UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

MAR 2 3 2010

[redacted]

Re: FOIA-2010-00118
NAMM records

Dear [redacted]

This is in response to your request dated October 30, 2009 under the Freedom of Information Act seeking access to all documents produced to the FTC by NAMM, Guitar Center, Yamaha Corp. of America, Fender Musical Instruments Corporation, Gibson Guitar Corp., Association of Independent Music Merchants, Peavey Electronics Corp., Kaman Music Corp., C.F. Martin & Co., Roland Group, Steinway Musical Instruments, National Association of Band & Musical Instruments Manufacturers, Guitar and Accessories Marketing Association, Remo, Inc., Avedis Zildjian Co., Hoshino USA., Korg USA. In accordance with the FOIA and agency policy, we have searched our records, as of November 02, 2009, the date we received your request in our FOIA office.

We have located significantly over 100,000 pages of responsive records, I am granting partial access to and am enclosing copies of, the accessible records. A majority of the responsive pages, and portions of other pages, fall within the exemptions to the FOIA's disclosure requirements, as explained below.

A majority of the responsive records are exempt from disclosure under FOIA Exemption 3, 5 U.S.C. § 552(b)(3), because they are exempt from disclosure by another statute. Specifically, Section 21(f) of the FTC Act provides that information obtained by the Commission in a law enforcement investigation, whether through compulsory process, or voluntarily in lieu of such process, is exempt from disclosure under the FOIA. 15 U.S.C.§ 57b-2(f), *see Kathleen McDermott v. FTC,* 1981-1 Trade Cas. (CCH) ¶ 63964 (D.D.C. April 13, 1981).

In addition, portions of the responsive records constitute confidential commercial or financial information, which is exempt from disclosure under FOIA Exemption 4, 5 U.S.C. § 552(b)(4). *See Critical Mass Energy Project v. NRC,* 975 F.2d 871, 879 (D.C. Cir. 1992). Moreover, because Section 6(f) of the FTC Act, 15 U.S.C. § 46(f), prohibits public disclosure of this type of information, it is also exempt under FOIA Exemption 3, 5 U.S.C. § 552(b)(3), which exempts from disclosure any information that is protected from disclosure under another federal statute.

I am also denying access to individuals' names and any other identifying information found in the records. This information is exempt from release under FOIA Exemption 6, 5 U.S.C. § 552(b)(6), because individuals' right to privacy outweighs the general public's interest in seeing personal identifying information. *See The Lakin Law Firm v. FTC*, 352 F.3d 1122 (7th Cir. 2003).

Based on the fee provisions of the FOIA, 5 U.S.C. § 552(a)(4)(A), and the Commission's Rules of Practice, 16 CFR § 4.8 et seq., as amended, I am also enclosing an invoice for the charges we incurred for this partial response to your request. Failure to pay this bill promptly will result in our refusal to provide copies of accessible documents in response to future requests. If not paid within 30 days, this bill will accrue interest penalties as provided by Federal Claims Collection Standards, 31 C.F.R. § 900-904, as amended.

Please make checks payable to U.S. Treasury and send payment to:

Financial Management Office, H-790
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

If you are not satisfied with this response to your request, you may appeal by writing to Freedom of Information Act Appeal, Office of the General Counsel, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington D.C. 20580, within 30 days of the date of this letter. Please enclose a copy of your original request and a copy of this response. If you believe that we should choose to disclose additional materials beyond what the FOIA requires, please explain why this would be in the public interest.

If you have any questions about the way we handled your request, or about our FOIA regulations or procedures, please contact Chris Falcone at 202-326-2027.

Sincerely,

Joan E. Fina
Assistant General Counsel

Enclosures

HOWREY LLP

1299 Pennsylvania Avenue, NW
Washington, DC 20004-2402
www.howrey.com

Paul C. Cuomo
Partner
T 202.383.6547
F 202.383.6610
cuomop@howrey.com

November 7, 2008

HAND DELIVERY

CONFIDENTIAL TREATMENT REQUESTED

Donald S. Clark
Secretary
Federal Trade Commission
Room 172
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: In the Matter of National Association of Music Merchants, Inc., FTC File No. 001-0203

Dear Mr. Clark:

On behalf of National Association of Music Merchants, Inc. ("NAMM"), proposed Respondent in the above-captioned matter, please accept for filing one original and one paper copy of NAMM's First Compliance Report ("Report"), submitted in accordance with ¶ 4 of an Agreement Containing Consent Order in the above-captioned matter and Section 2.33 of the Commission's Rules, 16 C.F.R. § 2.33.

As indicated on the enclosed Report, NAMM requests Confidential Treatment for the Report. In particular, NAMM requests Confidential Treatment of ¶¶ 2-8 of the Report as each of these paragraphs includes confidential and non-public information regarding NAMM's internal preparation to comply with the proposed Decision and Order.

In the event that a determination is made that the enclosed Report, including the specific paragraphs discussed above, is not subject to confidential treatment, NAMM will appreciate receiving adequate notice of that determination and an opportunity to appeal such a determination.

If you have any questions regarding this letter or the enclosed Report, please do not hesitate to contact me or my colleague, Samantha Garvin, at (202) 383-7180.

Sincerely,

PAUL C. CUOMO
Counsel to National Association of Music Merchants, Inc.

cc: William L. Lanning
Arthur Strong
James R. Wade

Enclosures

CONFIDENTIAL TREATMENT REQUESTED

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of **NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.** a corporation.	)	File No. 001-0203

FIRST COMPLIANCE REPORT
FILED BY PROPOSED RESPONDENT
NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

1. On October 23, 2008, proposed Respondent National Association of Music Merchants, Inc. ("NAMM") executed and submitted to Commission staff an Agreement Containing Consent Order ("ACCO"). Paragraph 4 of the of the ACCO requires NAMM to "submit an initial report . . . within fifteen (15) days of the date on which it executes this Consent Agreement" setting forth in detail "the manner in which [NAMM] has to date complied or has prepared to comply, is complying, and will comply" with the proposed Decision and Order contained in the ACCO. This constitutes NAMM's initial report pursuant to paragraph 4 of the ACCO.

