

President's Christmas message

In October the daily newspapers had pictures of a water spout 80 meters high caused by a burst water main. The spout destroyed one house and damaged many others. Imagine one minute, you're a sitting playing the piano and the next the roof is caving in! For a mum and dad with two teenage children this was a nightmare impossible to prepare for. On November 27 this lady and her family conducted their annual student Christmas concert at our store. Being very brave they announced to the audience how "Music got us through".

Often we forget the importance and power of music. Business pressures seem more than distracting. Each day new distractions seem to emerge to drain our efforts. This festive season more than ever we need to rethink the great value of what we do. We need to encourage our customers to enjoy the benefits of active music. We need to have happiness in the way we present our products. Plus, consider in all our communications the message of Christmas...Peace and Goodwill to all men.

Our industry is going through a massive restructure. The Summits in September bought out many great ideas for us to build on. There are still many great companies and operators amongst us. The key will be to embrace the change, have a wonderful Christmas and prepare for the New Year to be the best yet.

Finally, on behalf of the Association, I extend our condolences to the family of John Payton Senior who passed away on November 14, 2012 aged 93. John was one of the pioneers of the AMA, and served as Treasurer for over 20 years.

Merry Christmas and Happy New Year to you all.

Your President , Bernie Capicchiano.



In this issue

- Vale John Payton Snr
- Member Profiles
- Diploma of Retail Management
- How CATS may help your business
- Industry News

Date Line

January
22-24, NAMM Show
Anaheim, CA

April
10 -13, Frankfurt

August
10 -12, AMAC2013, Gold Coast

Vale John Payton Snr



John F Payton, co-founder of the AMA, passed away peacefully on 14th November after a brief illness, two weeks after his 92nd birthday and just one year shy of his 70th wedding anniversary. Up until the 5th November he had enjoyed the active stimulation of the music business, reporting to

work five days a week at F Payton & Son's Artarmon head office.

Born in London in 1920, John was educated at Dame Alice Owen School of Islington. As a child, he was privileged to be selected for the choir of St Bartholomew-the-Great, London's oldest church, where he had been christened and was later to marry. He insisted he only got

the position in the choir because of his brother's exceptionally pure voice; his mother had done a deal, take them both or none at all.

Having endured the London Blitz, John was called up for military service on his 21st birthday at the height of World War II, serving as a wireless and communications instructor firstly at an army base near Salisbury and later at Sandringham Military Academy, where he met his wife, Glen, an ATS driver.

Once demobbed from the army, John helped his mother with the family music business which incorporated a music school, dance academy, music shop and violin repair service. With his father's death just a couple of years prior, John became the third generation to take the reins of F. Payton & Son, which was started by his grandfather in Fleet Street in 1881.

By the mid-1950's, John expanded his business interests to include the importation of glass and pottery which in turn led him to establish a small factory to gild and decorate wine

glasses. He then added a recording studio (cutting wax records) to his music business and introduced the sale of records to the music shop. As opportunities arose he opened an art supply shop, a wool shop and eventually an antique shop. At this time, and still with the music business as his core, John formed the Camden Passage Traders Association, a cooperative of local businesses whose aim was

to upgrade the area of Islington in London's north. This led to the establishment of the Camden Passage Development Company, whose mission was to redevelop various bomb sites into the world's first purpose-built antique centre. Camden Passage, which was formally opened in 1960, remains one of the most important antique trading areas in England and continues under the direction of his daughters, Karen and Glen.

John Payton immigrated to Australia with his wife and two sons in 1969. He was surprised to find that there was no formal association for the music industry. After re-establishing F Payton

AMAC 2013 Announced: August 10, 11 & 12 | Jupiters, Gold Coast.

Interested in exhibiting? Contact Rob Walker (AMAC organiser): rob.walker@australianmusic.asn.au
Keep an eye on www.amaconvention.com.au for more information.

Member Profiles

Retailer:

Northern Music Centre

Northern Music Centre in Clare SA is a small country based store that focusses on retail instrument sales, with a mixture of CD, Games & DVD products. The business has been around for over 10 years and is always striving to meet the well known country service & hospitality.

