



National Association of School Music Dealers, Inc.

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PRESIDENT'S LETTER



Valuable Input

If you attended the 2008 NASMD convention in Orlando, you were treated to great speakers, great fun, a great location, and great weather. And, a number of great hands-on, practical ideas to help strengthen your business. A survey compiled shortly after the convention showed that 100% of the respondents planned to implement at least one idea taken from the convention; more than 70% planned to implement an idea within the first three weeks after returning home from Orlando!

Since the convention, the NASMD Board has been very active planning next year's convention, to be held at the JW Marriott StarPass in Tucson, Arizona, from April 1 through 4. Because of the success of last year's

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EVENT ATTRACTS HIGH NUMBERS, NEW MEMBERS

The Sunshine State was warm and welcoming for this year's NASMD convention in Orlando, Florida. Taking a spring break to catch up with old friends, make new friends and get up to speed on the latest developments in business operations, new and long-term members made the most of their weekend in the sun.

"Awesome is a pretty good assessment for the hotel and program," said board Vice President Grayson Zeagler. "It was a beautiful facility, and the presenters were all very good, especially the sessions by our own members. They take a lot of their own time and hours of preparation for these sessions; we really appreciate their efforts."

"It was great, the sessions were great the hotel was spectacular. The mood of most school music dealers was good, and I think the school music market is still a pretty healthy part of the music industry," agreed board Secretary/Treasurer Joel Menchey of Menchey Music Service.

The event attracted a record number of new attendees, who sought an opportunity to get to know others in the field while building their business skills. This boost in turnout could be attributed to promotional efforts and a great location, Menchey said. "We would like to think it's part of the effort the board made to

encourage companies to bring more people. I know my company did and a couple other companies did as well. And, the fact that it was in Orlando helped. There's a heavy concentration in the Northeast and the Mid-Atlantic area, so it was a convenient place to attend; and the rates were affordable."

Of particular interest to most attendees were the informative sessions. Each course reflected particular interests of the membership, and the scheduled events were based largely on membership feedback, noted new board member Russ Beacock of Beacock Music.

Another contributing factor was the trend for today's school music dealers to strategize for better business. "Of course Orlando is always a draw for families, but I think that companies are looking for new ways to stimulate sales and make more profit, and there are always great ideas from members here at the convention," Zeagler said.

"The board is very in tune with the members, and at my first board meeting we talked about what people were saying at the meals and breakout sessions. Everything is on the table in terms of topics for sessions. There aren't a lot of layers, so we listen to members and we try their ideas," he said.

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2008 NASMD Convention in Orlando, FL

GETTING MOM-FRIENDLY

Firmly controlling the family purchasing purse strings, the woman shopper is a target market to strive for. But many music dealers overlook the basics when it comes to pleasing these customers. The subject is near and dear to Liz Reisman of Creative Music Center: "I was very inspired on the topic of mom-friendly stores. I'm a mom, and all of my customers are moms."

A simple recipe for a "mom-friendly" store was the focus of two sessions that provided attendees with some specifics about how to make these powerful purchasers feel comfortable and welcome. Music store owners and NASMD board members Reisman and Joel Menchey of Menchey Music Service shared their experiences as well as insight gained from secret-shopper moms who went undercover to visit several music stores to evaluate the highs and lows in the world of music dealerships.

Some of the most important points for music dealers to focus on include a blend of good aesthetics and good product. Overall, properties should be set in a mom-friendly location such as a strip

mall—someplace accessible and secure. Once the clients get into the store, the better the environment, the more likely they are to stay—and come again. Prior to the session, Menchey and Reisman



Liz Reisman and Joel Menchey

sent out secret-shopper moms to a variety of locations and developed a hit list of likes and dislikes, then translated them into a list of wise investments. Topping the list was helpful sales staff. A particular pet peeve of the secret shoppers was that salespeople in several locations ignored them. In one store, a woman stewed for five minutes while waiting for a salesperson to help her. "What really, really ground her gears was that there was a saleswoman who walked right

past her. It really had an impact." They suggested training staff to be aware of paying fair attention to all genders.

Another trouble point was the look of the center. Making the setting welcoming to moms often means undertaking renovations to make the setting less industrial. This means a clean, updated toilet with a closed door that is not visible from the sales floor. It also means a lessons area that is tidy and organized in a nice color scheme with comfortable chairs.

