit lets the input source detect Dolby Digital (AC3), DTS or Dolby Pro Logic sources and route nonsurround material to the left and right outputs.

Korg's new MR-2000S 1-bit studio recorder represents another aspect of the MI/pro audio hybrid. The MR-2000S is a single-rack-height digital stereo 1-bit recorder, offering 5.6 MHz or 2.8 MHz 1-bit recording, or up to 24-bit, 192 kHz PCM recording and playback. One-bit file formats

1. Line 6's David Lenat; 2. GC Pro exhibited with a larger booth this year

Plug-ins like Line 6's POD Farm, which sells for \$100, blurred the line between pro audio, MI

DSDIFF, WSD and DSF are supported, as well as PCM support for standard WAV, BWF and MP3 playback. Sampling frequencies for PCM formats range from 44.1 kHz through 192 kHz. The unit's built-in 80 GB hard disk allows up to approximately 120 hours of recording or approximately 14.5 hours at the highest qual-

ity. It's available in December with a target U.S. MSRP of \$1,999.

AES PARTNERSHIP?

There was a lot of scuttlebutt on the show floor about the possibility of the AES show partnering with another complimentary expo, in part as a way to help alleviate the higher costs of traveling to trade shows.

More than one person put forth Summer NAMM as a suggestion. One particular product embodied that notion: a new stomp box line from Eventide, the respected, high-end pro audio signal processing systems developer. The TimeFactor features 10 delay effects, and the ModFactor offers 10 modulation effects, all from Eventide's classic studio boxes like the Harmonizer. MI





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Blue Devils

The Cavaliers

The finest drumlines in the world play Remo® drumheads. With more options and sizes than anyone else, Remo has the combination to unlock your success: PowerMax™, Black Max®, White Max®, CyberMax®, Powerstroke® 77, Pinstripe®, Suede®, Renaissance®, Falams II®, Fiberskyn®, NuSkyn®, Smooth White® Ambassador® & Emperor® and Black Suede™, just to name a few. Because your sound depends on it, depend on Remo.



32 INDEPENDENT RETAILER OF THE YEAR

Memphis Drum Shop expands its customer base with niche online retailing.

36 CHAIN RETAILER OF THE YEAR

George's Music gets leaner, more effective for uncertain times.

40 OVERALL EXCELLENCE

Eight music products retailers excelling in all aspects of their businesses.

48 CUSTOMER SERVICE

Sweetwater's personal touch to tech retail; Washington Music Center's mom-and-pop spirit.

50 MARKETING & PROMOTIONS

Hix Bros. Music's attention-grabbing educational programs; Zone Music's community marketing.

52 DESIGN & DISPLAY

Paige's Music's high-end string boutique; Beacock Music's staff-inspired store design.

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Merriam Music's full music immersion experience; West Music's grass-roots education programs.

58 RETAIL IMPROVEMENT

Lone Star Percussion's total retail makeover; Stanton's Sheet Music's online adaptation.

60 HONOR ROLL

Twenty more noteworthy music product retailers.

tough economy, an election year, a bipolar stock market — this year's *Music Inc*. Retail Excellence Awards winners deserve special recognition. These dealerships are slugging through the same conditions as everyone else. Several have been deeply affected. Still, they adapt, learn, promote, work harder — do whatever it takes to see black on the balance sheet. Each has unique strategies for holding steady in these challenging times. Each has something to teach the music retail industry.

As a side note, 2008's Independent Retailer of the Year, Memphis Drum Shop, happens to be the first drum specialty retailer to earn this recognition. Congrats to the company's owner, Jim Petit, and his staff.





INDEPENDENT RETAILER OF THE YEAR

MEMPHIS DRUM SHOP

STREET PREVAIL

Memphis Drum Shop's Jim Petit on community marketing, niche e-commerce and why flat sales aren't good enough

> f Joe the Plumber became the national face of the small business owner during the 2008 presidential election, Jim Petit represents the heart and soul of thousands of independent music retailers who make up Main Street.

And when it comes to assessing how Wall Street's economic woes have impacted Main Street, Petit, the owner and founder of Memphis Drum Shop, is blunt.

"Store walk-in traffic has dramatically decreased," said the owner of this year's Independent Retailer of the Year. "I mean, some days it has decreased to nothing."

Petit, who started Memphis Drum Shop in Memphis, Tenn., 21 years ago and oversaw an expansion of its store and warehouse space to 10,000 square feet in 2005 said his online sales have also stagnated.

"We've seen the dollar amount of online orders stay about the same, but we always look for online sales to be increasing in both dollar numbuilt an extensive network of relationships with fellow drum shop owners, working musicians, customers, manufacturers and distributors. In tougher times, these relationships have proven critical. Slow to add new product lines, Memphis Drum Shop's philosophy has long been to evaluate whether the relationship will be mutually beneficial. It sounds like a

Along with its main Web site, Memphis Drum Shop also runs a specialty cymbal site. It catalogs cymbals by sound and features a video library.

ber and item number, but that | is not happening, so no increase is a decrease," Petit said.

While it might sound like Petit has given in to the gloom surrounding Wall Street's economic woes, nothing could be further from the truth. In fact, he's quite optimistic about the future.

"My mantra is that we're going to be one of the ones left standing," he said. "I actually look at this as an exciting time — to see if we can make this whole thing work and if we can be efficient enough to stay in business."

Petit said that keeping his staff motivated and upbeat is Job No. 1. "The best way to lead is by example," he said. "I really try to go out and encourage [the staff]. I know it's tough for them when they've been here all day and have only seen four people walk through the door."

no-brainer, but Petit said this has allowed him to cultivate long-term relationships that have a tangible economic impact.

"One of the ways we pick our manufacturers and suppliers is based on their customer service," he said. "Because when my customer comes in and asks for a warranty or a replacement [part], guess who I have to go to? So, I want to make sure that I get a supplier that will stand behind [its] product.

"I'm always trying to think what I can do for them to make it better for both of us. The No. 1 priority is to pay your bills, and I try to be sincere about representing the product."

ONLINE NICHES

espite the economic challenges of 2008, Petit said his suppliers have given him plenty of reasons to buy new Over the years, Petit has lines and products. Memphis

Drum Shop is almost fully stocked for the holiday season a definite plus, considering the three-pronged approach the store takes to e-commerce.

The company launched its first Web site in 1997. Originally information-only, the site has grown to encompass an online store at memphisdrumshop.com and tertiary sites on eBay and mycymbal.com. When asked why he decided to launch a separate site exclusively devoted to cymbals, Petit explained that as a niche retailer, he wanted to "drill down" and corner an even more specialized subset of the market.

MyCymbal.com is a virtual warehouse of cymbals. Since drums are such an audio/visual experience, the site not only catalogs cymbals by sound, it showcases videos of the cymbals being played, letting drummers come as close to a 3-D experience as possible given the parameters of current technology. According to Petit, response to the site has been good, although maintaining the site is an involved process. His Web staff - which constitutes about a third of his workforce — constantly updates it, and Petit estimated the store is currently in its seventh incarnation on the Web.

One of Memphis Drum Shop's biggest challenges is converting what Petit called the "onesie, twosie" stick/accessory orders into more substantial sales, eBay sales have been brisk, and his store is a buy-it-now partner with several drumstick companies — where the suppliers' Web sites direct customers to Memphis Drum Shop's site when they're ready to buy. Memphis Drum Shop offers free shipping on Web orders to remain competitive with other online retailers, but at this

point, it's a zero-sum game since most of its competitors do the same.

Having an online store presence has also fundamentally benefited the way Petit orders. "Whereas I used to buy just for the shop, now I've realized I buy for online and for the shop, and that's two different creatures," he said. "We try to stay light on our feet and react quickly."

PEOPLE ARE EVERYTHING

petit said he relies heavily on both his online and instore staff, and credits much of Memphis Drum Shop's success to them.

"I credit the biggest part of any success we have to the staff because of what they do and the way they do their jobs," he said. "They're very professional. They care. They're interested in the customer. They're interested in the product. And I get a lot of feedback from customers about that."

All of Memphis Drum Shop's employees are drummers, and each has his own specialty and likes/dislikes. Conversations between employees and customers are selling points, and none of the staff gets paid on commission.

"You could say that I welcome diversity - I almost demand diversity — in all my salespeople and my staff," Petit said. "Customers are pretty savvy in where they shop, and they understand the difference in shopping at a place where the staff is commission and a place where they are not. Here, the customer realizes that the salesperson is really listening to them and has their interests at heart. Sometimes I feel we might lose a sale because of that, but the customer gets a good feeling, and they do feel comfortable buying here. I guess I'd call it a sincere sales approach."

BUILDING COMMUNITY

etit's down-to-earth honesty contributes to the sense of community surrounding the shop. He's proud that Memphis Drum Shop's employees play in bands, and his shop has a reputation for being the place that people call when they're looking for a drummer. He said his company routinely hosts clinics, sometimes utilizing space at nearby Christian Brothers University when the event calls for a bigger venue. Recording studios in town rent equipment from the store, and Petit is actively revamping his lesson program to expand the store's concentration on education.

He also credited his association in the Five-Star Drum Shops network as a great resource for ideas, inspiration and advice.

"The Five-Star dealer network has been the greatest organization that I've been in since I've been in business," he said. "I'm constantly asking [the dealers] questions about how they did things and how they could do things."

Petit's store was also one of nine Five-Star dealers participating in this year's The Big Beat, an event which aimed to break the Guinness World Record for the greatest number of drummers playing the same beat at one time. The Big Beat generated a lot of positive PR, and Petit said he relies on that to help spark sales and word-of-mouth leading up to the holiday season.

"That's one of the main reasons we decided to do [The Big Beat], to kind of get us on the map here as far as [our] community involvement goes," Petit said.

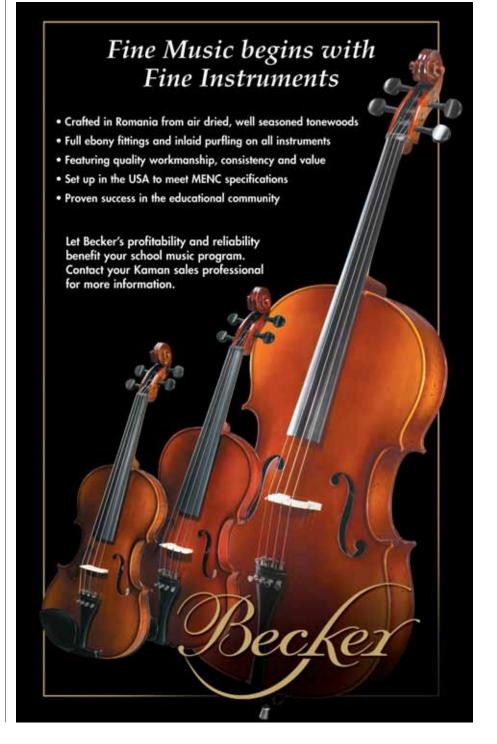
It's also the kind of event that has a broad appeal, which is crucial for a store that Petit said has no "average" customer. Memphis Drum Shop attracts a range of drummers, from the toddler who's trying to figure out a beat to the weekend warrior to the working professional to "the Fed Ex executive who wants to buy a drum set," Petit said.

Hosting events like The Big Beat and having a range of customers all go handin-hand toward creating a drummer's hub. Petit's displays are grouped so that a customer can easily navigate them and find what he or she is looking for. He uses risers to give "a little bit of that star approach" and put customers in a frame of mind where they can envision themselves playing on stage.