Our store run by partners Alison & Paul Gibson tends to focus on entry to mid level equipment, carrying most accessories to suit our range. We have recently begun a music school 2 days a week and so far in a short time we have over 25 students, ever expanding. Our store covers approximately a 75KM radius for clients, making a varied

customer requirement list. Just covering the basics, guitars, basses, drums & all accessories including mics & pedals are the common sale items here. Being such a small store we find it difficult at times to supply certain brands given our purchasing abilities so we very much appreciate the support from a few larger brands in regards to stocking requirements, allowing us to supply certain brands to customers saving them the trip of a 300KM round journey to get to Adelaide.

As for sales, Paul has had live experience for over 20 years, with some sound engineering but mostly a working muso, so any local customer can get accurate advice & support from their local store, such an important part of our business. Alison & myself actually have the business for sale at the moment, Paul is

looking to develop the music school more, to try and cover a wider area with a couple of specific instruments, but whatever happens with that we are very committed to our country regulars, and look forward to steady growth over the next few tricky retail years.

Northern Music Centre

Main North Road Clare, SA 5453
nmc@chariot.net.au

Paul Gibson, Director



Wholesaler:

Accent Publishing

Accent Publishing, in association with Encore Music Education, specialises in music education for children. They launched their



first piano/keyboard publication in 1998. Over the last 14 years, they have developed award-winning materials for early childhood (Kinder Beat), primary school students (Encore on Keys and Encore on Strings), older beginners (Accent on Keys) and theory resources (Theory Wiz). The follow-on Achiever Series rounds out the Encore SMART System of learning.

The success of Accent/Encore is largely due to the passion and expertise of the creators and company directors, Mark Gibson and Morna Robinson. With combined qualifications that span early childhood through to a Masters Degree in Music, Mark and Morna use their knowledge and experience to deliver high quality products. Their wide appreciation of traditional and contemporary styles is evident in the material. It is this blend of genres with world-class backing tracks, that gives the Accent/Encore publications a unique flavour.

Mark and Morna continue to build strong relationships with retailers and teachers. They have achieved this through an extensive array of workshops for teachers throughout Australia and South East Asia. Although the success of the business relies on book sales, it really is all about changing minds and providing teachers and their students with a cutting-edge approach to music education. This approach - the Encore SMART System - is currently used by teachers in 9 countries.

At the end of the day, Encore provides a uniquely Australian-developed approach that gets to the heart of what music education is all about. And, because it's a niche enterprise, Accent quickly adapts to educational innovations and updates its Encore publications accordingly, ensuring that the product remains fresh and contemporary.

Contact: mark@accentpublishing.com.au

<http://encoremusiceducation.com.au>

Vale John Payton Snr (cont.)

& Son in Sydney's Clarence Street in 1972, he started discussions with Boosey & Hawke's Geoff Auty, Australis' Peter Hayward and Tolchin Industries' Neville Chambers before taking their ideas to the wider industry. Not long after, the Australian Music Trades Association was formed and John served as its first president. By 1975, the dedicated committee of the AMTA staged the inaugural music

trade show in the humble settings of a selection of rooms in Melbourne's Hilton Hotel. This was a truly hands-on time for John, who was both coordinating the show from Sydney whilst still coping with the day-to-day running of his fledgling business, including order taking, hand writing invoices and assisting the storeman with picking and packing. The following decades had John serving in many roles on the AMTA committee, including a few more stints as president and overseeing the association's transition into the AMA. In his time as a volun-

teer with the AMA he helped coordinate and organise many of the trade shows, however, in 1988 he took on the added responsibility of Show Organiser, with the assistance of Boosey & Hawkes' Pat Reilly, at Sydney's Royal Agricultural Pavilion - a runaway financial success that resulted in the Association having the ability to return part of the exhibition fees to the exhibitors.

John has been a long standing fixture at the international music event held in Frankfurt each year, which he attended up until the age of 86. He forged close personal relationships with such industry luminaries as Mark Barnes (or Barnes & Mullins), Helmut Schaller, Horst Wittner, Leo Fender, Marina Kun, Admira's Keller family, Vasile Gliga and many more. Most agencies he secured in the early years have remained a staple product range for the company for the last forty years.

John will be best remembered as a gentleman of the industry. He put morals before business and relationships before profit. He had a wonderful optimism for the future and enormous faith in the human spirit, whilst always maintaining a lovely sense of humour.