2. Appointment of Antitrust Compliance Officer and Antitrust Counsel: On October 27, 2008, NAMM appointed Paul C. Cuomo, Esq., a Partner at Howrey LLP in Washington DC, as its Antitrust Counsel pursuant to paragraph II.B.1(b) of the proposed Decision and Order. Per paragraph II.B.1(a) of the proposed Decision and Order, Mr.

Cuomo also will serve as NAMM's Antitrust Compliance Officer. Mr. Cuomo's contact information is:

Paul C. Cuomo, Esq.
Howrey LLP
1299 Pennsylvania Avenue, NW
Washington, DC 20004
(202) 383-6547
cuomop@howrey.com

3. Implementation of Antitrust Policy and Proposed Decision and Order: As NAMM's Antitrust Compliance Officer and Antitrust Counsel, Mr. Cuomo has received a copy of NAMM's current Antitrust Policy and is reviewing it to ensure that it complies with the terms of the Decision and Order. If any changes are required, Mr. Cuomo will work with NAMM to implement the required revisions to the Antitrust Policy. Mr. Cuomo also is working with NAMM to institute a program and policies and procedures to ensure compliance with NAMM's other obligations under the proposed Decision and Order.

4. Antitrust Training: As Antitrust Compliance Officer and Antitrust Counsel, Mr. Cuomo is in the process of preparing materials and developing timelines for the annual in-person training of NAMM's Board of Directors and the annual training of NAMM's employees and agents.

5. Antitrust Counsel at NAMM Events: There have not been any NAMM Events since the ACCO was signed. The next schedule NAMM Event, as the term is defined in the proposed Decision and Order, is The NAMM Show 2009, scheduled for January 2009. Pursuant to paragraph II.B.2 of the proposed Decision and Order NAMM is making plans for Antitrust Counsel to attend The NAMM Show 2009 and subsequent NAMM Events. NAMM is in the process of developing the agendas and topic areas for

The NAMM Show 2009 and subsequent NAMM Events, and will work with Antitrust Counsel to satisfy its obligations under the proposed Decision and Order.

6. Board of Director and Executive Committee Meetings: There have not been any Board of Director or Executive Committee Meetings since the ACCO was signed. NAMM will invite Mr. Cuomo to attend or otherwise participate in future Board of Director and Executive Committee Meetings in order to satisfy its obligations pursuant to paragraph II.B.3 of the proposed Decision and Order.

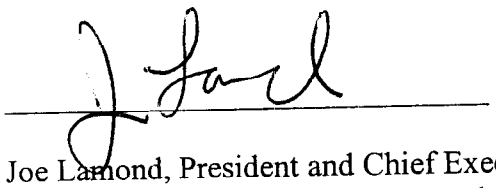
7. Distribution of Materials: There have been no Written Materials or Prepared Remarks Distributed by NAMM since signing the ACCO.

8. Distribution and Publication of Decision and Order: Pursuant to II.B.6. and II.B.7. of the proposed Decision and Order NAMM is required to publish a copy of the final Decision and Order and the Complaint in NAMM's newsletter and on its website. NAMM also is required to distribute a copy of the Decision and Order, the Complaint, and a letter in the form of the letter attached to Exhibit A of the Decision and Order to NAMM's Board of Directors. NAMM is working with Antitrust Counsel and the appropriate NAMM personnel to ensure that these obligations are satisfied after the proposed Decision and Order becomes final.

CONFIDENTIAL TREATMENT REQUESTED

9. Confidentiality: This First Compliance Report contains information that is confidential and non-public. NAMM hereby requests confidential treatment of this entire report pursuant to Section 4.9(c) of the Commissions' Rules, 16 C.F.R. §4.9(c).

Respectfully Submitted,



Joe Lamond, President and Chief Executive Officer
National Association of Music Merchants, Inc.

Date: November 3, 2008

CONFIDENTIAL TREATMENT REQUESTED

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of **NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.** a corporation.	)	File No. 001-0203

THIRD COMPLIANCE REPORT
FILED BY PROPOSED RESPONDENT
NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

1. On October 23, 2008, proposed Respondent National Association of Music Merchants, Inc. ("NAMM") executed and submitted to Commission staff an Agreement Containing Consent Order ("ACCO"). Paragraph 4 of the ACCO requires NAMM to "submit an initial report . . . within fifteen (15) days of the date on which it executes this Consent Agreement and every thirty (30) days thereafter until the Decision and Order becomes final" setting forth in detail "the manner in which [NAMM] has to date complied or has prepared to comply, is complying, and will comply" with the proposed Decision and Order contained in the ACCO. NAMM filed its initial report on November 7, 2008 and its second report on December 8, 2008. This constitutes NAMM's third report pursuant to paragraph 4 of the ACCO.

2. Implementation of Antitrust Policy and Proposed Decision and Order: As NAMM's Antitrust Compliance Officer and Antitrust Counsel, Mr. Cuomo has received a copy of NAMM's current Antitrust Policy. Mr. Cuomo is working with NAMM to

implement the required revisions to the Antitrust Policy. Mr. Cuomo also is working with NAMM to institute programs, policies and procedures to ensure compliance with NAMM's other obligations under the proposed Decision and Order.