He recalled when he was a kid and got his first snare drum. He opened the package, and it was upside down.

"My dad and I were looking at it, and the snares were there, and I asked, 'What are those things?' Because I didn't know, and my dad didn't either," he said with a hearty chuckle. "I've learned a little bit since then." MI

- Sara Farr, photo by Phillip Parker



CHAIN RETAILER OF THE YEAR GEORGE'S MUSIC

George Hines of George's Music stays confident in uncertain times by seeking ways to run a leaner operation

eorge Hines has boiled retail success down to a science of putting measurable systems and processes in place. According to the founder and CEO of George's Music, this is especially key when facing rapid industry changes and preparing for a volatile economy. And still, Hines is ready to tweak his business strategy on the fly to keep up with fluctuations in the marketplace.

"I always like to compare new challenges to playing new sports teams," Hines said of his 10-store combo operation, with locations in Pennsylvania and Florida. "When you're playing against a different team every day or every week, you are constantly changing the way you run your offense and defense. In our industry, you've got to be pretty fluid right now. You have to be willing to recognize that there is a more constant change in how the game is being played."





George Hines

Hines said he believes that recent economic turmoil has reinforced the ways George's Music does business as it relates to monitoring the effects of such sudden changes.

"When you have measurable systems in place that clearly tell you what's going on quickly, it certainly assists in modifying your plan and changing your strategy," he said.

Specifically, Hines has always kept a watchful eye on several key indicators that measure precise accounting change the way we do things."

BANKING STRATEGY

ndeed, some of the more pronounced changes taking place at George's Music these days have been in direct response to news reports from Wall Street.

Hines has become particularly concerned about his store's relationships with its banks. This fall, in the middle of the chaotic headlines, he moved quickly to secure his company's considerable cash assets in national and regional banks to

'We try to drive traffic by giving customers valuable information or by creating a sense of exclusivity.'

George Hines

ratios and calculations to reveal how efficiently various aspects of the business are contributing to his bottom line. These key indicators have proven especially handy in recent times, to say the least.

"On the finance side, key indicators would include looking at cash flow, gross margin, expenses to sales and cash management that allows the company to be financially strong," he said. "In the purchasing department, we look at return on investment (ROI) for product categories, as well as specific vendors. On the sales end, we look at the customer satisfaction number, derived from mystery shoppers we hire and service-quality audits measuring systems and company standards that we run monthly. Each division in the company has at least one key indicator where if things change in that environment we can see it quickly, and then it's a matter of how fast we can

maximize liquidity. "We were constantly moving our funds in such a way that we were not putting ourselves at risk should a bank failure occur," he said.

A huge believer in having backup systems in place for everything, Hines said he now plans to add a third bank to the mix for added security.

SELLING TO A CAUTIOUS CONSUMER

his year has been "very good" for George's Music, according to Hines, but he's keeping a watchful eye on the fourth quarter. "If the consumer is fearful going into this fourth quarter, I think you will need to reach out to them more," Hines said. "You increase the amount of contact using blast e-mails and direct mail inviting them back to the store and helping them stay in touch with their musical hobbies to reduce their stress. You figure out how to use the benefits of music to offset the concerns they have about their | business. A strong balance

401(k)s and their jobs."

This is where long-term customer relationships have come in handy. "I think there has been too much focus on products and price and scarce focus on relationships to some degree, and that scarcity creates value," Hines said. "You can actually gain more ground by focusing on the emotional needs of your customers more than ever before.

"If you really care about your customers, one of the most important things you can do is to know them by name because recognition makes them feel welcome and appreciated for their business. We measure the percentage of business that we get from our 'regulars' - or key customers compared to our total sales volume, and we constantly try to drive that number higher."

Another way George's Music builds those relationships is through in-store promotions designed to educate customers and provide them with unique product offerings.

"We'll have guitar manufacturers like Taylor and Martin come in with custom guitars from their factories that you can't get anywhere else," Hines said. "In the case of a cymbal manufacturer, Sabian comes in and does their Cymbal Vault, showing cymbals that you normally can't get. Every month, we also target customers who have purchased entry-level instruments and offer them a free orientation where they can learn how to tune and care for the instrument and receive a free set of strings. We try to drive traffic by giving them valuable information or by creating a sense of exclusivity."

According to Hines, the key to great customer service is, ultimately, profitability. "The reason is simple: no profit, no sheet allows you to withstand big fluctuations in the environment. It allows you to take care of your vendors. That's a responsibility in business, to keep yourself financially strong so that you can withstand a couple of shocks and take care of the suppliers that you need so much, as well as the people in your company, and be there for your customers."

LOWERING COSTS

lines said one way to main-I tain profitability in a declining sales environment is to find ways to lower the cost of doing business.

"Technology is amazing," he said. "You can do so much now from a marketing and promotional standpoint for very little money compared to what we used to be able to do. And then vou have faster and more accurate methods of communication. You can automate a lot of your systems through Web interfacing. These are more efficient ways of doing business, things that really help to shave costs."

Technology can also be used to enhance the customer experience. Hines said he believes that the future of retailing must include some sort of online sales presence. "E-commerce may be one of our greatest opportunities when you consider your existing customer relationships and the trend to online sales being more convenient for consumers."

Looking ahead, Hines remains optimistic but cautious. "There are upsides to every downside," he said. "We'll monitor what's going on around us, and if we see something that we think is a good investment, we'll be ready to move on it. Because the future is what we decide to make of it, and I prefer to make good of it." MI

- Ed Enright, photo by Shane East

AMPLIFICATION



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Building a noticeable online presence can be a slow process, but Ted Brown Music President Whitney Grisaffi said she's already seeing results from the online instrument rental feature. According to Grisaffi, a highly functional Web site gives convenience to customers who might otherwise not make it into the store. And this is especially critical in a tough economy.

"We do a number of online rentals during back-to-school time," she said. "Sometimes parents can't make it to a [rental] meeting, or it might not be worth the time and gas to send [a rep] out to a site in a remote location. But customers can go online and rent an instrument from us, and we can service them via UPS."

REDUCING REP EXPENSES

To reduce the cost of gas, Ted Brown Music has replaced a portion of its road rep vehicles with more fuel-efficient models. Minivans previously dominated the fleet, but Grisaffi has added two Scions and a Pontiac Vibe over the past two years. These average more than 30 miles per gallon on the highway. Grisaffi has also invested in a Dodge Sprinter cargo van for employees making regular trips and shuttling equipment to locations in the eastern part of the state. It averages three more mpg than its Chevy and Ford counterparts.

"We're not going to replace everything because you still have an issue of needing the size [of a minivan]," Grisaffi said. "But these can do a small rental meeting. We can pack it efficiently where we can do a meeting with 20–25 horns and two employees out of the Vibe.

"Some days, we're looking around and trying to figure out where the biggest vehicles need to be and doing some vehicle swapping, which takes some coordination. But overall, it's saving us money."

Grisaffi said she and her employees sometimes feel like they're short-changing customers on the service they've been used to. Still, she said customers have been understanding. "Instead of seeing them every other week, we're seeing them every six to eight weeks," she said. "We feel bad because we sometimes feel like we are cutting down on our service, but everyone is very understanding and nobody questions it. They're not driving either." MI

- Jeff Cagle, photo by Chris Watkins

OVERALL EXCELLENCE DADDY'S JUNKY MUSIC

Thriving in Junky Times

What separates Daddy's Junky Music from other combo retailers isn't just its funny name but also its business philosophy. The customer may come first, but employees are just as important. That philosophy has helped Daddy's flourish during its 36 years in the business, and it's a big reason why its executives don't fear the economic downturn — at least not much.

"We operate on the basis that at any time we're going to be able to take care of our customers and take care of our employees in a cost-efficient way, whether it's a good economy or a bad one," said Daddy's Senior Vice President Chris Gleason. "Because of that, I think we'll be in a fine position."

STREAMLINING STOCK

Of course, hoping for the best and expecting the worst doesn't work unless there's a solid plan in place for the latter. Here, Daddy's has been making some changes.

"Obviously, we're buying less," Gleason said. "And we're on a strict inventory budget, making sure we're optimized."

By narrowing its choices and going deeper on the more popular items, Daddy's has been able optimize its inventory. The company cleared its warehouse of items that didn't take off, or it found a new place for them.

For example, Gleason explained how Daddy's has one location that has done well with high-end merchandise, especially American-made guitars. It has another that doesn't do as well at moving the top-notch stuff. So, this store's high-end inventory has been shipped to that other store, and next time around, Daddy's won't order high-end wares for that store. This eliminates dead weight.

Daddy's also has a revenue stream that many music retailers don't have going for them: used gear. "Used gear, of course, is a good value for our customers," Gleason said. "And in times when people are looking to save a few bucks, the fact that we're selling used gear will help out a lot."

The mix of high-end gear, used gear and full-service locations, which

feature music lessons and gear rentals, gives Daddy's a little something special. "With us, you get a little bit of bigguy and a mom-and-pop store all mixed up together," Gleason said.

DADDY'S ONLINE

It keeps that vibe going on its Web site, daddys.com. The site offers all the accouterments of your typical ecommerce site: online specials, PayPal check-out, tons of gear, etc. But it also aims to keep its independent flavor. Most of Daddy's online budget has been geared toward design elements, but one of the least expensive things to produce, the blog, goes a long way in delivering on the company's indie credentials.

The blog is updated frequently by company staffers and usually features information about upcoming events. Daddy's had great success with the blog during its recent Gibson promotion. Numerous people posted regular updates about the event.

Daddy's has gone deeper into topselling inventory and moved sluggish items to locations where they'll turn faster

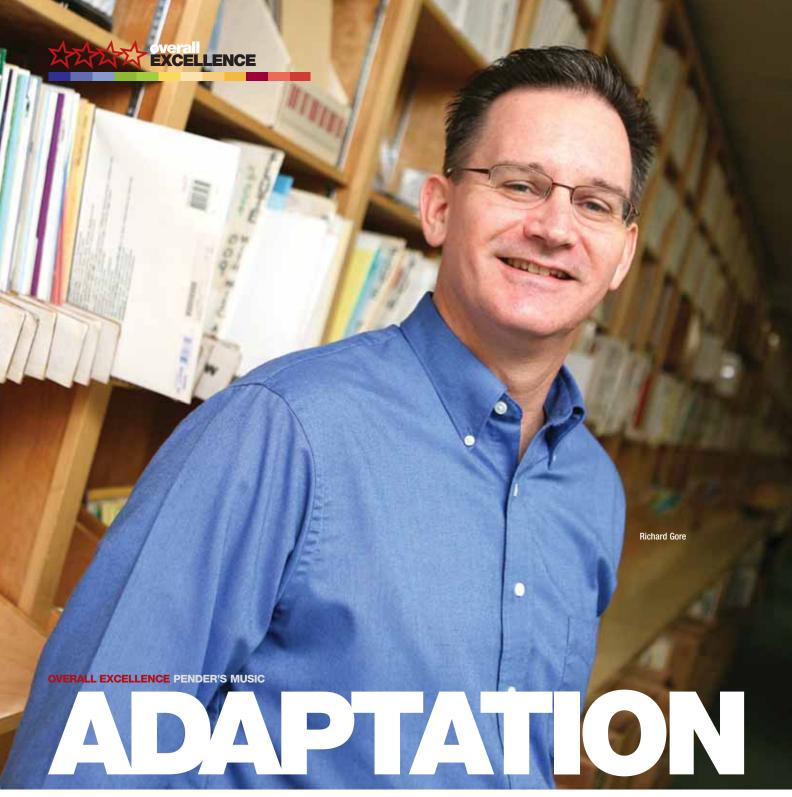
"We've been getting good feedback," Gleason said of the blog. "It's a great way to interact with people."