Easy fixes for creating a mom-friendly setting included a comfortable temperature, Wi-Fi, all-age-appropriate reading materials, and inoffensive music. Loud rock may be appropriate for some audiences, but the soccer mom set is more likely to be alienated by loud music. Simply turning the station to something a little lighter can keep these customers happy.

While some of these items might put a dent in your budget, they will also offer a solid return on investment. "You can spend yourself to death, but if you spend strategically, you can get more success," Menchey says.

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New Memberships Soar

It was a blockbuster year for new members, with 27 firms joining the NASMD family in 2008. Those who attended the conference in Orlando said that the event made joining more than worth the trip.

Enjoying his first show, Marc Ingber of Marc Ingber Sales in Potomac, Maryland, rated his first NASMD convention high on his quality scale. "The sessions were pretty good, I'd give them about a seven out of 10," he said.

The chance to interact with associates in the industry and get away to a pleasant location were a powerful, winning blend, he added. "Meeting with everybody was good, the people were nice and the facility was very good."

Another new member, Gary Hanser of Hanser's Music Group had to cancel his plans to attend, but he says that he plans to attend in the future and that he received positive feedback about the 2008 gathering. "I heard good things about it. People said it was great and well organized."

Joining the group had been on Hanser's to-do list for quite some time, but this year seemed like an ideal opening thanks to the pairing of the Music Distributor Association's meeting with the NASMD event.

Creating this new alliance may very well help Hanser develop some stronger relationships with independents and others in the field. "With only a few full-line distributors left, we felt like we should get involved because the independent dealers are so strong. It's something we've been meaning to do for a long

time, but this was a good opportunity."

A relative newcomer to the NASMD world, Line Master's Scott Dutcher also did not attend the event, but decided that this would be a good year to try to develop relationships in the music dealer community to spread the word on his firm's products.

"We sell a product that music teachers use to make staff lines for teaching music. We've been selling them primarily to school supply dealers. We haven't ever solicited the music industry but the music industry found us, and we're selling them to a couple of catalogs and some music stores have contacted us. So we started thinking maybe there was an organization out there that actually does this, why not see if we can take it a little more seriously? I thought I might be overlooking something here, so we decided to join."

Dutcher added that he is looking forward to exploring his options as a member of the organization.

This year's new members are: Ace Products, Andy's Music, Anthem Music Group, Band Company, Burkart-Phelan, Inc., Cecilio Musical Instruments, Connolly Music, Elefante Music, Fuller's Music, Gann's Music Center, Hanser Music Group, Jackrabbit Technologies, Line-Master, Marc Ingber Sales, Inc., Melk Music Inc., Microbilt Corporation, Music & Arts Center, Music Doctor, Music Sales Group, Retail Up, Rush's Musical Services, Inc., Suzuki Corporation, Swicegood Music Co., Taylor's Music Store & Studio, Toon Shop.org SmartBrief, Universal Music, Universal Percussion.

Photos from 2008 convention



Plan now to
attend the 2009
NASMD Convention
April 1-4, 2009
Tucson, AZ

Team Building: Winning Together



An expert on successfully crossing the finish line shared her strategies for success in the keynote session “Building World Class Teams: The Eight Essential Elements of Human Synergy.” Athlete Robyn Benincasa understands the importance of building interpersonal relationships, particularly within working teams. As an adventure racer, she and her team face seven- to 10-day nonstop, multisport events that push each member to his or her very limits. To finish the race, let alone win, the group must solidify into a trust-filled unit that plays off of each other’s skills and strengths.

In her presentation, Benincasa explained that in the race for success, one of the most important factors is the total quality of the team involved. You may have a star performer on your staff, but if the overall team is weak, then getting to the top may just be impossible.

To survive and thrive in challenging conditions, she notes, world-class teams must be formed and work together because they realize that they can be stronger, faster, more productive and overall more successful as a group than as individuals.

One of the secrets to team-building success, Benincasa says, is The Eight Essential Elements of Human Synergy. This message—embraced by Starbucks, Boeing, Nestlé, Honda, the Four Seasons Resorts, and other leading companies—

includes a blend of factors that result in TEAMWORK:

- T Total Commitment
- E Empathy and awareness
- A Adversity management
- M Mutual respect
- W “We” thinking
- O Ownership of the project
- R Relinquishment of ego
- K Kinetic leadership

In the end, it’s the greatest teammates, not necessarily the brightest stars, who create the greatest teams.