3. Antitrust Training: Mr. Cuomo continues to prepare materials and develop timelines for the annual in-person training of NAMM's Board of Directors and the annual training of NAMM's employees and agents. The annual in-person training of NAMM's Board of Directors has been scheduled for NAMM's annual Board of Directors Meeting in April. Additionally, Mr. Cuomo has provided guidance to NAMM's Executive Committee, Board of Directors and Staff Directors on compliance with the proposed Decision and Order during The NAMM Show 2009 (scheduled for January 2009). Mr. Cuomo also is preparing similar training for moderators of NAMM sessions during The NAMM Show 2009.

4. Antitrust Counsel at NAMM Events: Other than two Executive Committee telephone conferences, one discussed below in Paragraph 5 and one discussed in the Second Compliance Report, there have not been any NAMM Events since the ACCO was signed. The next scheduled NAMM Event, as the term is defined in the proposed Decision and Order, is The NAMM Show 2009, scheduled for January 2009. Pursuant to paragraph II.B.2 of the proposed Decision and Order, Antitrust Counsel will attend The NAMM Show 2009 and subsequent NAMM Events. NAMM is working with Antitrust Counsel to satisfy its obligations under the proposed Decision and Order including as they relate to The NAMM Show 2009.

5. Board of Director and Executive Committee Meetings: There have not been any Board of Directors Meetings since the ACCO was signed. Since the Second Compliance

CONFIDENTIAL TREATMENT REQUESTED

Report filed on December 8, 2008, there has been one Executive Committee telephone conference, on December 29, 2008, in which Mr. Cuomo participated. The only non-privileged documents distributed at or advance of this telephone conference are attached as Exhibit A. NAMM will invite Mr. Cuomo to attend or to otherwise participate in future Board of Directors and Executive Committee Meetings in order to satisfy its obligations pursuant to paragraph II.B.3 of the proposed Decision and Order.

6. Distribution and Publication of Decision and Order: Pursuant to II.B.6. and II.B.7. of the proposed Decision and Order, NAMM is required to publish a copy of the final Decision and Order and the Complaint in NAMM's newsletter and on its website. NAMM also is required to distribute a copy of the Decision and Order, the Complaint, and a letter in the form of the letter attached to Exhibit A of the Decision and Order to NAMM's Board of Directors. NAMM is working with Antitrust Counsel and the appropriate NAMM personnel to ensure that these obligations are satisfied after the proposed Decision and Order becomes final.

7. Confidentiality: This Third Compliance Report contains information that is confidential and non-public. NAMM hereby requests confidential treatment of this entire report pursuant to Section 4.9(c) of the Commissions' Rules, 16 C.F.R. §4.9(c).

Respectfully Submitted,

Joe Lamond, President and Chief Executive Officer
National Association of Music Merchants, Inc.

Date: January 5, 2009

EXHIBIT A

REDACTED

From: Joe Lamond
Sent: Monday, December 22, 2008 12:57 PM
To: Averwater, Chip (chipav@aol.com); Joe Lamond (joel@namm.com); Kevin Cranley (kevin@willis-music.com); Larry Morton (lmorton@halleonard.com); Tom Schmitt (tom.schmitt@schmittmusic.com)
Cc: Cuomo, Paul; Pat Martin
Subject: Teleconference Monday, December 29th 10:30 AM PST

Privileged and Confidential

Hi Guys,

Here is an agenda for our next teleconference scheduled for Monday, December 29th at 10:30 AM PST. Paul Cuomo will be joining us REDACTED

I will forward the latest NAMM Show registration numbers prior to the call as well as an ExCom schedule for our week in Anaheim. Under new business let's spend a little time discussing recommendations for the next ExCom candidate.

Please feel free to add anything under new business. We'll open up the call at 10:25 AM PST and begin promptly at 10:30.

Thanks,

Joe
PS: Merry Christmas!

(b)(3):6(f),(b)(4)

Teleconference Agenda

Opening statement

REDACTED

NAMM Show 2009 review all details

Staff Update

Industry Update

New Business

Adjourn

REDACTED

From: Robin Muller
Sent: Tuesday, December 23, 2008 4:54 PM
To: Chip Averwater; Kevin Cranley; Larry Morton; Tom Schmitt
Cc: Joe Lamond (JoeL@namm.org)
Subject: The NAMM Show - ExCom

Greetings Chip, Tom, Kevin & Larry!
Below is a similar version of what I've sent out to Board, Past Presidents, Alumni, etc. I'm sure you already have everything you need for the Show but you at least need this most recent version of the schedule of events☺

Greetings!
I thought I would reach out to everyone before you depart for the holidays. I've attached a suggested schedule for the NAMM Show in Anaheim...check it out!

Although there are a lot of fun and exciting things listed, please plan to attend the **Annual Meeting of Members**. Your attendance at this meeting is what allows us to pay for your airfare and housing (per NAMM Bylaws)...just a little bit of trivia for you!

Please take a minute to check that you have booked your hotel room, air itinerary and requested your show badges.

Give a holler if there is anything I can assist you with. I look forward to seeing you on Saturday, January 17th at 11:30 am (Annual Meeting of Members).

P.S. Mark your calendar (if you haven't already)... the Spring Board Meeting is scheduled for Wednesday, April 29th (evening reception) with departure on Sunday, May 3rd. The Breakers in Palm Beach, FL.

Happy Holidays!