Building an online presence is important. And that's where the company's interactive investments are likely to pay dividends.

"Looking ahead into the future, we think that e-commerce will grow, and we'll be a part of that because we're set up to grow with it," Gleason said.

That's the plan for when stuff starts growing again. In the meantime, Daddy's will stick to its indie draw and keep selling the best new and used gear. MI

- Andrew Greiner



ichard Gore, owner of Denton, Texas-based print music retailer Pender's Music, knew he'd be in for a challenge when he decided to acquire another dealership halfway across the country, in Portland, Ore. What he didn't expect was a culture shock.

Staff under the previous

owner had a lackadaisical attitude toward dress and customer service. The choral music and instrumental departments were also at odds, refusing to assist one another's customers. This did not fit Pender's service-first business model.

"They'd been around for 90 years and us for 40," Gore said. "Inevitably, each company had

developed its own culture and way of doing things. Our people treat our business like they're an owner. That's our culture."

On top of that, the Portland business community had a reputation for buying local. "We had heard horror stories of Starbucks chains being firebombed when they tried to open [in 2004]," Gore said.

To avoid being perceived as an out-of-town Goliath, he made sure that the new products he added to the store would be of value to the community.

"We started carrying print music for piano teachers, so that we would be a place for them to get their methods," Gore said. "We added pop music but also increased the



size of their jazz section, which is a huge market in the Northwest."

Some former employees left the store when the buyout was complete in 2005, but Gore said the business has since taken root. "Before anybody expands, they really have to [ask], 'Can I make this place better by buying it? Can I add something new to the community that wasn't there before?" If you can't, you probably shouldn't waste your time."

It was following this model that Gore decided to close an existing Pender's store-front three years later. "We found that we were able to fulfill the customer needs of our Houston store online and through mail-order, especially with one-day delivery from our main store in Denton," he said.

Rather than blame a faltering economy, Gore said he sees consolidation as a longer-term retail trend. "Promotions tend to work better with one central place everything is called into and shipped from," he said. "Most people want to have a complete fill on their order and not necessarily have to bring in [items] from other locations. That's part of the reason why not having as many physical locations will still bring in customers from your old locations."

Gore also used the store's closing to revamp Pender's Web site. "We hired a Web design firm with in-house programmers. [That way,] you have a guy that specializes in database management, one in the site's functionality, a graphic artist. The firm works with our existing marketing team to develop the look and feel, and our team maintains the product information online."

Pender's is currently working on adding sound clips and an option to view a score's table of contents digitally. "We're going to try to recreate the store experience as much as possible," he said.

Gore said working with publishers will help bring the print market into the digital age. Cross-promotions have helped Pender's reduce its ad budget by sharing promotional costs with publishers. In return, it gets its name attached to a complete promotional package that includes sample recordings.

"And that," Gore said, "allows the customer to experience coming into the store without actually having to." MI

- Mary Wilcop, photo by Julie Birdseye

OVERALL EXCELLENCE SAM ASH MUSIC

Tightening the Ship

Recent economic developments have left business owners scrambling for a plan to ride out the storm. Many front offices are harried, many staff are dripping sweat as they try to trim from an already thin budget.

That is not the case at Sam Ash Music.

"We're in a position of strength," said Sammy Ash, one of the owner-brothers of the eponymous company. "We're not doing any laying off of people, not making any drastic reductions in inventory or staff. Are we concerned? Yes. Are we freaking out? No."

How can Sam Ash be so comfortable in the face of the worst economic crisis in our lifetime? Prescience. "I'm not saying we're geniuses," Ash said. "We had no crystal ball. But two years ago, my brothers and I sat down and looked at the company as a whole, and we didn't like what we saw."

According to Ash, there was too much fat clogging the distribution chain, too much inventory stored in the wrong places and too much overhead. The Ash brothers and their store managers literally picked the company apart looking for places to streamline operations. Two years later, overhead has been reduced and sales are steady.

"If we had to do that today, we'd be in bad shape," Ash said. "When you thin out inventory and employees during good times, it's OK. When you do it in a bad time, people start to freak out. The moves we made put us in a really good position to weather the storm."

STREAMLINED DISTRIBUTION

One of the moves Sam Ash made was rethinking the use of its central warehouse. Vendors used to send stock directly to a warehouse at the company headquarters in Hicksville, N.Y., where it would then be shipped to Ash's 45 locations around the country. Essentially, Sam Ash was touching its merchandise twice. This turned out to be a waste. Vendors now ship directly to independent locations. "It's great because manufacturers know how all of our stores are doing," Ash said. "Manufacturers work with us directly."

And rather than raze the central

warehouse, the Ash brothers now use it as a storage facility for company records.

COMPETING WITH A BIGGER-BOX

A nother strategy they implemented was to stop growing and start glowing. Sam Ash will not be opening any new stores. (They won't be closing any either.) But walk into any of the company's locations, and you're likely to see a handsome showroom. The Ash brothers either have installed or will install new carpeting, displays and inventory at most of the locations.

"Stores get bloated; they get dilapidated," Ash said. "We can't have rundown stores. Not today. We're chasing the Best Buy dragon. That company, all their stores are clean and professional. Customers are very comfortable shopping there because they know what they'll get. We want to match that."

Maybe the most important investment Sam Ash made recently was in

Sam Ash eliminated waste by having vendors ship product to individual stores, as opposed to its central warehouse

virtual space. Two months ago, the company debuted a new Web site.

"It's faster, it's better and it's easier to look things up on," Ash said. "We've moved some of our educational tools there, and people are very happy." So much so that just weeks after launching the company was recognized as a Top 100 Web retailer by Internet Retailer magazine.

All of this adds up to a pretty good position to ride out the economic storm. In Ash's words: "As long as the world doesn't crash and burn, we ought to be all right." MI

Andrew Greiner



obert Strait, president of Strait Music in Austin, Texas, likes to mix the old with the new at his generations-old dealership. He keeps it in the family, repairs instruments in-house and has branched into an essentially costless side of e-commerce.

"We service what we sell," Strait said. "There aren't a lot of stores that still repair everything themselves."

The service department includes six to eight band and orchestra technicians to supplement the rental program, along with piano, guitar and electronics technicians. Strait said he has stolen more than a few customers who ended up at his shop because his chain competitors didn't offer repair services.

LESSONS IN-STORE, OUTSOURCED

bout 2,500 students take music lessons in the company's building, but they aren't taught through teachers on Strait's payroll. Strait owns the property but rents out a portion of the building to the Austin School of Music. This way, Strait said he doesn't have to spend money on teachers or deal with scheduling logistics.

"It's still benefitting the corporate structure and helps us make our mortgage payments," he said. "Plus, when the students take their breaks at the school, they will come and mingle and shop in the store."

EMBRACING TECHNOLOGY

Strait put his son, Clint, in charge of the store's Web site, after having previously worked with an outside firm.

They update it weekly with new products and other news, whereas before they had to send information to the Web master and wait for it to be updated.

"We don't do a lot of selling on our own site," Strait said. "We put a lot of our used stuff on there and people will contact us about it, but it's not really an e-commerce site."

Instead, he has turned to eBay for his e-commerce needs. The auction site has been especially useful for selling stagnant product. "Everything we put on there sells," Strait said.

"There's one or two people who might come in and look at that instrument in the store, [but on eBay,] it's now in front of millions. It's usually an outdated item, so people who would come into the store looking for something like it

have probably already been on eBay, and they know what the general price should be on that unit. You're not going to get any more money on it in the store, but you're going to sell it so much faster on eBay."

Strait has built up quite a reputation on the site. The store's account has received a 100-percent-positive rating from eBay customers who've purchased from Strait Music. eBay executives have even called Strait to commend him on his store's reputation and high approval rating.

"We'll sell items at a loss," Strait said. "We'll take our money we get from that sale and invest it into a hotter product that we'll get more turns with." MI

 Jeff Cagle, photo by Stella Alesi Photography



OVERALL EXCELLENCE GUITAR CENTER

Business as Usual

N o company is indemnified against the sour economy, but Guitar Center's execs have every intention of thriving during the trying financial times. The industry stalwart is operating as if all is well, attributing its consistency to its training program.

"We've got an extremely motivated, highly trained sales team in the stores, and they are experts at not simply moving product but communicating true value," said GC's Executive Vice President Norman Hajjar. "Value's importance skyrockets when the economic situation is more volatile."

STAR POWER

Giving off an impression of strength is a valuable asset, as well. Despite the turbulent economy, musicians have been

treated to killer contests and events from their local GC stores over the past year. Beginning in 2007, the company got in the business of making rock bands with its competition, On-Stage. Over the past couple of months, bands across the United States were invited to submit their music at makerockhistory.com.

From thousands of submissions, 30 semi-finalists were selected to compete for the chance to win a prize package that includes an opening slot on Mötley Crüe's 2009 U.S. tour, \$25,000 cash, \$20,000 in new gear from Gibson, management from Tenth Street Entertainment and a recording deal from Eleven Seven Music, Mötley's management and record label. At press time, the competition was down

to its final six contestants.

"It's not just another contest but a true life-changing event that's designed to shape the destiny of the band — our customers — that win," Hajjar said.

In July, Megadeth frontman Dave Mustaine drew thousands of fans to GC's Hollywood, Calif., location. Co-sponsored by Marshall, the over-capacity event showcased an intimate discussion and live performances with the heavy metal icon. Mustaine shared stories from his past and talked about his current projects. Afterwards, he took time to answer audience questions. A signing session followed, and more than 1,500 fans lined up to have their guitars, posters and records autographed.

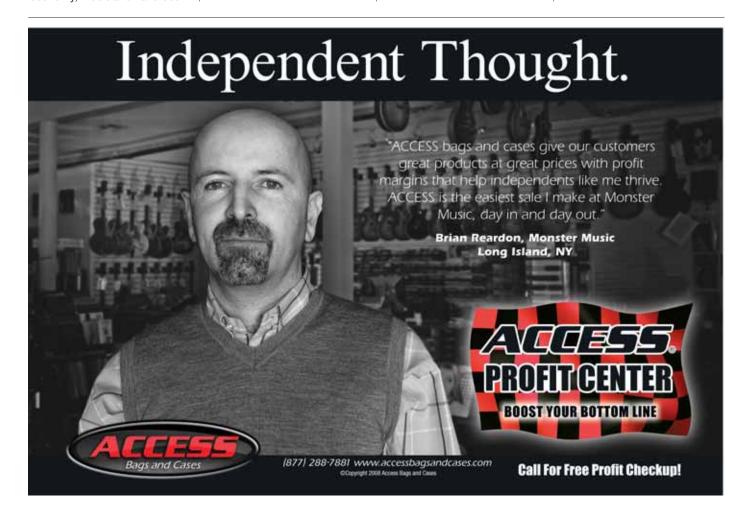
GALA STORE OPENING

G also went back to its roots for a blockbuster store opening, revisiting its first location in New York. The grand reopening of the Carle Place, N.Y., location drew thousands of customers and a horde of press.