One attendee, Charlie Conrad, owner of Conrad Music in Corydon, Indiana, said he enjoyed the energetic session: “She was very dynamic and

inspiring, that was great.”

The presentation helped remind him of the importance of team building in his own store, he said. “A lot of the session reinforced some of the things we tried to work on. I think that the importance of teamwork, of being involved with the group, the employees and the people you work with was one of the best things that I brought out of the course.”

He was particularly drawn in by the sportswoman’s description of preparations for a competition and the efforts that go into teambuilding even before practice begins. “She showed just how, before she even started on her travels, she built team rapport. It was all about how you learn to trust the people you work with.”



Robyn Benincasa

LONG LIVE THE KING: CASH STRATEGIES

When it comes to success in business, keeping an eye on the bottom line can be one of the biggest challenges owners and managers face. Efforts to meet clients' needs and juggle employee issues are often put ahead of crunching the numbers and maintaining a firm grasp on the finances of a music dealership.

In his session, "Cash IS King," speaker Allan Greenberg of Music & Arts Center covered a few of the primary financial issues that can make or break a small business

"A business will fail," he said, "any business in any industry, if it doesn't generate positive cash flow.



Allan Greenberg

Imagine spending more than you earn every week."

The major points covered were: collect receivables fast, don't carry excess inventory, and pay vendors on time, never early.

When it comes to collecting your receivables, Greenberg said, "every extra day you allow a customer to not pay is like giving them an interest-free loan with your money. Imagine not getting your paycheck on time, but getting it a couple of days late each pay cycle."

For profitable inventory management, keeping supply in tight alignment with demand is of critical importance. "Don't carry more inventory than you need to satisfy demand. This is easier said than done. It takes tremendous discipline. Sell excess inventory. Sell obsolete inventory. Turn it into cash. You can't spend inventory. And don't try to keep every supplier happy. Inventory will suffocate a company," he said.

Lastly, Greenberg advised businesspeople to be "sure you are getting the best deal you can from suppliers. Pay them on time and never early. Every day you pay them early is like giving them an interest-free loan."

These simple operating and financial tips for unlocking cash will be very useful, said Fred Melk of Melk Music Inc. As the owner of a full-service band and orchestra store open since 1956, he said the ideas were particularly helpful in refining his thoughts on doing business. His business has been increasing rentals, and he manages a repair shop, sales, and school service operations with a staff of six employees that he expects to grow to nine or 10 this year.

"It covered some of the things I was thinking about, but with new ways to do them. Being in a small place I need more information about being a better businessman and running the store."

President's letter

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special "convention within a convention" for road reps, this feature will be expanded for next year, and we hope a large number of educational reps will start making plans now to attend. As always, input from members plays a large part in the planning for future educational sessions, so please feel free to contact me—or any of the other board members—if you have suggestions, ideas, thoughts or comments that would help us with this planning.

One of the goals of NASMD is be a "voice" in advocacy for school music education. In mid-May, I was privileged—along with NASMD Secretary/Treasurer Joel Menchey and several NAMM board members—to be a part of NAMM's Fly-In to Washington, DC. Armed with statistics about the part quality music programs

play in increasing test scores and graduation rates, and with public opinion polls about the importance music plays in children's education, we met with various Senate and Congressional leaders. Our goal was to encourage them to keep music as a core curriculum subject in the re-authorization of No Child Left Behind; and to ensure the flexibility and funding in the law to offer music to every child. We hope that every NASMD member will participate in grassroots efforts to speak out on behalf of school music as well.

In the months to come, we will be sending out more information about next year's convention—the program, the hotel (you will love the free nightly tequila tasting!), the on-site golf course, and more... so start making your plans now to attend. We hope to see each of you there!

—Scott Summerhays

Board Welcomes New Members



NASMD 2008 board

This year, the two newest NASMD board members—Russ Beacock and Liz Reisman—bring their unique knowledge from inside and outside the industry to the table.

While both have a lifelong interest in music, each also has communication skills honed through experience in other industries that translates to their current work.

After working with Hilton Hotels, Beacock brought his hospitality skills into the market, and for the past 21 years he and his sister, Gayle, have run Beacock Music in Vancouver, Washington. Featuring a showroom, education center and repair center, the operation was moved to a freestanding 20,000-square-foot building four years ago.

In addition to his work at the center, Beacock has been active in working to develop the industry and is a past NAMM board member.