Robin Muller
Executive Assistant
to Joe Lamond, NAMM President & CEO
NAMM, the International Music Products Association
robinm@namm.org
p. 760.438.8007 ext 117
f. 760.438.8639

believe in music / belong to NAMM

SCHEDULE OF EVENTS
~ EXECUTIVE COMMITTEE ~

Tuesday, January 13, 2009

Photo for Dailies
12:30 pm
Location TBD

ExCom Meeting
1:00 pm – 4:00 pm
Hilton Hotel, Averwater's Presidential Suite, #14-530

Wednesday, January 14, 2009

International Coalition Meeting (& lunch)
9:00 am – 1:30 pm
Hilton Hotel, California A

All Staff Meeting
5:30 pm
Convention Center – Idea Center Booth #5501
(Chip & Joe only)

Thursday, January 15, 2009

NAMM U Session
Breakfast of Champions
8:00 – 8:30 am: Breakfast
8:30 – 9:30 am: Session
Hilton Hotel, Pacific Ballroom

Fernand L. Petiot All Industry Marching Band
8:30 am – 10:00 am
[ExCom arrive at 9:45 am]
Rehearsal: Idea Center Booth #5501
Band opens the Show at 10:00 am

A Tribute to Music Products Industry Leaders
5:15 pm – 5:45 pm
Anaheim Convention Center Lobby

Chairman's Reception
6:00 pm – 7:30 pm
Marriott Hotel – Platinum Ballroom

~ continued ~

Friday, January 16, 2009

NAMM U Session
The Big Issues - Trends & Tactics
8:00 – 8:30 am: Breakfast
8:30 – 9:30 am: Session
Hilton Hotel, Pacific Ballroom

Drum Circle
5:45 pm – 7:00 pm
Anaheim Convention Center

Saturday, January 17, 2009

NAMM U Breakfast Session
25 Ideas to Improve Your Business – NOW!
8:00 – 8:30 am: Breakfast
8:30 – 9:30 am: Session
Hilton Hotel, Pacific Ballroom

Board Alumni Gathering
10:30 am – 11:30 am
Hilton Hotel, Green Room
(Chip and Joe only)

Annual Meeting of Members
11:30 am – 12:15 pm
Hilton Hotel, Pacific Ballroom

Past President's Luncheon
12:30 pm – 2:30 pm
Hilton Hotel, Chip Averwater's Presidential Suite #14-530
(Chip and Joe only)

Chairman's Private Reception
10:00 pm – midnight
Hilton Hotel, Chip Averwater's Presidential Suite #14-530

Sunday, January 18, 2009

NAMM U Session
Best in Show
8:00 – 8:30 am: Breakfast
8:30 – 9:30 am: Session
Hilton Hotel, Pacific Ballroom

HOWREY LLP

1299 Pennsylvania Avenue, NW
Washington, DC 20004-2402
www.howrey.com

Paul C. Cuomo
Partner
T 202.383.6547
F 202.383.6610
cuomop@howrey.com

February 6, 2009

HAND DELIVERY **CONFIDENTIAL TREATMENT REQUESTED**

Donald S. Clark
Secretary
Federal Trade Commission
Room 172
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: In the Matter of National Association of Music Merchants, Inc., FTC File No. 001-0203

Dear Mr. Clark:

On behalf of the National Association of Music Merchants, Inc. ("NAMM"), proposed Respondent in the above-captioned matter, please accept for filing one original and one paper copy of NAMM's Fourth Compliance Report ("Report"), submitted in accordance with ¶ 4 of an Agreement Containing Consent Order in the above-captioned matter and Section 2.33 of the Commission's Rules, 16 C.F.R. § 2.33.

As indicated on the enclosed Report, NAMM requests Confidential Treatment for the Report and the attachments thereto. In particular, NAMM requests Confidential Treatment of ¶¶ 2-7 of the Report as each of these paragraphs includes confidential and non-public information regarding NAMM's internal preparation to comply with the proposed Decision and Order. NAMM also requests Confidential Treatment of the attachments to the report as they contain confidential and non-public information regarding NAMM's business practices and finances.

In the event that a determination is made that the enclosed Report or the attachments thereto, including the specific paragraphs discussed above, are not subject to confidential treatment, NAMM will appreciate receiving adequate notice of that determination and an opportunity to appeal such a determination.

If you have any questions regarding this letter or the enclosed Report, please do not hesitate to contact me or my colleague, Samantha Garvin, at (202) 383-7180.

Sincerely,

PAUL C. CUOMO
Counsel to National Association of Music Merchants, Inc.

cc: William L. Lanning
Arthur Strong
James R. Wade

Enclosures

CONFIDENTIAL TREATMENT REQUESTED

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of **NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.** a corporation.	File No. 001-0203

FOURTH COMPLIANCE REPORT
FILED BY PROPOSED RESPONDENT
NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

1. On October 23, 2008, proposed Respondent National Association of Music Merchants, Inc. ("NAMM") executed and submitted to Commission staff an Agreement Containing Consent Order ("ACCO"). Paragraph 4 of the ACCO requires NAMM to "submit an initial report . . . within fifteen (15) days of the date on which it executes this Consent Agreement and every thirty (30) days thereafter until the Decision and Order becomes final" setting forth in detail "the manner in which [NAMM] has to date complied or has prepared to comply, is complying, and will comply" with the proposed Decision and Order contained in the ACCO. NAMM filed its initial report on November 7, 2008, second report on December 8, 2008, and its third report on January 7, 2009. This constitutes NAMM's fourth report pursuant to paragraph 4 of the ACCO.

2. Implementation of Antitrust Policy and Proposed Decision and Order: As NAMM's Antitrust Compliance Officer and Antitrust Counsel, Mr. Cuomo has received a copy of NAMM's current Antitrust Policy. Mr. Cuomo is working with NAMM to

implement the required revisions to the Antitrust Policy. Mr. Cuomo also is working with NAMM to institute programs, policies and procedures to ensure compliance with NAMM's other obligations under the proposed Decision and Order.