At the age of 92, John's desire to attend the offices of F. Payton & Son on a daily basis, meant that his sons, John and Paul, and grandsons, Chris and Ben, were greatly privileged to enjoy his companionship each working day. He continued to be an inspiration to all around him and kept himself useful and busy with many varied tasks in both the warehouse and office. It has been truly gratifying for his family to see him so well cared for by each and every member of staff, who at all times demonstrated deep respect and genuine affection towards him.

Submitted by Paul Payton

Mission: To be the voice of the music products industry and grow music making in Australia

ARA Diploma of Retail Management

As a young Audio Engineer whose business had grown from a couple of Rehearsal Studios in 1997 to taking on a business partner and outgrowing 2 other factories before moving into our current complex in Melbourne's South East (which includes a Professional Recording Studio, Six Rehearsal Studios, Lessons and Repairs plus two levels of Retail), I was struggling to come to terms with the Retail side of the business which had grown purely out of customer requests.

Being much more adept behind a Mixing Console or Drum Kit than running a busy Music Store and having only done a bit of work experience during High School in a couple of MI stores and a casual stint at Mackins Drum Shop I had no other Retail experience but a healthy drive and desire to learn more and develop our business retail model further.

I spent a while looking at courses and most seemed either not relevant to our industry or many classes which would eat into valuable time that could be spent elsewhere. I ended up enrolling in the Australian Retail Association Diploma of Retail Management course held at Chadstone Westfield offices not really knowing what to expect. One good thing with this course is it was only 1 day a month over 9 months to complete the diploma and after each day we had about 3 weeks to complete a couple of hours of

"homework" which was easy to keep on top of.

As a "non-qualified" individual the course cost next to nothing thanks to the Government Subsidies and because I was already experienced in managing a business they waive the Cert 3 and 4 normally required prior to a course like this which is why the Diploma was gained in just 9 days of classes.

Each day was spent on a different topic and I found most were directly relevant to what we were experiencing on a day to day basis or that I felt we needed to work on. It was also nice to see we were already doing a lot of the right things already and to re-inforce those ideals in our business. Each session built into the next with topics such as: Strategic Planning, Merchandising, Budgeting, Buying, Sales Strategy, Managing People Performance and Industrial Relations and Developing and Implementing Change.

The classes themselves were an informal round table discussion and the mentors were all professionals working in the retail industry and were eager to listen and discuss ideas. Each discussion was related to the businesses and peoples roles within the class and many times our business was used within examples (as they did with all participants) and it was great brainstorming ideas with different retailers and the mentors.

The homework was relevant to the topic and included a case study of a different retail business along with a section based solely on looking at your own business which really got you thinking outside the box. Many of the ideas brought up in the classes and subsequent homework have since been implemented into our business with great success.

All in all the course was a great experience and the knowledge gained has been a factor in the growth of our retail business and will continue to do so for years to come. I also got the bonus of a nice Diploma Certificate to hang on the wall.

Geoff Mison
Director Pony Music PTY LTD
www.ponymusic.com.au



How CATS may help your business

By Greg McNamara

The tide may well be turning regarding lowering the threshold for GST on imports. Solomon Lew's tirade against government policy was not met with absolute derision by the nay sayers who accuse retailers and distributors of gouging.

The greatest barrier to policy change remains the narrow margin in popularity between our two political options. More tax is unpopular; the issue is clouded with sophistry, ignorance and greed. I believe that we may see change but not until the middle of the next electoral cycle. I hope that I'm wrong and that common sense comes into play sooner.

Meanwhile the easiest place to find a parking spot anywhere in Australia sadly remains outside your local music store. It's a given that we need to develop policies that will drive traffic back through our retail outlets. We need to give our staff the opportunity to engage with consumers. We need to let buyers know why we

are special and we can't do that if they don't know who we are or how we are adapting. But how can we do it?

We have to come to terms with the fact that we have been ceding our trust relationships to our offshore competitors. Shoppers buy small items and first and then begin to trust the offshore guys more than they do their local options.

By and large our pricing policy on bread and butter items has been diametrically opposed to that of dealers in the USA and in fact to our local supermarkets and major outlets that rely on store traffic. We have always demanded high margins of profit on our accessories and in so doing been made to look like gougers to anybody that does price comparisons with offshore sources.

