

## M. H. Berlin . . . A Tribute To 50 Years Of Leadership

M. H. Berlin, founder of C.M.I. (subsequently re-named Norlin), was a man whose long and brilliant career potently illustrates the vast opportunities offered by the music industry and, on a larger scale, the American economic system. Born into an impoverished immigrant family, Berlin utilized his rare combination of leadership and vision to create the largest and most successful company the American music industry had ever seen. His passing at the age of 89 prompts reflection on the role of the individual in our small and idiosyncratic industry.

In 1969, when Berlin retired, C.M.I. was a highly profitable \$70 million company with ten divisions and 4,500 employees. (Adjusted for inflation, C.M.I. sales in current dollars would easily top \$200 million.) In spite of the company's size and complexity, M. H. Berlin's management style was based on certain painstakingly simple but often overlooked principles.

He lived by the dictums "Know your customer,"

"Offer product value," "Deal with integrity and honesty," and "Control costs." While unsophisticated and homespun, these verities guided him to success in manufacturing and selling accordions, band instruments, guitars, pianos, organs, and a host of other smaller products. Along the way, they also earned him the unstinting admiration and respect of his employees and even his competitors. By sheer strength of character, he gently instilled his own values into each of his employees, galvanizing them in the pursuit of common goals.

Berlin's fifty-year record of success through integrity underscores the indispensable role of the courageous individual in our music industry. Through his company, M. H. Berlin enriched the lives of thousands of industry members and millions of musicians. No eulogy can adequately express the debt we owe to his contributions. We can only hope that his example will long serve as a guide for all of us and for all of those who are to come.

## We Are The Economy . . . Business Is What You Make It

Retailers who sit patiently in their stores hoping that the economic recovery will stimulate music sales run the risk of, as the old saying goes, death by fasting. All too often, it is easy to lose perspective and view the economy as a monolithic entity that is alternately generous and then stingy in distributing financial rewards. Implicit in this outlook is the notion that, as business people, we are totally at the mercy of the economy and have no control over our ultimate destiny.

In reality, it is more accurate to view the economy as the aggregate result of each individual's personal enterprise. Those retailers who wait passively for an economic boom rather than move to cultivate their markets are actually a threat to the well-being of the American economy and our industry.

To dispute the widely held notion that success or failure is heavily dependent on economic climate, one need only to look at the scores of music retailers and manufacturers who floundered in the booming seventies and the thousands who prospered over the contractions of the past four years.

Analyzing those retailers who have consistently outperformed larger economic trends provides some valuable lessons. At the risk of sounding simplistic, the common denominators among these dealers tend to be systematic methods of following up on every potential sales prospect and continual efforts outside the store to present the benefits of music to as large a group as possible.

Unfortunately, *talking* about the need to follow up

and seek out prospects in the field is a lot easier than actually *doing* it. And, while most retailers pay lip service to the importance of these practices, many sit in their stores, like a spider in a web, quietly waiting for prey.

A recent survey conducted by a major consulting firm indicated that most consumers need to be contacted three times before they will decide on a major purchase. As a retailer, do you give up on a prospect after he says "no" a second time? If so, you may be missing major sales opportunities. With all the exciting new products flooding the music market, it doesn't take much imagination to dream up good reasons to keep in touch with prospects.

Social changes have spawned literally hundreds of varied special interest organizations that meet regularly. Parent groups, senior citizen groups, school groups — these are just a few of the many organizations that would most likely be delighted to hear a presentation by a local expert, extolling the many benefits of music. Yet how many retailers exert any effort to "sell" these groups?

Contrary to popular belief, success in the music industry has never been easy. Selling music to the populace has always been an extremely challenging calling.

In the coming months, profits are reserved for those retailers who produce their own economic recovery by dint of hard work and aggressive field activity.

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