3. Antitrust Training: Mr. Cuomo continues to prepare materials and develop timelines for the annual in-person training of NAMM's Board of Directors and the annual training of NAMM's employees and agents. The annual in-person training of NAMM's Board of Directors has been scheduled for NAMM's annual Board of Directors Meeting in late April-early May, 2009. While a firm date has not been set at this time, the annual training of NAMM's employees and agents is likely to occur in early June 2009 (in advance of the Summer NAMM Show in July). Guidance and training on compliance with the proposed Decision and Order and the antitrust laws generally during The NAMM Show 2009, which occurred on January 15-18, 2009, is discussed below in paragraph 5.

4. Antitrust Counsel at NAMM Events: There have been three NAMM Events since the January 7, 2009 compliance report: the January 13 Executive Committee meeting discussed below in paragraph 6, the January 14 International Coalition for the Promotion of Making Music ("International Coalition") meeting discussed below in paragraph 5 and The NAMM Show 2009 discussed below in paragraph 5. Mr. Cuomo attended the January 13 Executive Committee meeting, the January 14 International Coalition meeting and The NAMM Show 2009 in-person. Pursuant to paragraph II.B.2 of the proposed Decision and Order, Antitrust Counsel will attend subsequent NAMM Events. NAMM is working with Antitrust Counsel to satisfy its obligations under the proposed Decision and Order.

5. The NAMM Show 2009: The NAMM Show 2009 ("Show") was held in Anaheim, CA on January 15-18, 2009. In connection with the Show, NAMM took the following steps as part of its compliance efforts under the proposed Decision and Order:

a) All scheduled speakers at "NAMM Events" (as the term is defined in Paragraph I.N. of the proposed Decision and Order) during the Show received a copy of NAMM's Antitrust Policy and NAMM's Antitrust Guidelines for Speakers before the Show. Before speaking, each scheduled speaker acknowledged in writing that he/she:

> "Has received, read and agrees in writing to abide by NAMM's Antitrust Policy and Guidelines; Has received, read and agrees in writing to abide by NAMM's Antitrust Guidelines for Speakers; If any written materials (including audio or video recordings and photographs) or prepared remarks will be provided during the Speaking Session, [Speaker] Will Provide any written materials or prepared remarks discussing any potentially competitively sensitive topics, including, but not limited to, the topics in NAMM's Antitrust Policy and Guidelines, price terms, margins, profits, minimum advertised price policies, or resale price maintenance policies to NAMM in advance of the Speaking Session so that NAMM may approve of the written materials and/or prepared remarks prior to distribution."

b) Pursuant to Paragraph II.B.2 of the proposed Decision and Order, NAMM's Antitrust Counsel, Paul Cuomo of Howrey LLP, attended the Show in-person. From the morning of January 13 through the end of the Show on January 18, Mr. Cuomo was generally available to NAMM's employees and other attendees at the Show, including speakers, to answer questions and provide guidance on antitrust compliance.

c) Pursuant to Paragraph II.B.3, Mr. Cuomo also attended in-person a pre-Show NAMM Executive Committee meeting (on January 13, 2009) and an International Coalition meeting (on January 14, 2009).

d) Mr. Cuomo, with assistance from Samantha Garvin of Howrey LLP, reviewed and approved agendas, scripts and slide presentations beyond what is specifically required by Paragraph II.B.1(e)(i) of the proposed Decision and Order.

e) A written copy of NAMM's Antitrust Policy & Guidelines ("Antitrust Policy") was included in the Show Directory, a hard copy of which was generally available to anyone entering the Show floor. NAMM printed and distributed approximately 25,000 Show Directories.

f) Mr. Cuomo was the first speaker at the first formal session of the Show – the Breakfast of Champions session at 8:30 am (PST) on January 15, 2009. During his discussion, Mr. Cuomo provided an overview of the antitrust laws and provided guidance on antitrust compliance to the approximately 1,000 attendees at the Breakfast of Champions session.

g) In addition to his discussion at the Breakfast of Champions session, Mr. Cuomo provided oral and/or written guidance to NAMM's Executive Committee, Board of Directors and Staff Directors on compliance with the proposed Decision and Order before and during the Show. Mr. Cuomo also provided training and guidance for session moderators prior to the Show, and answered questions from moderators and speakers during the Show.

h) Pursuant to Paragraph II.B.4(b) of the proposed Decision and Order, a statement providing context-appropriate guidance on compliance with the antitrust laws was

recited before each NAMM Event except for the NAMM U Idea Center sessions, where such guidance was provided via PowerPoint slides that were displayed on video monitors in between the NAMM U Idea Center sessions as well as the Show Directories that were available to attendees.

i) Mr. Cuomo attended virtually every NAMM U Idea Center session on January 15-18 and was generally available to answer questions and provide guidance during these sessions and throughout the Show.

j) Pursuant to Paragraph II.B.5 of the proposed Decision and Order, all panel discussions and presentations during "NAMM Events" at the Show were recorded (by audio and/or video) and have been delivered to Mr. Cuomo.

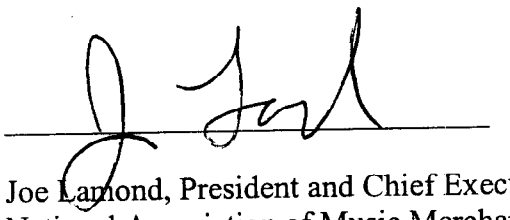
6. Board of Director and Executive Committee Meetings: There have not been any Board of Directors Meetings since the ACCO was signed. Since the Third Compliance Report filed on January 7, 2009, there has been one Executive Committee meeting, an in-person meeting on January 13, 2009. The only non-privileged documents distributed at or in advance of this meeting are attached as Exhibit A. NAMM will invite Mr. Cuomo to attend or to otherwise participate in future Board of Directors and Executive Committee Meetings in order to satisfy its obligations pursuant to paragraph II.B.3 of the proposed Decision and Order.