Hip-hop legends
Grandmaster Flash and Biz
Markie, as well as Long Island
alternative rock band Envy on
the Coast, showed up to rock
the stage. GC execs called the
event one of the largest store
openings they've ever seen.

Despite the negative economic headlines, GC is working on business as usual, continuing to roll out these star-studded events and traffic-generating promotions. MI

- Andrew Greiner





his year, brothers
Max and Mark
Maxwell received a
phone call from the
mayor's office in
Louisville, Ky., requesting assistance for a Labor Day event.
Their full-line dealership,
Mom's Music, not only ended
up providing the entire backline and staging equipment but
also booked the performers.

"As far as our name in town goes, anything that happens

with music around here, no matter what it is, they call us," Mark said. "We've made a conscious decision that when the American Heart Association or a cancer benefit calls we need to help."

Between its Louisville and Jeffersonville Ind., locations, Mom's Music provides everything bands need to thrive as local performers. The Jeffersonville store, originally a four-plex movie theater, is now divided into retail space, private lesson studios for 1,200-plus students and a 150-seat performance stage. The Louisville location includes two facilities on adjacent properties that serve as the company's recording studio, backline and contracting division.

"We have found ourselves to be the promoters of the town," Max said. "With our RockSchool bands, we not only do an eight-week program

with a concert at the end, but we help book these bands at different places in town."

ROCK SCHOOLS

Wenty years ago, Mom's Music was one of the original test sites of the RockSchool curriculum developed by Yamaha. While the nationwide initiative lost momentum over time, the Maxwell brothers found continued success with the format. Mom's Music has



had as many as 65 bands participate in its RockSchool program.

"I cannot believe that our school systems have not adapted playing guitar, bass, drums and keyboard, and singing in a rock band — something kids are familiar with," Max said. "Our school music programs keep shrinking, and I'm surprised they have not grasped this."

On the other side of the lesson spectrum. Mom's Music also has 10-15 current bands involved in its Weekend Warriors program — an iteration of NAMM's rock band initiative for working professionals. Two of those bands even have their MySpace pages linked to Mom's Music's Web site.

MUSIC ON A MISSION

n addition to the hard rockers, Mom's Music also caters to the the deeply spiritual. Located in what they call "the hip" of the Bible Belt, the Maxwell brothers' greatest passion is their Takin' It to the Streets program, developed from a desire to thank local churches for their business. This initiative brings talented church musicians from across denominations together to play at secular venues. Mom's Music sets up equipment for the events at no cost to the churches. During one such event at a Six Flags amusement park, 74 churches played on 11 stages.

"We knew all these worship leaders," Mark said. "We know all these folks in town and [have] dealt with them forever. It was a way to get them out and play music locally."

According to Max, the only thing they ask is that church bands refrain from soapboxing. "We let the song be the prayer," Max said. "We don't want to make the community feel uncomfortable."

Mom's intense community involvement requires many late nights and lost personal time, but the Maxwell brothers feel it's all worthwhile. "Retail is the last thing on our list," Mark said.

"There is nothing like seeing these kids walk out on stage, and people go nuts for them," Max said. "There is no feeling any money is going to bring us like that. At the end of the day, I think our epitaph will read that we did good by music and did good in our community." MI

- Jenny Domine, photo by Jessie Kriech-Higdon

Stors Alignec

erry Sims' Yamaha rep often tells him that he has the stars aligned. "He tells me, 'Don't mess with them. Whatever they are, keep them aligned," Sims said.

His Columbia, S.C., dealership, Sims Music, could serve as a bestpractices model for MI retail - from its hiring to its buying to its customer service. It's a puzzle with many pieces that coalesce to form a full-line business with sales growth nearly every month since opening in 1979.

BUYING BIG

ims Music is a decidedly inven-Otory-heavy operation. The way Sims sees it, the best way to sell a lot of drum kits is to carry a lot of kits.

"We have 50 drum sets, at least," Sims said. "My thought was, 'How can I sell a lot of drums?' I can hire a drum guy, or I can buy a lot of drums, or I can do both. It's cheaper to buy a lot of drums.

"A lot of product has been the bottom line. That has been one of the secrets.'

It sounds counterintuitive at a time when many music retailers keep their inventory under a magnifying glass. Here, Sims said his buying strategy has been key. It's driven by inspiration more than calculation, but he said he's right more than 80 percent of the time

"When I go to a trade show and I look at a piece of equipment like a guitar, I ask [myself], 'Can I sell six of these?' If I say, 'Yes,' I don't even hesitate to buy that product. I'm not putting it in any particular period of time [to be sold]. I'm just saying I can sell six before they go out of style.

"If I say, 'I'm not sure if I can sell six of those,' my next question is, 'Can I sell three?' And if I think I can sell three, then I'll probably buy that product a little lighter with a little more caution.

"I don't have a lot of dead product. And I have a couple of employees that I think have the same sense that I have because they've been here so long."

Sims' no-debt philosophy helps, too. He doesn't floor plan, and his building is paid off. "Cash is tied up in [inventory], but as long as you don't owe that cash, I don't care.

"No debt has always been my bottom line."

e refuses to race to the bottom with his prices, and so far, he hasn't had to. "We've got a lot of credibility here," he said. "It's a little embarrassing for the customer to come into our store and drive us crazy [on price].

"My employees are very well-educated. They're very good musicians. They're friendly, and we have product. We give lifetime service to any guitar we sell. We don't get everyone, but we sell a lot of instruments."

Sims also pays his employees an extra dollar to call customers after the sale and check in with them. If certain

Sims Music's employees earn a dollar if they check in with the customer after the sale

products break down, Sims Music will give the customer a loaner.

"Great after-sale support," said one supplier of Sims Music. "All the employees want the customer to be happy with his or her purchase."

HIRING & RETENTION

ims said he hires employees from his customer base. He also asks his existing staff for referrals when a position opens up. And teachers in the company's lesson program are all employees, not contractors. "Those people are the ones who will say [to a student], 'Oh, you want a guitar? I'll sell you one of those," Sims said.

One of the company's employees has been there for 22 years, another for 20, another for 15. He said employees don't work on commission but get a small reward per sale that's not based on profits. "It's just like, you'll get \$5 extra for selling anything from \$300-\$500, for instance.

Sims added that he pays nearly all of his employees' health insurance. "It's expensive, but you get what you pay for."

It has paid for a lot, judging from the company's sales record. MI

- Zach Phillips



CUSTOMER SERVICE SWEETWATER

48 I MUSIC INC. I DECEMBER 2008

TECH SUPPORT



Jeff Cagle, photo by Eye Pix
 Photography



CUSTOMER SERVICE WASHINGTON MUSIC CENTER

Month Service Washington Music Center Music Center Washington RETURN POLICY

→ Music Center in Wheaton, Md., takes up nearly a full city block. But despite its size, brothers and vice presidents Alan and Robert Levin operate the business with the same mom-and-pop spirit established by their parents.

"Between my brother and myself, one of us is always in the store," Alan said. "There are only two people who have a key to the front door. If my brother or I don't open or close, we're not opening or closing.'

Levin acknowledged that it may sound like aggressive micromanagement, but having a Levin in the store reassures customers that they're in an environment that offers a personal experience.

he atmosphere at Washington Music is so personal that the company didn't even create a strict return policy until five years ago. If a customer had a legitimate concern, Levin said there always seemed to be a way to get an issue resolved through open, honest communication. It can still be achieved under the right circumstances despite the return policy, but Alan said he believes big-box retailers have created a new type of self-service shopping experience. In turn, they've created a new type of customer - the main reason for the return policy's implementation.

"[Big-boxes have] created a customer who figures the best thing to do is to come in and get use for 30 days," he said. "Say a customer buys an effects processor because he thinks it'll be great for him, but he has no idea how to use it. He can't use it for three weeks because he doesn't know how to turn it on, and no one where he purchased it from [explained the process], so he just returns it at 30 days."

CAREER SALESPEOPLE

lan said an average sales-Alan salu an alan person's tenure at Washington Music lasts between 12-15 years, and some are approaching the 30-year mark. All of them play music, and some have even owned their own sound businesses.

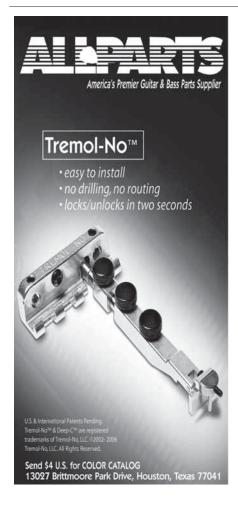
"My people are rooted in their niches," he said. "Most of them

about everything [when not at work], and on top of that, they are getting the training from the manufacturers who come in."

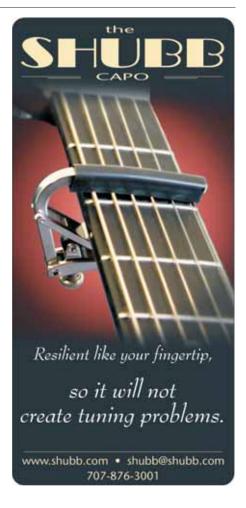
Hiring employees who care about their jobs and are rooted in music gives independent retailers a personal touch, an advantage over larger retailers. Alan said it's also important to get customers the right product the first time and create a shopping experience where they know there's a person behind the name of the store.

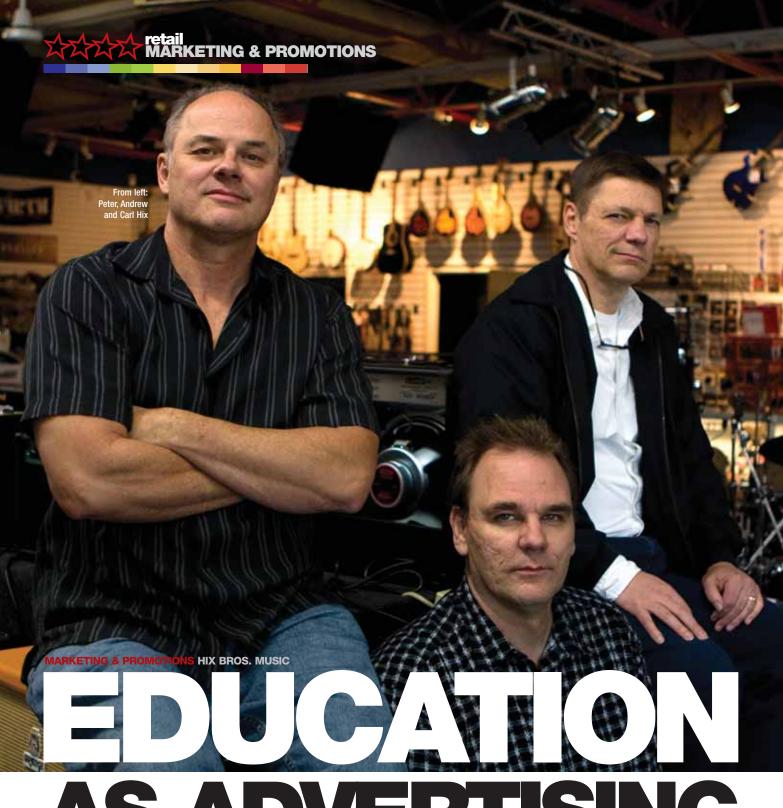
"We try and get it right when it goes out the door," Alan said. "We're not like 'Here it is, give it a try, and if it doesn't work, bring it back.' We work to get you the right product when you leave." MI

Jeff Cagle









Chicago-area locations sit in a hotbed of big-box retail. But the combo dealer's greatest threat doesn't come

ix Bros. Music's two | from fellow indie music stores.