In his new NASMD role, he will be focusing on spreading the word about the

importance of the NASMD convention.

"I'm really back on the bandwagon and telling people you can't not afford to go. You pay for your trip two to three times over with the knowledge you gain."

Part of the appeal, he notes, is the face time attendees get with each other, something he has found very beneficial. "The neat thing about NASMD is the size and the belly-to-belly exposure you get with other store principles and vendor principles. I'm screaming from the mountaintop that any band dealer in the business has to come to the conference for the opportunity to learn and speak and gain information and ideas. I've really mined a lot of great ideas."

New board member Liz Reisman brings a blend of skills from a career in journalism with a lifelong love of music to her new position. Joining the industry after 20 years as a journalist for publications ranging from *USA Today* and *Parade* to *Forbes* and *Smart Money*, she has owned Creative Music Center in Monroe,



Connecticut, for the past five years.

Tapping into her experience as a flutist at the San Francisco Conservatory of Music and saxophone player in marching band, Reisman was seeking a career change from publishing to music when the opportunity to become a music dealer came her way. Her daughter and she were taking lessons at the local music store and, "one day my teacher called and said that the owner of the local music school had shut it down because she was ill." In 2002, she bought the store and the operation has been a success. Recently, she moved the center into a 5,100-square-foot newly constructed facility that offers lessons and instruments.

As a new board member, Reisman notes that she will bring her communications skills to the table: "My strength is in marketing."

Sharing that strength, she will help raise awareness of the opportunities that the convention and the organization offer. "I think that a lot of people in the industry don't realize just how important NASMD is, and what a resource it is."

From her personal experience, she is an advocate of the benefits of the conference, and after the event in Orlando her enthusiasm is high, "I'm like the poster child for it. The first year I went, I thought, 'I can't believe that everyone in the country wouldn't take advantage of it.'"

One of her goals for her tenure on the board is ambitious and encompassing: she'd like "all music retailers around the country to know that this organization is there to help and is a huge resource. I'd like to see that happen."

2008 Convention

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Nick Rail of Nick Rail Music in Santa Barbara typically goes to NASMD every year, and most often enjoys the personal connections he makes. "Most of all, I look forward to the one-on-one conversations with other dealers that take place after the sessions."

The resort was another highlight, he noted. "The hotel was huge—the attendees could cancel their gym memberships thanks to all the walking they did to get around!"

Steve Boyce from Rush's Musical Service came to the convention based on the advice of friend Rosi Johnson from Mississippi Music. He said his first NASMD was enjoyable for the pace—and the people. "It was different than I expected. When I go to NAMM, I get up at 6 and go to bed at 2 and I just keep going and going. It's a different pace here, and I met a lot more people I wouldn't have met at NAMM and got to know them more individually and personally. At NAMM, you meet someone and walk on, while at NASMD you have more time to talk," Boyce said.

The education also provided carry-away lessons that could be instantly implemented, he added. "The strings session was good because I'm considering dealing with strings more, so it gave me some insight. The roundtables were nice, too. It's always good to hear what other people are doing. I didn't think I'd come away with anything, but I did."

Since getting back to work, he has implemented a few tips from the sessions. "We talked about getting mom-friendly. We've bought paint and we're

changing things around and putting up pictures of our students. We're also changing the Web site and trying to make the rental form online self-sufficient."

Another attendee, Len Doyle of Taylor's Music Store, was a newcomer to the convention. For years, other dealers encouraged him to join. This year, he opted in with satisfying results. "Every year people told me it would be good for me, and it was. I just thought that, as competitive as things are, you have to stay ahead of everybody. Or you at least have to know what they're doing."

While he was unable to stay for the whole event, he managed to pack in a lot of positive experiences in a short time "I was there on Wednesday and Thursday, and Thursday was pretty eventful. I saw four or five different sessions, and they were great.

Doyle attended Cash IS King, presented by Allan Greenberg, and found it very beneficial. "He was excellent. He actually shared numbers and how those numbers would be an advantage to you so you could measure your performance. You could see how the numbers have an impact on your business."

Rick Dustin of Kinkaid's Music started attending the conference a few years back and attends as regularly as he is able. Each time, he said, the trip is worthwhile. "I think any time you have the opportunity to hang out and interact with other folks from the industry, that's really meaningful and beneficial. You can take something from every session, and it was practical, filled with information you can use. For me it was a reiteration of what I've heard and what I believe to be true. It's helpful to be reminded of those things."