7. Distribution and Publication of Decision and Order: Pursuant to II.B.6. and II.B.7. of the proposed Decision and Order, NAMM is required to publish a copy of the final Decision and Order and the Complaint in NAMM's newsletter and on its website. NAMM also is required to distribute a copy of the Decision and Order, the Complaint and a letter in the form of the letter attached to Exhibit A of the Decision and Order to

NAMM's Board of Directors. NAMM is working with Antitrust Counsel and the appropriate NAMM personnel to ensure that these obligations are satisfied after the proposed Decision and Order becomes final.

8. Confidentiality: This Fourth Compliance Report including the attachments hereto contains information that is confidential and non-public. NAMM hereby requests confidential treatment of this entire report and all attachments pursuant to Section 4.9(c) of the Commissions' Rules, 16 C.F.R. §4.9(c).

Respectfully Submitted,



Joe Lamond, President and Chief Executive Officer
National Association of Music Merchants, Inc.

Date: February 4, 2009

EXHIBIT A

SCHEDULE OF EVENTS
~ EXECUTIVE COMMITTEE ~

Tuesday, January 13, 2009

Photo for Dailies
12:30 pm
Location TBD

ExCom Meeting
1:00 pm – 4:00 pm
Hilton Hotel, Averwater's Presidential Suite, #14-530

Wednesday, January 14, 2009

International Coalition Meeting (& lunch)
9:00 am – 1:30 pm
Hilton Hotel, California A

All Staff Meeting
5:30 pm
Convention Center – Idea Center Booth #5501
(Chip & Joe only)

Thursday, January 15, 2009

NAMM U Session
Breakfast of Champions
8:00 – 8:30 am: Breakfast
8:30 – 9:30 am: Session
Hilton Hotel, Pacific Ballroom

Fernand L. Petiot All Industry Marching Band
8:30 am – 10:00 am
[ExCom arrive at 9:45 am]
Rehearsal: Idea Center Booth #5501
Band opens the Show at 10:00 am

A Tribute to Music Products Industry Leaders
5:15 pm – 5:45 pm
Anaheim Convention Center Lobby

Chairman's Reception
6:00 pm – 7:30 pm
Marriott Hotel – Platinum Ballroom

~ continued ~

Friday, January 16, 2009

NAMM U Session
The Big Issues - Trends & Tactics
8:00 – 8:30 am: Breakfast
8:30 – 9:30 am: Session
Hilton Hotel, Pacific Ballroom

Drum Circle
5:45 pm – 7:00 pm
Anaheim Convention Center

Saturday, January 17, 2009

NAMM U Breakfast Session
25 Ideas to Improve Your Business – NOW!
8:00 – 8:30 am: Breakfast
8:30 – 9:30 am: Session
Hilton Hotel, Pacific Ballroom

Board Alumni Gathering
10:30 am – 11:30 am
Hilton Hotel, Green Room
(Chip and Joe only)

Annual Meeting of Members
11:30 am – 12:15 pm
Hilton Hotel, Pacific Ballroom

Past President's Luncheon
12:30 pm – 2:30 pm
Hilton Hotel, Chip Averwater's Presidential Suite #14-530
(Chip and Joe only)

Chairman's Private Reception
10:00 pm – midnight
Hilton Hotel, Chip Averwater's Presidential Suite #14-530

Sunday, January 18, 2009

NAMM U Session
Best in Show
8:00 – 8:30 am: Breakfast
8:30 – 9:30 am: Session
Hilton Hotel, Pacific Ballroom

HOWREY LLP

1299 Pennsylvania Avenue, NW
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Paul C. Cuomo
Partner
T 202.383.6547
F 202.383.6610
cuomop@howrey.com

March 9, 2009

HAND DELIVERY

CONFIDENTIAL TREATMENT REQUESTED

Donald S. Clark
Secretary
Federal Trade Commission
Room 172
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: In the Matter of National Association of Music Merchants, Inc., FTC File No. 001-0203

Dear Mr. Clark:

On behalf of the National Association of Music Merchants, Inc. ("NAMM"), proposed Respondent in the above-captioned matter, please accept for filing one original and one paper copy of NAMM's Fifth Compliance Report ("Report"), submitted in accordance with ¶ 4 of an Agreement Containing Consent Order in the above-captioned matter and Section 2.33 of the Commission's Rules, 16 C.F.R. § 2.33.

As indicated on the enclosed Report, NAMM requests Confidential Treatment for the Report and the attachments thereto. In particular, NAMM requests Confidential Treatment of ¶¶ 2-6 of the Report as each of these paragraphs includes confidential and non-public information regarding NAMM's internal preparation to comply with the proposed Decision and Order. NAMM also requests Confidential Treatment of the attachments to the report as they contain confidential and non-public information regarding NAMM's business practices and finances.

In the event that a determination is made that the enclosed Report or the attachments thereto, including the specific paragraphs discussed above, are not subject to confidential treatment, NAMM will appreciate receiving adequate notice of that determination and an opportunity to appeal such a determination.

If you have any questions regarding this letter or the enclosed Report, please do not hesitate to contact me or my colleague, Samantha Garvin, at (202) 383-7180.

