



Paul Tobias of Tobias Music with the Jay Turser JT-Shark guitar

WORDS & PHOTO BY JEFF CAGLE

GOT INDIE BRANDS?

Marquee-name guitars draw customers into stores and give dealers big brands to sell. They also come with massive distribution and often large buy-ins and thin profit margins. Selling lesser-known brands can help round out margins, and some dealers have even built their smaller

Why you need to carry lesser-known guitar brands, and how to get the most bang-for-your-buck from them

brands into big names in their own markets.

Offering lesser-known brand names also provides dealers with the opportunity to connect with and educate customers about something off their radars that could save them money. This strengthens the buyer-seller relationship and reassures customers that dealers are looking out for their

needs, not just the bottom line.

SET THE PRICE

Brian Reardon, owner of Monster Music in Levittown, N.Y., has about 700 students in his store's lesson program and said he likes to have something new to show them each week. He uses NAMM shows to identify interesting products without deep

market penetration — products his customers will likely have no familiarity with. One brand caught his attention at this past January's show: AXL, which is distributed by The Music Link.

Reardon said he puts himself in the position of the consumer when determining the price of his lesser-known guitar brands. He asks himself what he would expect the guitar to be priced at if he were seeing it for the first time.

"What I liked about the AXL guitars, with every component antiqued down to the tone knobs and whammy bar, was that they had the feel, to me, of instruments that should retail for \$500 or so," Reardon said. "So I priced them at about half of what I would have expected to see them at as a consumer. My customers saw these guitars for the first time in February and March [and were] amazed by the extent of the craftsmanship and agreed: great guitar for the money."

He said he makes a 67-percent margin on the sales.

BYPASS ONLINE SELLERS

Reardon has found an advantage in being the only dealer in his area to carry AXL. A customer recently said he loved the feel of a particular AXL guitar at Reardon's store, only to return the next day with an Internet ad listing the guitar at \$169. But the customer conceded that he couldn't try out the guitar online and that he'd have to pay freight if he bought it from the Internet seller. He suggested that he and Reardon meet in the middle.

"He paid \$200 for the guitar and left thinking that I just did him a monumental favor, feeling great about both the guitar and Monster Music," Reardon said. "I originally paid about \$90 for the guitar at NAMM."

Rusty Kephart, president of Iowa-based Kephart's Music Center, has found a way around Internet competition with Greg Bennett Guitars, which makes entry-level through high-end instruments with a limited distribution and no online presence. Kephart, who called his stores a "mom-friendly environment," said his market is the family or the player who's a little intimidated by a huge selection and the "dude" salesperson.

To build brand awareness for Greg

Bennett, Kephart's Music has hosted two clinics featuring Bennett himself.

"We did some fairly heavy advertising and held the clinic off-premises at a nice, high-end steak house/lounge party room," Kephart said. "We had a drawing and gave away merchandise, including two Bennett guitars. We advertised special, one-night pricing and brought a nice sampling of the line to the location. We put them on stands and littered the place with guitars. Greg was fantastic. There were 100-plus in attendance. We sold a bunch of guitars, and the residuals were great. [Customers would come up and say,] 'I got his autograph!'"

SELL SOFT

Johnny Thompson has found that less is more when pitching mid-range and high-end guitar brands from smaller makers, such as Tregan, an up-and-coming line of metal guitars.

"By the time musicians are into metal, they've been around a while and likely have been in some bands already," said Thompson, founder and owner of Johnny Thompson Music in Monterey Park, Calif. "So they're very aware of what's out there and what the other guys are playing. We're not exactly going to talk these guys into anything — it's [already been] coming at them from every direction. They tend to know what they want, so all we can do is give them options. We just lay on a few technical points and see if they like it when they sit down and play it. It's a grass-roots kind of thing."

Pitching a lesser-known, high-end guitar can be made easier if a dealer also happens to own a few himself. Andrew Loggins, owner and manager of Music Authority in Cumming, Ga., has three guitars and a bass from boutique manufacturer Gadov Guitars.

"When a salesperson has such a personal experience with the guitars, it makes it easier for them to have an effective sales pitch," Loggins said. "It's also easier to understand how these guitars are upgraded from the big-name brands. The idea that these guitars are custom-made and if the customer wants an option in electronics, hardware, wood type or any number of custom options makes these guitars stand apart from the big names.

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+ OTHER INDIE GUITAR BRANDS



+ REVIVAL GUITARS

SAN FRANCISCO

"I like the simple look of the Revival guitars," said Jimmy Brown of Guitar Emporium in Louisville, Ky. "Some companies overdo it and make their guitars real flashy looking. Revival has done a good job of building a relatively inexpensive guitar that's pretty simple-looking.

"With these smaller brands, we really haven't had issues with an instrument but maybe once or twice. Smaller companies seem to get it right the first time." (majormusic.com)

+ REVEREND MUSICAL INSTRUMENTS

WARREN, MICH.

