

Skipping NAMM Is False Economy

While the pundits are debating whether the economy is entering, leaving, or is in the midst of a recession, retailers on the front line are painfully aware of the fact that business has seen better days. Unlike the recession of the early 80's, which was triggered by rampant inflation and astronomical interest rates, the current somber climate seems to be more of an attitudinal problem. In short, consumers seem to lack confidence.

Faced with an uncertain near term outlook, the natural reaction is to retrench. Hard-nosed cost analysis is always a worthwhile undertaking, in both good times and bad. However, one expense we think that should be spared the hatchet is the cost of traveling to the Anaheim Winter Market next month.

After spending 12 months viewing the world from within the four walls of a retail store, the NAMM show is one of the few opportunities a retailer gets to take the pulse of the industry on a national scale. And, in uncertain times, the chance to find out, first hand, what promotions work and what products sell, is surely worth the price of an airplane ticket and a few nights in a hotel.

If that's not enough, the show is unquestionably the best vehicle for helping a dealer cut through the industry's pervasive sales hype. Sales reps understandably try to present their products in the very best light possible. But, sometimes this leads to a bit of exaggeration. How many

dealers have heard the line, "I just don't understand why you can't sell the model X-500? All my other dealers are doing great with it!" Well, at the trade show, you have the opportunity to ask other dealers how they are really doing with their X-500s, while assessing all the competitive brands on the market. The opportunity to submit your sales rep's claims to this type of a litmus test, should help justify a trip to California. Armed with the type of information you can only get at a show, you will be in a much stronger position to realistically evaluate manufacturer's claims. But, the show offer even more. Where else can you analyze all the competitive products available, get in on the ground floor with hot new products, swap notes with other dealers around the country, and share your thoughts with your suppliers?

Despite a challenging environment, there are still a large number of retailers who chalked up record performance over the past 12 months. As small businesses, these successful retail operations are invariably the reflection of a single individual. Thus, each one has a different personality. However, the one thing that unites all the top music retailers is the fact that they all attend the NAMM Show.

If you want to be a winner too, the place to start is at Winter NAMM. Be there!

Paul A. Majeski
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Peavey And The President

As a relatively small industry, music rarely gets any attention from high placed politicians. Thus, the President of the United State's recent visit to Peavey Electronics was an extraordinary event: not just for Peavey and its employees, but for the industry at large. To put it in a little perspective, in the 101 years Music Trades has been publishing, there have been only two other occasions where a music industry company was singled out for public recognition by a U.S. President. In 1893, President Grover Cleveland was on hand for the opening of a 200,000-sq.-ft. Chickering Piano plant in Boston that was considered one of the largest factories in the country; and in 1903, President Theodore Roosevelt paid special tribute to Steinway & Sons after the company presented the country with an ornate piano for use in the White House.

Looking for an appropriate backdrop to deliver an economic policy statement, President Bush chose to visit Peavey Electronics because of the company's enviable growth record and its exceptional success in exporting. In addressing some 2,000 Peavey employees, he was lavish in his praise. "Its great to meet with the people who've made Peavey the largest amplifier manufacturer in the world,"

declared the President. "Looking around here, I'm beginning to understand the company motto: 'People Growing Together.' (Peavey Electronics) is a true American success story, and each and everyone of you is part of it."

In 1965, when Hartley Peavey began building guitar amplifiers above his father's music store, the idea of one day hosting the President of the United States probably seemed preposterous. Yet the dramatic evolution of his company and the appearance of Mr. Bush, potently illustrate how drive, determination and a fair share of talent can overcome even the humblest of origins.

Whether you sell Peavey products, or you sell against Peavey products, you have to admire the success of a company that has consistently held to the principles of good products at fair prices, ensuring reasonable profits for the retailer, and treating customers at every level in a fair and equitable manner. In paying tribute to one of the shining stars of the music industry, and highlighting how much can be accomplished in this unique Country, President Bush provided us all with a little inspiration.

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