Sincerely,

PAUL C. CUOMO
Counsel to National Association of Music Merchants, Inc.

cc: Daniel P. Ducore
William L. Lanning
Arthur Strong
James R. Wade

Enclosures

CONFIDENTIAL TREATMENT REQUESTED

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of **NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.** a corporation.	)	File No. 001-0203

FIFTH COMPLIANCE REPORT
FILED BY PROPOSED RESPONDENT
NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

1. On October 23, 2008, proposed Respondent National Association of Music Merchants, Inc. ("NAMM") executed and submitted to Commission staff an Agreement Containing Consent Order ("ACCO"). Paragraph 4 of the ACCO requires NAMM to "submit an initial report . . . within fifteen (15) days of the date on which it executes this Consent Agreement and every thirty (30) days thereafter until the Decision and Order becomes final" setting forth in detail "the manner in which [NAMM] has to date complied or has prepared to comply, is complying, and will comply" with the proposed Decision and Order contained in the ACCO. NAMM filed its initial report on November 7, 2008, its second report on December 8, 2008, its third report on January 7, 2009, and its fourth report on February 6, 2009. This constitutes NAMM's fifth report pursuant to paragraph 4 of the ACCO.

2. Implementation of Antitrust Policy and Proposed Decision and Order: As NAMM's Antitrust Compliance Officer and Antitrust Counsel, Mr. Cuomo has received

a copy of NAMM's current Antitrust Policy. Mr. Cuomo is working with NAMM to implement the required revisions to the Antitrust Policy. Mr. Cuomo also is working with NAMM to institute programs, policies, and procedures to ensure compliance with NAMM's other obligations under the proposed Decision and Order.

3. Antitrust Training: The annual in-person training of NAMM's Board of Directors has been scheduled for NAMM's annual Board of Directors Meeting in late April-early May 2009. The annual training of NAMM's employees and agents is scheduled for June 8, 2009 (in advance of the Summer NAMM Show in July).

4. Antitrust Counsel at NAMM Events: Other than the NAMM Events discussed in previous compliance reports and one Executive Committee telephone conference discussed below in Paragraph 5, there have not been any NAMM Events since the ACCO was signed. The next scheduled NAMM Event, as the term is defined in the proposed Decision and Order, is an Executive Committee telephone conference, scheduled for March 10, 2009. Pursuant to paragraph II.B.2 of the proposed Decision and Order, Antitrust Counsel will attend subsequent NAMM Events. NAMM is working with Antitrust Counsel to satisfy its obligations under the proposed Decision and Order.

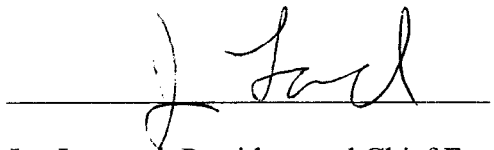
5. Board of Director and Executive Committee Meetings: There have not been any Board of Directors Meetings since the ACCO was signed. Since the Fourth Compliance Report filed on February 6, 2009, there has been one Executive Committee telephone conference, on February 17, 2009, in which Mr. Cuomo participated. The non-privileged documents distributed at or in advance of this telephone conference are attached as Exhibit A. NAMM will invite Mr. Cuomo to attend or to otherwise participate in future

Board of Directors and Executive Committee Meetings in order to satisfy its obligations pursuant to paragraph II.B.3 of the proposed Decision and Order.

6. Distribution and Publication of Decision and Order: Pursuant to II.B.6. and II.B.7. of the proposed Decision and Order, NAMM is required to publish a copy of the final Decision and Order and the Complaint in NAMM's newsletter and on its website. NAMM also is required to distribute a copy of the final Decision and Order, the Complaint, and a letter in the form of the letter attached to Exhibit A of the Decision and Order to NAMM's Board of Directors. NAMM is working with Antitrust Counsel and the appropriate NAMM personnel to ensure that these obligations are satisfied after the proposed Decision and Order becomes final.

7. Confidentiality: This Fifth Compliance Report contains information that is confidential and non-public. NAMM hereby requests confidential treatment of this entire report pursuant to Section 4.9(c) of the Commissions' Rules, 16 C.F.R. §4.9(c).

Respectfully Submitted,



Joe Lamond, President and Chief Executive Officer
National Association of Music Merchants, Inc.

Date: March 4, 2009

EXHIBIT A

From: Joe Lamond [mailto:JoeL@namm.org]
Sent: Tuesday, February 10, 2009 5:54 PM
To: chipav@aol.com; joel@namm.com; kevin@willis-music.com; lmorton@halleonard.com; tom.schmitt@schmittmusic.com
Cc: Cuomo, Paul
Subject: ExCom Agenda for 2-17

Hi Guys,

Here is an agenda for our call next Tuesday, February 17th at 8:00 AM PST. Please feel free to bring anything up under the 'new business' portion of the meeting.

Thanks,

Joe

(b)(3):6(f),(b)(4)

Teleconference Agenda 2-17-09

REDACTED

NAMM Show Final

Spring board meeting prep

Summer NAMM, first look

Fall retreat final dates

Staff update

New business

Adjourn

MONDAY, April 27, 2009 - ExCom arrives				REVISED 2/09/09
TUESDAY, April 28, 2009 - New Board Arrives				
Time	**Event**	**Invited**	**Notes**	
12:00 - 5:00 pm	NAMM International Meeting (6)	REDACTED		
7:00 - 7:30 pm	Welcome Reception	NB, ExCom, Spouses/guests		
7:30 - 9:00 pm	Welcome Dinner	NB, ExCom, Spouses/guests		

WEDNESDAY, April 29, 2009 - Board Members Arrive				
Time	**Event**	**Invited**	**Notes**	
9:00 am - 12:45 pm	ExCom Meeting (5)	REDACTED		
1:00 - 4:00 pm	Board Orientation Meeting	REDACTED		
6:45 - 8:30 pm	Welcome Reception	All guests		