"The design is timeless, in the sense that it doesn't come across as retro even though it is," said Joe Pistorio of Joe's Music in Eastpointe, Mich. "It's timeless, but with modern-day features — modern locking machine heads and bass roll off. No other manufacturer does that. It gives the customer the quality of an American brand at the import prices. It's a go-to guitar for almost any customer."

(reverendguitars.com)

+ SPARROW GUITARS

VANCOUVER, BRITISH COLUMBIA

"The Sparrow fits a niche in the sense that it's a foreign-made guitar, but the actual construction of them — the fretwork, the electronics [installation] — is done in Canada," said James Gast of Fazio's Frets and Friends in Ellisville, Mo. "There aren't many guitars in that price point that have that quality. They're a lower-high-end guitar. It fits just underneath the American Fender stuff. It's a great price point."

(sparrowguitars.com)

+ INDIE GUITARS

CORNWALL, ONTARIO

"It's nice that Indie only deals with independent dealers," said Michael Clark of Crossroads Music in East Hampton, N.Y. "It makes us somewhat unique in a tough market like New York. But the bottom line is they make nice guitars at a good price, and that's the real reason we carry them. It's an excellent product, and our customers say so. We wouldn't carry them otherwise." Key models include the Quilted Standard, Futuristic, Total Natural and Double Cut. (indieguitars.com)

+ TRADITION GUITARS

FORT WORTH, TEXAS

"I saw my students overspending for guitars, so I started looking into it to see if there was something else," said Steve Carroll of Black Hills Guitar in Spearfish, S.D. "The fit and finish [of Tradition Guitars] are so good. I don't know how such a small company gets their guitars built in such a fine factory, but their guitars come beautiful. They really fit my electric market in that \$200–\$500 category, which is a hard category to build a good, solid guitar." (traditionguitars.com)

And the fact that any customer can just pick up the phone and speak to Ryan Gadow [president and chief luthier] about all these options makes the guitars so much more personal and easier to pitch simply because the number of guitar companies doing this are very few.

“The main key is not to just have lines that are smaller or lesser-known but to have quality products [from manufacturers] that make the customer feel like he is special.”

SERVICE FACTOR

Big-name suppliers may hang their hats on having top-notch customer service, but Thompson said he’s noticing smaller brands getting into the service game, as well.

“If you have a problem, [large manufacturers] tend to cover you and will take care of it — they’re in the business of keeping their customers,” Thompson said. “Having said that, Tregan is ahead of the game when it comes to setting their guitars up when they send them out. Sometimes, when you’re working with a bigger name that makes their guitars outside of the country, they come in needing a fair amount of setting up — inconsistent you might say. It’s sometimes a hassle to have to do a lot of setup over every instrument.”

Ken and Paul Tobias of Tobias Music, a high-end acoustic shop in Downers Grove, Ill., have taken on entry-level brands Jay Turser and Walden to offer to students in their lesson program. Paul mentioned that these brands offer robust dealer incentives, which he hasn’t seen from larger manufacturers of late.

On a recent order, for instance, the Tobiases were about \$300 shy of hitting a threshold that would have saved them an extra 10 percent on the order. The sales rep dropped them a quick call, suggesting they add to the purchase, which they said will end up saving them in the long run.

“Because they have done very well here, we get that final end-column pricing on our guitars,” Paul said. “They always seem to have some kind of promotion going, and we definitely pay attention to their sales sheets, even if it means getting a few extra guitars more than our original order.”

“The larger companies don’t seem to be giving dealers a whole lot of incentive

with their buy-ins lately. Obviously, with the tough economy, they’re offering the customers some good percentages like zero-percent financing, gift cards, etc. But for the dealers, it doesn’t seem like we’re getting a whole lot of incentives from the bigger companies, so we can appreciate the dealer incentives from the smaller brands, and we take full advantage of that when it’s offered and it’s possible.”

With Tobias’ 30-year history and reputa-

Brian Reardon of Monster Music recently made roughly 120 points on an AXL guitar sale — and that was after he’d already discounted it

tion as a high-end acoustic store, Paul said that they have to be extra careful about their product selection, as their clientele, even the beginners, tends to be discriminating.

“We have to do our research and homework,” he said. “It has to be a top-notch product, even if it is considered entry-level. Walden and Jay Tursers have been falling right into that category. Parents have been pleased with these and sometimes have purchased them for themselves and have come back, bought a second or, even in a couple of cases, a third guitar.”

“With the quality of the product, we tend to not run into a lot of issues. They get it to us right away, our reps are always e-mailing and calling to check in with us and making sure we have what we need. We’ve been extremely pleased.”

“It’s fun to sell a Taylor and make \$400 or \$500, but it’s an awful lot of fun to sell five Waldens and make \$1,000,” added Ken Tobias.

“[Smaller brands] want their dealers happy because of their limited distribution,” Kephart said. “They are also trying to build a reputation. Remember, Peavey and Ibanez were struggling to get known against the big boys once, too. Small brands can learn from larger brands’ successes.” **MI**

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Hagstrom

Walden

Jay Turser Guitars & Bases

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