Since moving into its Aurora, Ill., location in 1999, Hix's executive team — brothers Andrew, Peter and Carl Hix - have watched several local from chain-store giants. It comes | stores launch competitive music lesson programs. In response, Hix has debuted a number of education offshoots, such as Rock U and the Marching Guitar Band, which have garnered industry-wide attention.

our students as our best marketing tool," Peter said.

For Rock U, students practice songs in their private lessons and rehearse with a band the week before the show. This "We're really trying to use | is capped off with a final per-



formance at a professional music venue with a backline of high-end gear, lighting and a multiple-camera video shoot. "The kids have a great time, and the parents are happy to see it," Andrew said.

Hix hosts three Rock U showcases a year. The last one featured 38 bands and brought in nearly 1,000 people, according to Andrew. The program has also attracted musicians of all ages. "Parents get involved, becoming students themselves, so that they have a chance to play and perform with their kids," Carl said.

"One dad did 'I Wanna Be Sedated' with his daughter playing drums," Peter added, laughing.

According to the Hix brothers, the program has drawn more students into their lesson program, improved retention rates, and inspired students to purchase instruments and upgrade to better gear before shows.

It has also inspired offshoots. The Hix Bros. Junior All-Stars is a band featuring the best Rock U students. Rock Around an Hour and a Half is an eight-week program that teaches students how to write songs and the finer points of playing in a rock band. "Most of the students are in our Rock U program," Andrew said. "They want to play more."

And for students seeking extra playing opportunities, Hix recently launched the Marching Guitar Band. This initiative, which is exactly what the name implies, has promoted the Hix Bros. name at local parades and festivals. The most recent iteration featured 60 adults and kids jamming on electric guitars with Roland Micro Cube amplifiers strapped to their belts. They played a medley that blended John Philip Sousa marches with Deep Purple's "Smoke On The Water." As an added bonus, the Hix brothers talked their brother-in-law into both serving as the drum major and dressing up as Abraham Lincoln.

"Hopefully, we would've gotten the press anyway," Andrew said. "But because of our Abe Lincoln brother-inlaw, we got some really nice coverage in several papers — pictures of Abe Lincoln leading the Hix Bros. marching band."

Peter added: "Maybe next year, we'll have Batman do it." MI

- Zach Phillips, photo by Jeff Cagle

MARKETING & PROMOTIONS ZONE MUSIC

Community Marketing

On any given day, Frank Hayhurst might be giving an award to an underappreciated guitarist. He might be hosting a radio show about the local music scene, or his staff might be scrambling to put together an all-out tone fest for gearheads, featuring vendors, artists and sonic options galore.

It's all part of a promotional strategy designed to entertain and involve current and potential musicians, as well as honor artistic excellence. It's a strategy Hayhurst, CEO of Zone Music in Cotati, Calif., calls "the community music store." And it's a model he said is the future of independent retail.

"If we started doing this as an industry, what we call the independent dealer would have a tremendous advantage that no one else has," Hayhurst said.

"At all of my events, I try to include a component of inviting the general public and the parents and friends of musicians. We showcase how much fun it is [to play music]. And we invite people who've never played before to play for the first time, to feel it."

ZONE'S WOODSTOCK

e cited a company event this past September celebrating the Sonoma County Blues Society's 25th anniversary. It featured an afternoon of free live blues in the store's courtyard; an awards presentation to blues radio DJ Bill Bowker; and a drum circle at the end, where audience members got to jam with percussionist Armando Peraza. "It can't just be an entertainment event," Hayhurst said. "It also has to have that participation component.

"We had 400 people show up in our courtyard. We had blues music with different bands going every 20 minutes, all afternoon."

Last year's Jemstock also garnered Zone Music industry-wide attention. Named after the legendary concert festival, the event honored shredder Steve Vai and his Ibanez Jem guitar, which celebrated its 20th anniversary in 2007. Anticipation was so great that Hayhurst had to rent portable toilets and security guards. Roughly 3,000 people showed up to the event, which

was held on Zone's premises.

"As a result of doing that, people say, 'Steve Vai got this award and came to Zone Music,'" Hayhurst said. "The store was ferociously busy the day before, the day of and a couple days after. People would come in to see how our preparations were going."

'It can't just be an entertainment event. It also has to have that participation component.' – Frank Hayhurst

In fact, the store had gotten so busy prior to Jemstock that Hayhurst sent out an e-mail to court volunteers from his customer base. "We had somewhere around 60 or 70 people from our customer base volunteer to come and work for a day at Zone Music for nothing," he said. "That blew my mind, totally."

HONORING LOCAL HEROES

ayhurst stressed that this kind of community-based marketing doesn't require deep pockets or the grand scale of his events. "Take a local music educator, and celebrate that person's contributions," he said. "Take a local radio person who does a calendar of musical events in your area, and celebrate that person. Take a bunch of local bands. Put them together on a night at a club, and celebrate them by giving them an award in front of everybody."

Sometimes, Hayhurst even honors the MI elite. He presented an award to Rich Lasner, a designer of Vox's Virage guitar, during his clinic at Zone. "A lot of people came to see us honor Rich Lasner and his new design," Hayhurst said. "And suddenly, it was about more than just a guitar that's for sale on the wall." MI — Zach Phillips





DESIGN & DISPLAY PAIGE'S MUSIC

QUE BOUTIQUE

aige's Music in Indianapolis opened an in-store string boutique, Encore Orchestral Strings, in the fall of 2006.

Since then, its design has inspired other music product retailers to follow suit. (Fellow school music dealer Menchey Music Service in Hanover, Pa., for instance, opened its own string boutique, the Bowed String Gallery, this past summer.)

THE STEP-UP ENVIRONMENT

he in-store string shop was conceived to attract the high-end orchestral string market, according to Paige's Music President Mark Goff.

"Our entire plan was designed to send a message to the string customers that we are not just a great place to rent a student instrument, but | kids try out instruments with |

we are also a great place to buy a high-quality step-up," Goff said.

A 1,500-square-foot section of the store was not only physically renovated but also received its own brand image and an individual link on Paige's Web site to distinguish it as a store within a store.

The space's design was done completely in-house by Paige's Music's staff. It balances sophistication for professional musicians with comfort for moms and students. The instruments hang on a narrow slatwall grid mounted to a light green wall. Light maple hardwood floors complement the instruments and provide an ideal acoustic environment for testing them.

The large, black arm chairs look stylish and are comfy for parents to relax in while their

the help of Paige's string specialist, John Rihani.

"We went to work telling our story to parents, students and key influencers, such as orchestra directors, private teachers and local professional musicians," Goff said. "Our sales have increased four-fold since we opened the string shop, so I think it has worked pretty well."

FLUTE DEPARTMENT REDESIGN

he success of Encore Orchestral Strings has inspired a similar design treatment for Paige's Music's flute department. The Indy Flute Shop occupies 200 square feet and was designed on a small budget.

The company's flute manager, Julia Johnston, avoided traditional jewelry-style display cases, opting instead for cost-effective cabinets with

wooden frames and glasspanel doors.

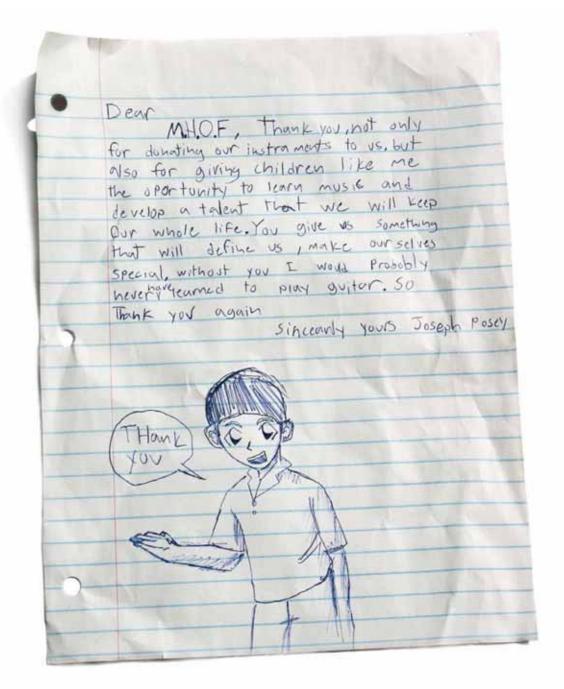
The silver flutes are complemented by sunny, light-blue walls and small, square mirrored wall accents.

According to Goff, investing in store design is a necessary part of modern retail.

"We don't have a choice." Goff said. "Good merchandising is not a luxury to be invested in during good times. It is necessary to thrive as a retailer in today's marketplace."

Goff advised other retailers to start the redesign process by looking closely at what they already have to work with.

"Remember: less is more," he said. "The more you try to cram into a space, the less effective it is. Treat the merchandise with respect, and your customers will see the value." MI - Jenny Domine



That's why.



Music education is a gift that can last a lifetime. It sets the stage for greater creative expression.

(Like, for instance, the above letter.)





DESIGN & DISPLAY BEACOCK MUSIC

STORE DESIGN CULTURE

hen Gayle
Beacock, coowner of Beacock
Music, cleans her
garage or visits a
rummage sale, she doesn't see
mismatched crates or old appliances. She sees store displays.
She recently found a retro refrigerator, circa 1950, in her garage
that had been left by the former
owner. She had it converted
into a retro guitar display with
the help of the B&O repairman.

One of Beacock's greatest design resources is her staff. When she decided to make creative design a serious part of the store's culture, employees put up some resistance at first.

"But then they saw how it translated into more sales for all of us," she said.

Beacock prepares her staff with a year-long calender of instore events and holidays that will require displays. Every Tuesday before the store opens, she also holds a staff meeting, part of which is dedicated to arranging new displays. "They know when they are hired they have to come in for that hour before work," Beacock said. "We are upfront with people we hire that this is our culture."

Beacock also holds mandatory, all-staff, store-overhaul meetings on Sunday mornings four times a quarter. The recent October overhaul set the stage for what is now the

layout for the holiday season.

Beacock's employees are all encouraged to bring their skills to display creation. Some contribute artistic or construction talents. Others might donate a spare lamp from home.

"I even have technical people who can figure out something when I say, 'I want to hang this from up here, but I want it to light up," Beacock said. "They can help me out." MI

Jenny Domine



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QUAD GEM LED 224 BEAM MOONFLOWER FX

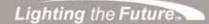


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fter a week of intensive harmony and music theory training, students gather to learn from and perform with a professional musician. While this could be the setting of any university master class, the students, in fact, are 12-year-olds participating in Merriam Music's Enriched Studies program.

Alan Merriam, owner of the Toronto-based company, said he launched the Enriched Studies program this year as just one piece of his ongoing effort to accommodate more than 3,500 students in his lesson program.

Other steps Merriam Music has taken this year include opening a second retail and school facility in northern Toronto this past April. The new location has an additional 5,000 square feet across the street to handle the overflow of new students. Merriam Music has also expanded its Oakville, Ontario, facility with another 5,000 square feet. For both locations, Merriam invested in new technologies to reinforce students' educational experience.

