

Summer NAMM R.I.P.

At first glance, NAMM's decision to cancel the summer show in New York seems momentous. After all, summer trade shows have been an industry institution and focal point since 1907. Summer trade shows have also been the site of scores of historic industry unveilings, running the gamut from the reproducing pianos in 1913 to the electric guitar in 1932 to the first portable synthesizer in 1969. On closer analysis, however, the show's cancellation is not an abrupt departure, but rather the culmination of a series of events that were set in motion over a decade ago.

It should be emphasized that the summer show did not expire because of the decision to hold it in New York, or because of bad management on the part of NAMM, or exhibitor acrimony. After over ten years of deliberation on the merits of two shows a year, the industry finally voted with its dollars against holding a large-scale NAMM show in the summer.

The reasons for the demise of the summer NAMM show are numerous, but they can be summed up simply as too much cost, too few benefits. From a manufacturer's standpoint, trying to unveil new products for shows twice a year was an expensive folly that led to the questionable practice of displaying "vaporware" (exciting new stuff that was months, even years, away from shipping). From the dealer's standpoint, a summer show without new products was simply not much of a draw. Add to this the fact that accessible air transportation lessened the need for two industry gatherings a year, and it's surprising the summer show held on as long as it did.

Analyzing the collapse of a longstanding industry institution provides an instructive illustration of market forces. In 1970, when NAMM threw together the first Winter Market in the basement of the Century Plaza Hotel, no one even contemplated that the tiny affair would ever rival, let alone displace, the summer show. Yet due to a combination of low cost, favorable climate, easy access, and good timing, the Winter

Market ultimately emerged on top.

Industry history is full of similar examples of unforeseen events. In 1923, player piano makers scoffed at the idea that static-plagued radios would ever have an impact on their sales. Six years later, player piano production had declined almost 95%. In the early sixties, leading American guitar makers dismissed the idea that the Japanese could ever build guitars. By the end of the decade, low-cost Japanese imports had gutted U.S. production. More recently, home organ manufacturers ridiculed the portable keyboard.

If there is a lesson to be drawn, it is simply that the unexpected happens with great regularity, and that change progresses faster than anyone anticipates. Business planning would be simple if we had an effective means for predicting the future. In the absence of effective forecasting methods, retailers can hedge their bets with the right attitude. Next time you hear yourself utter the words, "That product will never fly," or "That marketing approach will never work," ask yourself, "Do I sound like that great visionary who said guitarists would never buy an electric or that accordions would be forever?"

In spite of the fact that the music industry is full of dumb products and ideas that try patience, you should try to maintain your receptivity to new ideas and methods. The day people feel they have all the answers, they are probably not asking the right questions. Or, never say never; you could end up like the Summer NAMM show.

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