We should at least consider recognising that visiting our stores is less convenient than shopping online and price some of our key accessories as loss leaders as a reward for buyers

taking the time to visit our retail outlets.

Consider running a program that I like to call C.A.T.S. (Cheaper At The Store) and make your in-store pricing on a rotation of accessories lower than what is available online. Work with your suppliers to make it work for you. Look at what your local Coles or Woolies is doing with bread and milk and you can see that offers can be packaged in a variety of ways and you will soon find something that can be adapted to your needs. Offer small maximum quantities and ensure return business. Make the pricing truly attractive.

We have tried this policy with a couple of dealers and the result is a substantial increase in store traffic and this has resulted in an increase of sales with major products.

Give it a go on a trial basis. Do a few really aggressive pricing specials on accessories and advertise locally to let your consumers know. What have you got to lose?

Member Benefits

Full details of all member benefits are in the member section of the website.

Partnering with

CommonwealthBank



Commonwealth Bank Alliance Partnership: Everyday Settlement offer extended until June 2013.



Certegy Ezi-Pay Express: Give your customers another option – the option of a take home lay by.



Aon business insurances. Business insurance for retailers. Contact Peter Sun: 0414 721 928 / peter.sun@aon.com



Travel services: for some of the best hotel rates to be had in Australia, look no further than Show-Group.



Currency exchange services at preferential rates and free wire fees. For more information, contact Nick Xiradis 02 9268 7635



Music Makes the Difference brochures. For more information about these popular brochures that show why music is so important for every child go to the AMA website.



Weekend Warriors is under licence from the US (through NAMM) and fees apply. Lots of fun, building strong loyalty from new customers who had stopped playing ten and fifteen years ago.



Australian Retailers Association: Offer launched 1 July 2012 providing a substantial discount to AMA members giving access to all the benefits that the ARA provides.

Industry News

Music: Count Us In

Well done to the 600,000+ students and teachers who took part in the culminating performances around the country on Thursday 1st November 2012. This is one of the world's largest music projects. It was the biggest program yet with over 2000 schools taking part and professional development was delivered to over 1900 classroom teachers. It made a loud noise to celebrate music education in our schools (it achieved around 50 million media impressions) and helped make the call for more of it!

Melbourne Prize for Music

The \$60,000 Melbourne Prize for Music 2013, \$30,000 Outstanding Musicians Award 2013 and \$13,000 Development Award 2013 will be offered next year. To register your interest please visit www.melbourneprize.org or call the Melbourne Prize Trust on (03) 9696 4410.

Australian Musician

In September, Street Press Australia (SPA) has taken the decision to terminate its licensing agreement with the Australian Music Association to produce Australian Musician magazine. The Executive Committee are now reviewing the future of Australian Musician as well as that of Music in Action. An 18 year run of a national publication is something to be very proud of and the Association thanks all involved, particularly Greg Phillips for his work over the years.

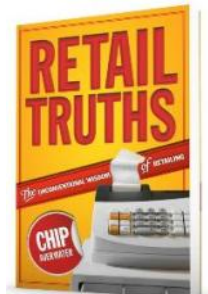
Retail Truths

The Unconventional Wisdom of Retailing

"A compendium of street-smart retailing insights and acumen."

You won't find academic theory here—just the hard-nosed realities shrewd retailers discover with experience and use to build profitable stores.

This was the book that was mentioned at the AMA Summits in September.



Mission and Objectives

Mission:

To be the voice of the music products industry and grow music making in Australia

Objectives:

Provide events and programs that stimulate growth and development of the Music Products Industry in Australia.

Communicate, and promote the industry and the achievements of our association to our members and the community

Deliver six core services:

- Government relations
- Member benefits
- Annual trade show
- Industry statistics
- Member communications
- Promotion of music making

2012/13 Executive Committee

President:

Bernie Capicchiano (Bernies Music Land)

Treasurer:

Tony Burn (Resource Corporation)

Committee:

Richard Snape (Hal Leonard), Damon McMahon (Shriro Australia), Brendan Callinan (Roland Corporation), Greg McNamara (Dynamic Music), Michael Shade (Yamaha), Dom Di Sisto (Holden Hill Music), Craig Johnston (Keyboard Corner), Michael Jongbloed (Fine Music)

**NEW
PHONE
NUMBER**