For instance, computer sta-

tions have been installed in every classroom along with acoustic and digital pianos. "The computer systems are all linked to a server that allows the teachers to access over 2,000 MIDI files," Merriam said. "We've also published quite a few new books. We now have theory companions that go along with our Keyfest curriculum." (Keyfest is



Merriam Music's priority curriculum, developed by Merriam himself over a five-year period.)

It's the theory portion of Keyfest that has been critical to expanding Merriam's Enriched Studies effort as a music immersion experience for students. Merriam explained that the program consists of two separate concentrations, jazz and classical. The jazz students receive a more rigorous regiment of harmony, eartraining and theory.

"It would definitely be at college level for 12-year-old kids," Merriam said.

Currently, the Enriched Studies program accepts 40–50 students starting around 8 years old and up. While general lessons are open to all, the Enriched Studies program has an audition process to determine the student's skill set. The highlight of the program is a private lesson with a top Toronto-area musician.

Despite the challenging college standards, Merriam upholds a fun, encouraging environment. He said the difficulty level of this type of program does not discourage young students from learning.

"It's the application of the material that keeps them inspired and excited, and creates a cycle of success and engagement," Merriam said. "They can actually apply the things that they are learning in the classroom."

And while the guest teachers aren't household names, that doesn't diminish students' enthusiasm. "It's one of the most exciting things for them because they know that they are playing with the very best," Merriam said. "That's why we do it. It's a very inspirational program."

Students typically get to play in a rhythm section with the pro jazz master and participate in a variety of festivals, competitions, ensembles and public performances. Merriam said he's able to find these performers and venues through his working relationships with various jazz clubs and The Living Arts Center, the city's performing arts venue.

Last year, Merriam also organized a performance at The Living Arts Center where his students had the opportunity to play in front of 300 people. Of the performance, Merriam said, "There is nothing like it in the country right now." MI

- Jenny Domine, photo by Diana Piruzevska

EDUCATION EXCELLENCE WEST MUSIC

GROWING GOOD IDEAS

There's no patent on good ideas when it comes to music lesson programs, according to Robin Walenta, president of Coralville, lowabased West Music.

"Whether it's through NAMM or peer groups that we belong to or going to the trade shows or just sharing stories with friends, we're not afraid to steal a good idea," she said.

West Music's plethora of education programs include nationally known initiatives, such as Kindermusik and Weekend Warriors. However, its home-grown programs are what put it ahead of the game.

"We have 192 associates that work hard every day on that," Walenta said. "Our whole company is built in teams, and it perpetuates the collaborative environment."

WEST UNIVERSITY

One initiative that has emerged from these collaborations is a brown-bag lunch program that caters to business executives in the Coralville area who can't fit regular lessons into their busy schedules.

"They come over during their lunch hour and have a group piano lesson," Walenta said. "They've become a tight-knit group."

West Music also holds many lesson-promoting events outside the store to spread awareness about music making. "Every idea is a good idea, especially when it's implemented," Walenta said of the laundry list of programs and outreach efforts West Music has to build its program.

The company holds summer festivals, recitals in the regional malls, and drumming events at local schools and businesses. It has even partnered with organizations like the Adult Education Association and held educational days for regional teachers.

"We work very hard to get everybody experiencing the power of making music," Walenta said.

Sometimes getting outside the store only means going as far as the parking lot. This past June, West Music's Moline, Ill., location hosted its fourth annual Parking Lot Jam with recordbreaking attendance — more than 425 spectators and 65 performers.

PROMOTING EDUCATION

West Music has become successful at bringing in large numbers of students and enthusiastic audiences through years of extensive outreach and the store's tell-a-friend program. "Word-of-mouth really perpetuates the growth," Walenta said.

She also credited West's educational road reps for spurring high student-participation levels. "They are out there not only helping recruit for the school music program but also maintaining the students we already have" Walenta said.

West Music's brown-bag program teaches piano to business executives at lunchtime

A dedicated school rep team works closely with local music directors to bring in clinicians and programs that help kids play music, often for multiple instruments. "If they get involved in the school band program, we like to get them in to learn how to play guitar or piano," Walenta said.

West's greatest challenge hosting events is coordinating them with the educators' and students' tight schedules. According to Walenta, music retailers have to be sensitive to school events and other activities in order to put on their own successful, well-attended events and programs.

"It's about finding that right time of the year and the right time of the week to host an event." Walenta said. "We work to find the perfect opportunity to increase participation.

"When you see 10- and 12-year-olds walking around with outlook planners, our biggest challenge is making them understand that learning to play music is a time commitment, but the rewards that it offers are lifelong." MI — Jenny Domine



n 2006, former band instructor Scott Zender and engineer Jeff Nelson were in the market to purchase Lone Star Percussion, a 30-year-old Dallas music retailer known for its mail-order catalog. But the store itself — a cluttered warehouse inaccessible to the public and a tiny, linoleum-

tiled storefront with few product displays — was anything but customer-friendly.

Nelson and Zender, now co-owners of the company, were faced with turning a company that conducted 99 percent of its sales by mailorder into a full-service, walkin drum shop.

NEW REPUTATION

hen two Dallas Symphony Orchestra members paid a visit last month to the revamped store, one admitted to Zender that he hadn't set foot in the shop for 25 years.

"[The old building] was never meant for walk-in retail," Zender said. "All they had were three or four glass cases with a few products in them but nothing that anybody could touch."

But in the company's decline, the partners saw a rare opportunity. "We took over a company that was, in our opinion, not servicing percussion like it had in previous years," Zender said.



"There were very few actual percussionists working at the store, [and] the accounting system was pretty antiquated."

The partners' first actions were hiring a staff of musicians and overhauling the company's old Web site. They used NetSuite software to link together their revamped Web site and accounting system.

"That means when we change a price, that change is registered right to the Web and shows up immediately," Zender said. "Before, we had to change a price in two spots. We've cut the time spent pricing and changing pictures in half."

To overhaul the physical store, they knocked out old walls, replaced linoleum floors with carpeting, and installed track lighting and cymbal displays. "There's so much more product now," Zender said.

GRASS-ROOTS CAMPAIGN

ender and Nelson rely on well-estab-__lished connections and subtle strategies to get Lone Star's name out. Zender appealed to his network of fellow bandleaders by structuring packages and programs for beginning percussionists.

"We go to a lot of drumline contests and summer camps," he said. "We'll take a catalog and a few products just so we have a presence, and [the kids] see that name."

Zender and Nelson also created Tshirts with the company's logo, which they include free with beginners' purchases and with most large, out-of-state orders — their way of reaching out to other areas of the country.

According to Zender, the company also recently began hosting drum clinics in its warehouse. This, he said, has helped bring in a new crowd that had never come into the store.

While mail and online orders remain a strong percentage of the company's business, walk-in retail is growing steadily.

"We've gone from selling 10 kits a year to selling 100," Zender said. "That's not a lot, but it's huge for us. We're moving in the direction we want."

Recently, the two Dallas Symphony members returned to Lone Star for a nighttime cymbal event. "One told me that this was twice [he'd] been in the store in one week," Zender said. "That's a kind of record, you know?" MI

- Mary Wilcop, photo by Julie Birdseye

RETAIL IMPROVEMENT STANTON'S SHEET MUSIC

PRINT RETAIL 2.0

n the face of industry outsiders swooping in to conquer the online print music market, Eric Strouse of Stanton's Sheet Music came out

"When we started in the 1960s, we were mainly a bulk mail-order company, and we've actually stepped that aspect up," said Strouse, Stanton's president. "You know what they say: When business is down, promote, promote, promote."

Strouse inherited the Columbus, Ohio-based dealership from his father in May 2005, just as new, independent print music dealers began sprouting up online to compete with industry giants like Amazon.com.

"We kept the ship going in the same direction, but the industry's changing," Strouse said. "The economy's changing, so the way we look at generating business is, too."

PROMOTIONAL BLITZ

or Strouse, that has meant expanding husiness of ing business, despite signs of an abating economy. When music retail chain Music & Arts began growing in Central Ohio in 2005, putting pressure on print music dealers in the north, Strouse said he knew sales were bound to lean toward one of the two companies. "And [they] did," he said. "I thought if this is going on in my own backvard. I'd better go somewhere else in the country to compete."

Strouse stepped up co-promotions with leading publishers, increasing his mailers and sending them to new

areas of the country.

"I went after New York, Wisconsin, more around the Midwest than what we had done before, and I've actually been able to survive in this flat economy," he said. "Of course, I say flat is actually up-sales. That's the new way of looking at it. If [sales] stay flat, I'm still doing good.'

Strouse's strategy has also meant adjusting where his promotions go. "We do a tremendous amount of church mailings, and I know that's where we can drive more business." he said. "The church business is an industry that a lot of companies can't afford to put themselves in because it's such an expensive commodity to sell successfully. You have to stock \$80,00-\$150,000 in choral music before anyone would even think [of you]. Since we're already in that business, I've just started adding more Methodist, Presbyterian and Lutheran [churches] into the mailing list.

"Unless you're doing promotions, you can't count on your local business to sell choral music.'

ONLINE EXPANSION

Strouse's other line of attack was creating a presence online, and not just through Stanton's Web site.

"When I look at where [online] orders are coming from, I sit down and say, 'Did we solicit anything to them?" he said. "And most of the time we didn't. The Internet is bringing new business to us from customers there would be no way I would have been able to reach."

Stanton's Web site offers a listening lab with more than 19.000 recordings of its print music titles

Strouse and an employee recently completed putting together an online listening lab for Stanton's titles. It required a year to digitize the more than 19,000 recordings from promotional CDs the company had accumulated from publishers. Strouse organized titles under categories, such as Standing Ovations, Animals and Colors (songs like "Blue Suede Shoes" and "Red Balloon," for example), to make navigating the database fun.

"The listening lab is more popular hit-wise per day than the main site," Strouse said. "Music directors now create links from their high school band's site to ours for their students."

Stanton's is working on other sites, too. When nearby organ music dealer University Music House closed in 2005, Strouse built a Web site that sells organ music. That means a band instructor Googling "organ sheet music" will get Stanton's proxy site, organmusiconly. com. He's also opening a vocal site and is developing a pay-and-download digital sheet music site.

'Once that's done, I'll feel like I've really pushed the company into the next generation." MI

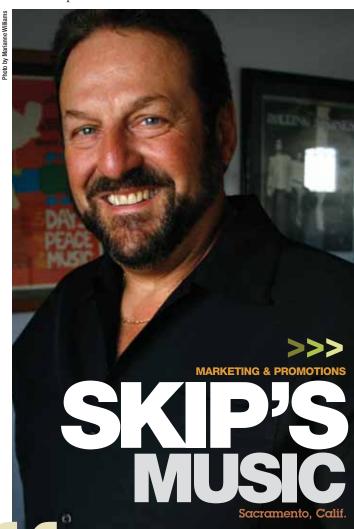
- Mary Wilcop



NOTABLES & NEAR MISSES

It would be easy to dedicate every page of this magazine to the host of deserving music product retailers nominated for *Music Inc.* Retail Excellence Awards, and nominating suppliers had plenty of high praise to go around.

On that note, *Music Inc.* tips its hat to the following honorable entrepreneurs.



LONGSTANDING RELATIONSHIP IN THE COMMUNITY.

EXCELLENT MARKETING PROGRAMS

THAT ATTRACT FRINGE MUSIC MAKERS.

CUSTOMER SERVICE

>>>

J.W. Pepper

Paoli, Pa.

"Outstanding retailer devoted to customer satisfaction. They help their customers make informed buying decisions by reviewing, cataloging and promoting what they feel are the highest quality of music and resources."



Long & McQuade

Pickering, Ontario
"While most big-box stores tend
to rotate their staff, L&M has
managed to hold on to them. A
friendly face is really important
to the consumer."

>>>

Ken Stanton Music

Marietta, Ga.

"Understand relationships with the musicians they service."

>>>

Meyer Music

Kansas City, Mo.

"Tremendous service and even higher business ethics."



The Twelfth Fret

Toronto

"They give you the complete experience that every musician looks for when shopping for a new guitar. And every single guitar, whether it's \$300 or \$5,000, is spotless, adjusted perfectly and treated with the same care. The store itself looks great, and the guys are incredibly knowledgeable."



Brass Bell

Milwaukee

"Their staff has regular meetings to review store policies and [to discuss] how to manage difficult situations. Managers are loyal, long-term employees who run their departments with much autonomy.

"[Brass Bell] has intense customer service focus and has a suggestion box for customers to recognize excellent employees, located near the lesson waiting area."

>>>

Steinway Piano Gallery

Bonita Springs, Fla.

"[Owner] Greg Billings gets it, from promotions to merchandising to long-term thinking in regards to marketing and music education for children and adults. Community involvement with all musical groups, and if he finds a need for a new group, he creates it. From consumers, colleges, PR, music education, professional merchandising, strategic thinking, [he] has his act together."

>>>

My Music Store

Golden Valley, Minn.

"[The] store owner has been 43 years in the business, treats customers with a smile, listens first, then makes qualified, no-pressure recommendations. They have a clean store, great lesson program and loyal customers. They don't have many problems because it is such a pleasant environment to shop in."



Hickey's Music Center

Ithaca, N.Y.

"Wide variety of print music; attends local and national music conventions; user-friendly online ordering; friendly and knowledgeable staff."

MARKETING & PROMOTIONS



Middle C Music

Washington, D.C.

"[Owner] Myrna Sislen is always on top of industry trends. She looks for innovative products and ways to bring in business to her store."

>>>

Bellevue American Music

Bellevue, Wash.

"E-mail blasts regularly concerning store events and a busy schedule of in-store clinics."



Evola Music

Bloomfield, Mich.

"This dealer has been very cre-



ative in its advertising efforts, which other dealers have copied. The 'Piano Spa' and 'Extreme Makeover' for pianos installed with PianoDisc are just a couple of creative ideas. They were able to generate sales through these programs during the traditionally slow summers."

DESIGN & DISPLAY



Cosmo Music

Richmond Hill, Ontario

"This dealer has consolidated its operations under one megastore, which is laid out like a city street with individual shops representing the various lines. You just have to see it to believe it ... spectacular."



Robert M Sides Family Music Center

Williamsport, Pa.

"The recital hall is a killer feature for a retailer their size."



Schmitt Music

Edina, Minn.

"Nestled in a very upscale Galleria Mall, they have worked with the neighboring high-end furniture store, Gabberts, to display items making the store very attractive. They also have a nice layout to their store separating the various product lines."



Henri's Music

Green Bay, Wis.

"Pianos have their own section, amps have a loud room, all departments have their own identity, but traffic in the store still flows naturally. Clean, accurate pricing, signage and displays that are visually pleasing."

EDUCATION EXCELLENCE



Senseney Music

Wichita, Kan.

"This retailer focuses on all types of music makers from the hobbyist to the school music educator. Their staff has extensive knowledge and experience in their fields, and they strongly value the dealer/customer relationship.

"Senseney is always looking for ways to serve their community and increase the number and quality of music makers in their area. They are very active in school programs throughout the state. They are the go-to dealer for music educators throughout the area."



Groth Music

Bloomington, Minn.

"Has the best road reps in the state. The director of school services is a tireless advocate for school music programs, attending many school board meetings, and works with teaching districts [to show] how to battle pressure to shrink arts pro-

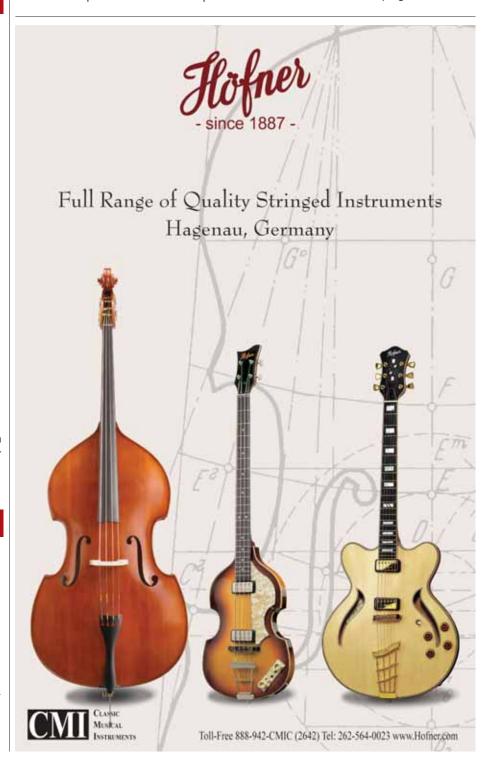
grams. Great selection of band and orchestra instruments and accessories, and best sheet music selection in the state."



Tarpley Music

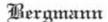
Lubbock, Texas

"Well run, organized and effective. A huge advocate for school music programs."



The Piano Business Does Have Its Benefits...

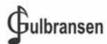


















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PRODUCT OF THE MONTH >

SIERRA GUITARS I ALPINE GUITAR

Mountains Majesty

Sierra Guitars has intro-duced a new model to its Alpine series, inspired by the Sierra Nevada Mountains. The Sierra Alpine acousticelectric, solid-top guitar in vintage sunburst features a cutaway body and Barcus-Berry Realm III electronics. This creates a balance of volume and clarity. The Alpine also features a unique 12th fret mountain range design. MSRP: \$599.

Inside GEAR

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Fender collaborates with Adkins on Tele PAGE 64

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> Band & Orchestra Hamilton adds desk to portable music stand **PAGE 72**

> Print & Multimedia

Sher collects best-known Real Book songs

> DJ & Lighting

Numark loads Omni Control with software



FENDER I JA-90 TELECASTER

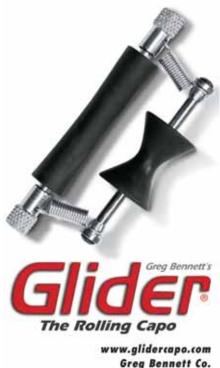
Adkins Tele

ender and Jimmy Eat World guitarist Jim Adkins have collaborated to create the JA-90 Telecaster. It's a single-cutaway, semi-hollow, ash-body instrument. Features include a mahogany set neck with a 12-inch-radius rosewood fingerboard and Seymour Duncan Custom SP90-3 and Vintage SP90-1 soapbar pickups. **{fender.com}**



CURIOUS?

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Blue Blaze

ean has teamed up with guitar builder/designer Buddy Blaze to create the custom Dean/Buddy Blaze ML guitar, a V-carve electric with unique chrome flame graphics. It features a topmount Floyd Rose tremolo, middle and bridge pickup positions loaded with custom-wound Dean DMT pickups. Custom ascending flame mother-of-pearl inlays appear on the two-octave fretboard attached to a pitched neck. Production is limited to 300 guitars. {deanguitars.com}



AXL I BADWATER SE SERIES

The New **Old West**

AXL guitars has introduced the AT-860-BR, the inaugural model of its Badwater Special Edition series guitars. The Badwater line features worn and distressed finishes. The AT-860-BR has an El Dorado-style body shape with an engraved wood pickguard decorated by a Western-inspired Rancho Bella ornamented scene. It's available in an antique brown finish and sports EMG-designed single-coil pickups. The guitar has a solid alder body with vintage-inspired distressing, a rock maple neck, antiqued hardware and a stringthrough-body bridge. MSRP: \$249.99. **{axiguitars.com}**

EASTWOOD I WURLITZER GEMINI TRIBUTE

Radical Wurlitzer

he Eastwood Gemini is the new model in the company's Radical Vintage Remakes line. A tribute to the 1966 Wurlitzer Gemini, it features a tremolo and an adjustable roller bridge. The short-scale, 24-inch rock maple neck and rosewood fretboard give the guitar ideal balance. {eastwoodguitars.com}



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JBL PROFESSIONAL I VRX928LA-WH, VRX915S-WH

JBL's Pearly Whites

JBL Professional is now offering its VRX928LA-WH compact, portable line array loudspeaker and VRX915S-WH subwoofer in a white installation version.

The white version is the result of feedback from systems designers and integrators who needed to consider the visual element of a sound system for environments ranging from houses of worship to civic facilities. The VRX928LA-WH and VRX915S-WH models were designed specifically for permanent installations and build on the success of JBL's VRX series, which brings versatility to mid-sized venues and portable applications. **{jbl.com}**





TASCAM I DP-004

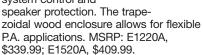
4-Track Digital

Tascam has launched the DP-004 Digital Pocketstudio, a portable four-track digital recorder. The DP-004 retains the ease of cassette-based, four-track recorders but updates them with CD-quality digital recording. It uses a set of dedicated knobs and buttons for easy operation. A pair of unbalanced, 1/4-inch inputs accept mic or line signals, or musicians can use the built-in stereo microphone. A stereo mixdown track is included, and tracks or mixes can be transferred to a computer using USB 2.0. A metronome and tuner are built-in, and the input A jack accepts a guitar-level signal for direct recording. MSRP: \$199. {tascam.com}

BEHRINGER I E1220A, E1520A

Controlled and Protected

Behringer has added the E1220A and E1520A active P.A. monitor models to its line of active sound reinforcement loudspeaker systems. The two-way, 400watt active speakers feature a proprietary 1-inch HF driver, long-excursion 12inch or 15-inch woofers, and onboard signal processing for complete system control and



{behringer.com}



MARANTZ I CDR310 CD RECORDER

Portable Workhorse

Marantz Professional's CDR310 CD recorder offers long-term recording in uncompressed WAV and MP3 formats. It can handle an entire project from beginning to end and features builtin microphone pre-amps with XLR connectors and 48V phantom power for use with external condenser mics. The burner can create both audio and data discs.







pre-amps with Octane technology offer clean, transparent sound with low distortion. Multiple analog and digital connection options enable DJs and electronic musicians to use the ProFire 610 interface for live performance rigs. The onboard DSP mixer lets users create multiple independent monitor mixes. MSRP: \$499.95. {m-audio.com}



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MAPEX I AGILITY SNARE DRUM

Mapex Gets Agile

Mapex has added new models to complement its Quantum marching series. The Agility snare is a lighter, shallower drum that's brighter and more articulate

than the Quantum XT. Winter Guard International groups Constitution and Jenison Winter Drumline tested prototypes of the Agility snare last season. Under the direction of Will Gordillo, Jension used the Agility prototype in its performance at the WGI finals. {jupiter music.com}





TRX CYMBALS I CRASHES, HI-HATS

3-Zone Finish

TRX produces high-end, Turkish cymbals that are handcrafted by master cymbalsmiths and designed to meet the needs of rock, R&B and world music drummers and percussionists. Its lines include DRK, MDM, ALT and BRT, as well as the recently introduced LTD. The LTD crash-ride and hihat models feature a unique, 3-Zone finishing process to optimize their dual-purpose function. TRX cymbals are now distributed by Direct Music Supply in the United States and Canada.

{trxcymbals.com}







LUDWIG I BLACK MAGIC SNARE

That New Black Magic

udwig has introduced Black Magic snare drums. These are designed using black nickel-over-brass shell composition. Black Magic snare drums share their shell type with the Ludwig Black Beauty but with unique features like matching die-cast hoops for increased volume and tube-style lugs for maximum shell resonance. Black Magic snares come in 6.5- by 14-inch, 7- by 13-inch and 5- by 14-inch models. MSRP: starts at \$489.99.

{ludwig-drums.com}







KORG I M50 MUSIC WORKSTATION

Streamlined Effects

org has unveiled the M50 music workstation. The M50's modern design includes an angled control panel and Korg's full-size TouchView interface for the first time in a mid-priced instrument. New additions include a three-stage, velocity-switched stereo piano programmed in conjunction with samples of the damper resonance. The M50 offers several sound-shaping features, including low-aliasing oscillators, a filter topology and detailed envelope generators.

MSRP: 61-note, \$1,499; 88-note, \$2,499. {korg.com}





ROLAND I E-09W INTERACTIVE ARRANGER

E-09W in White

Roland's E-09W interactive arranger is now available in a sleek white package. The E-09 boasts 870 sounds; 70 drum kits; interactive music styles, including Western, Middle Eastern and Asian; and 47 Multi-FX, 64-voice polyphony. The low-profile body is accentuated by colorful buttons and an easy-to-read, backlit LCD. {rolandus.com}





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HAMILTON STANDS I KB90 TRAVELER II

Improved Travel

amilton Stands has improved its popular KB90 Traveler II portable stand by adding the company's proprietary solid desk, which is used on its symphonic stands.

The desk features durable steel construction with rolled edges and corners that resist bending. The shelf is reinforced with corner gussets so it remains perpendicular.

{hamilton stands.com}



B&S I B-FLAT TUBA

Big and Easy

German brass wind man-ufacturer B&S has created a line of highquality student instruments. The three-valve 3/4 Bb tuba is equipped with stainless-steel valves, a gold-brass detachable lead pipe and three spit valves on each slide. It's light and responds well. The tuba and other brass instruments in the series are designed to achieve the company's sound concept of "big and easy." {jamusik.com}







www.cannonballmusic.com



MUSICWORKS I FINALE TUTORIAL DVD

Learning Finale

usicWorks Interactive has released *The Finale* 2008–2009 *Tutorial DVD, Level* 1, a video tutorial for Finale 2008 and '09 notation software. It's the first release in MusicWorks' new Educational DVD series developed for music professionals.

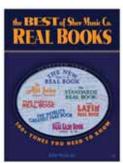
The DVD includes more than eight hours of video designed to help teachers, students, composers, orchestrators and other musicians develop and refine their Finale skills. MSRP: \$49.95. [musicworksinteractive.com]



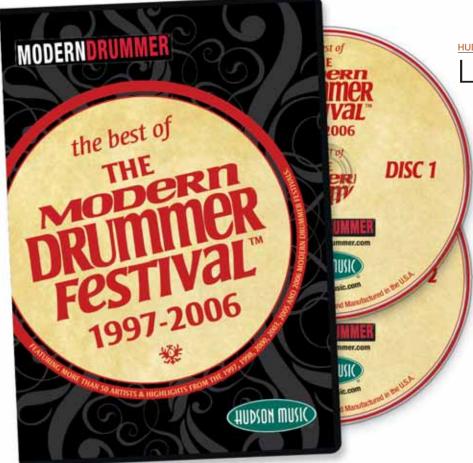
SHER I REAL BOOKS

The Real Collection

her Music has released a collection of its popular jazz books titled The Best Of Sher Music Co. Real Books. The book contains more than 100 of the best-known tunes from Sher's Real Books publications. It's designed to intro-



duce a new generation of musicians to the Sher Music style — easy-to-read, historically accurate charts with sample rhythms and horn harmony parts. Composers represented include Bill Evans, John Coltrane, Miles Davis, Charlie Parker and more. MSRP: \$26. {shermusic.com}



HUDSON I MODERN DRUMMER FESTIVAL DVD

Legends on Film

eaturing performances by more than 50 of the world's top drum artists, *The Best Of The Modern Drummer Festival 1997–2006*DVD is now available from Hudson Music.

The two-disc, five-hour compilation spans 10 years and six editions of famous drum festivals. Its digitally remastered footage features clips of drumming greats with diverse musical styles. These include Alex Acuña, Glenn Kotche, Dave Lombardo, Steve Gadd and Bobby Sanabria, along with a rare performance by late *Modern Drummer* founder Ron Spagnardi. MSRP: \$29.95. {hudsonmusic.com}



ALFRED I 10 FOR 10 SHEET MUSIC

Songs on a Budget

A Ifred's newest series, 10 For 10 Sheet Music, offers 10 famous hit songs for \$10. It includes volumes like Top Movie Hits (which includes songs like "Falling Slowly" from



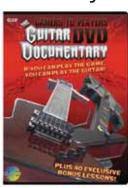
Once and the title track from The Notebook) and Pop & Rock Hits (contemporary hits like "A-Punk" by Vampire Weekend and "Hey There Delilah" by Plain White T's), along with titles like Classic Rock Hits, Country Hits and Christmas Favorites. Each book is professionally arranged for piano/vocal/chords. MSRP: \$9.99.

{alfred.com}

MJS I GAMERS TO PLAYERS

Gamer to Player

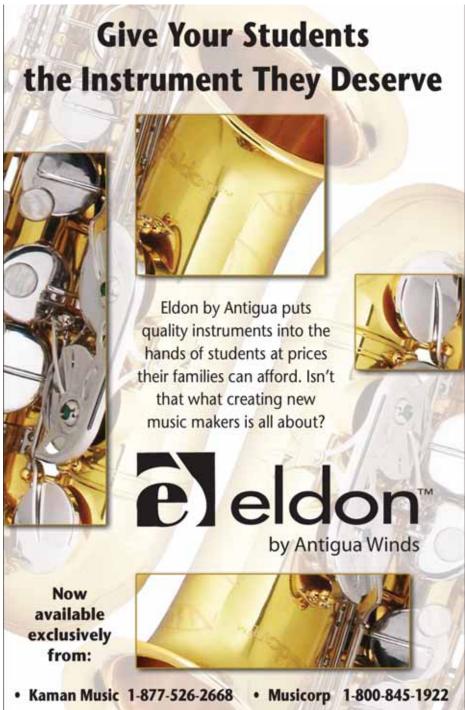
The new Gamers To Players Guitar DVD documentary series from MJS pledges that any "Guitar Hero" gamer can learn to play the real thing. Instructor Mark John Sternal walks players of the popular video



game through the similarities and differences of using the game's playing console and playing a real guitar, letting gamers transfer their skills from the game to actual guitar playing. MSRP: \$24.95.

{mjspublications.com}









The new Galaxian laser effect from American DJ produces more than 500 pin-sized red and green laser beams that shine like a multitude of stars. Equipped with both a 30mW green laser and 80mW red laser diode, the Galaxian can cover the entire ceiling and walls of any venue with a solar systemtype effect. It features three operating modes: DMX, sound active and master-slave. MSRP: \$419.95. {americandj.com}



RRADIANT I ARCHISPOT

Project Yourself

rradiant's Archispot — an LED-based, high-output image projector — is now available. It's designed to produce high-resolution patterns, images, logos and message projections. The light source is an efficient 5-watt white SSLE. It produces sharp, bright and well-focused images from an optimal distance of 8–12 feet away and can last more than 50,000 hours. MSRP: \$89.99. {irradianthq.com}



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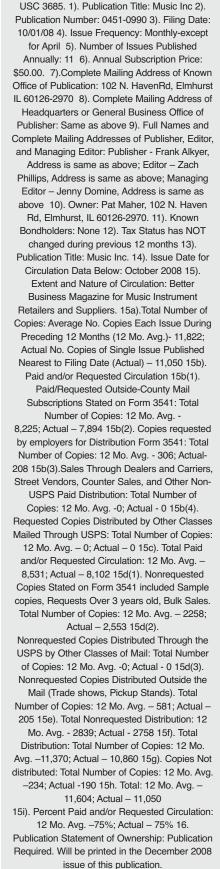
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Matt Crump

Sandhills Music Center Hope Mills, N.C.

It seems to me that folks are still buying. They may be more conservative in their spending, but our store is still surviving.

I have continued to be on the search for the best value I can find and passing that savings along to my customers. I am hoping for a great Christmas to prepare for a barren first quarter [in 2009].



David Browne

Anaheim Band Instruments Anaheim, Calif.

So far, our year has held its ground as far as walk-in trade. The school sales are down somewhat as the California music, art and P.E. grant windfall of last year has been mostly expended.

We have purposely kept in a really narrow niche of the music industry. We expect to be down overall in 2009, so our master ordering will be no more than 80 percent of the quantities sold in 2008.



Brian Reardon

Monster Music Levittown, N.Y.

There has been a definite impact at my Rockville Centre, N.Y., store with sales and foot traffic considerably off. This is the store where we have a higher-end presentation and carry the Gibson line. By way of comparison, sales are strong, in fact way up, at my Levittown store. This is in a more blue-collar demographic where we have a huge concentration of [music] lessons.

For this holiday season, I have focused on a deeper stock of lowerprice gift items where I have excellent margins because I suspect everyone will be in a thrifty frame-of-mind when they work through their Christmas lists. I also plan on thinning my inventory through the next 12 months. Last week, an employee, out of habit, was selling a potential customer on a particular amp head that I did not have in stock, while I was looking across a sea of heads on the sales floor that he could just have easily been selling. I decided that this was more my own fault because I need to do a better job communicating the strategy: Sell what we've got.



Did the economic slowdown affect your sales this year?

istory shows that economic cycles, both good and bad, have come and gone with regularity in the United States.

Sound system installation and organ sales to churches are way up over previous years. Margins are great, and the turns are wonderful since none of the equipment is ordered until we receive the down payment.

Schools and universities continue to order pianos at record levels. We've found that music teachers are more eager to receive help and advice in this area. We're able to help them pick pianos and write bid specs that

ensure they get the right instrument and that they get it from us.

We are coming off our best B&O rental season ever, but we'll be watching our delinquency reports carefully and looking at ways to work with our customers to keep them making music.

Fortunately, we've not seen any decline in our in-store lesson programs. Private teachers in certain areas have mentioned that some kids did not re-enroll this fall after the summer break. We've always offered monthly payments for our lesson programs and payment plans for our semester-based pro-

grams like Kindermusik. As we saw in the fall of 2001, in times of trouble, parents will cut back on their own needs before those of their children.

The pervasive attitude of doom and gloom can cause those not necessarily affected by the economy to behave like they are. As I walked downtown this past Saturday, I saw lines at restaurants and people with shopping bags hustling up and down the sidewalks. Evidently, they didn't get the memo that they're supposed to be sitting at home on top of their hands and wallets waiting for someone to save them.



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