THURSDAY, April 30, 2009				
Time	**Event**	**Invited**	**Notes**	
7:30 - 8:30 am	Board Working Breakfast by Committee	REDACTED		
8:30 - 10:00 am	Board Meeting	REDACTED		
10:15 am - 12:30 pm	Staff Board meeting Presentation	REDACTED		
12:30 - 5:45pm	Afternoon on own or OPTIONAL GOLF			
6:45 - 7:00 pm	Transportation to Reception and Dinner			
7:00 - 8:00 pm	Reception & Photos	ExCom, Board, PP, Staff w/spouse, no kids		
8:00 - 10:00 pm	Off Premises Dinner	ExCom, Board, PP, Staff w/spouse, no kids		

FRIDAY, May 1, 2009				
Time	**Event**	**Invited**	**Notes**	
7:30 - 8:30 am	Board Working Breakfast - by Committee	REDACTED		
8:30 - 9:30 am	Board Panel topic breakfast meeting	REDACTED		
9:45 - 10:15 am	REDACTED	REDACTED		
10:15 am - 12:30 pm	Board Panel Discussions	REDACTED		
12:30 - 3:00 pm	Committee Breakouts working lunches:			
3:00 pm - on	Afternoon and evening on own			

SATURDAY, May 2, 2009				
Time	**Event**	**Invited**	**Notes**	
8:00 - 9:00 am	Board Working Breakfast	REDACTED		
9:00 am - 2:00 pm	Board Meeting	REDACTED		
Noon - 1:00 pm	Board Working Lunch	REDACTED		
2:00 pm - on	Afternoon at your leisure			
7:00 - 8:00 pm	Reception	All guests welcome		
8:00 - 11:00 pm	Final Dinner	All guests welcome		
SUNDAY, May 3, 2009 - Departures				
Time	**Event**	**Invited**	**Notes**	
7:00 - 10:30 am	Continental Breakfast (60) grab & go/ brief sit			

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Paul C. Cuomo
Partner
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cuomop@howrey.com

April 8, 2009

HAND DELIVERY

CONFIDENTIAL TREATMENT REQUESTED

Donald S. Clark
Secretary
Federal Trade Commission
Room 172
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: In the Matter of National Association of Music Merchants, Inc., FTC File No. 001-0203

Dear Mr. Clark:

On behalf of the National Association of Music Merchants, Inc. ("NAMM"), proposed Respondent in the above-captioned matter, please accept for filing one original and one paper copy of NAMM's Sixth Compliance Report ("Report"), submitted in accordance with ¶ 4 of an Agreement Containing Consent Order in the above-captioned matter and Section 2.33 of the Commission's Rules, 16 C.F.R. § 2.33.

As indicated on the enclosed Report, NAMM requests Confidential Treatment for the Report and the attachments thereto. In particular, NAMM requests Confidential Treatment of ¶¶ 2-6 of the Report as each of these paragraphs includes confidential and non-public information regarding NAMM's internal preparation to comply with the proposed Decision and Order. NAMM also requests Confidential Treatment of the attachments to the report as they contain confidential and non-public information regarding NAMM's business practices and finances.

In the event that a determination is made that the enclosed Report or the attachments thereto, including the specific paragraphs discussed above, are not subject to confidential treatment, NAMM will appreciate receiving adequate notice of that determination and an opportunity to appeal such a determination.

If you have any questions regarding this letter or the enclosed Report, please do not hesitate to contact me or my colleague, Samantha Garvin, at (202) 383-7180.

Sincerely,

PAUL C. CUOMO
Counsel to National Association of Music Merchants, Inc.

cc: Daniel P. Ducore
William L. Lanning
Arthur Strong
James R. Wade

Enclosures

CONFIDENTIAL TREATMENT REQUESTED

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of **NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.** a corporation.	File No. 001-0203

SIXTH COMPLIANCE REPORT
FILED BY PROPOSED RESPONDENT
NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

1. On October 23, 2008, proposed Respondent National Association of Music Merchants, Inc. ("NAMM") executed and submitted to Commission staff an Agreement Containing Consent Order ("ACCO"). Paragraph 4 of the ACCO requires NAMM to "submit an initial report . . . within fifteen (15) days of the date on which it executes this Consent Agreement and every thirty (30) days thereafter until the Decision and Order becomes final" setting forth in detail "the manner in which [NAMM] has to date complied or has prepared to comply, is complying, and will comply" with the proposed Decision and Order contained in the ACCO. NAMM filed its initial report on November 7, 2008, its second report on December 8, 2008, its third report on January 7, 2009, its fourth report on February 6, 2009, and its fifth report on March 9, 2009. This constitutes NAMM's sixth report pursuant to paragraph 4 of the ACCO.

2. Implementation of Antitrust Policy and Proposed Decision and Order: As NAMM's Antitrust Compliance Officer and Antitrust Counsel, Mr. Cuomo has received a copy of NAMM's current Antitrust Policy. Mr. Cuomo is working with NAMM to

implement the required revisions to the Antitrust Policy. Mr. Cuomo also is working with NAMM to institute programs, policies, and procedures to ensure compliance with NAMM's other obligations under the proposed Decision and Order.

3. Antitrust Training: The annual in-person training of NAMM's Board of Directors has been scheduled for NAMM's annual Board of Directors Meeting in late April-early May 2009. The annual training of NAMM's employees and agents is scheduled for June 8, 2009 (in advance of the Summer NAMM Show in July).

4. Antitrust Counsel at NAMM Events: Other than the NAMM Events discussed in previous compliance reports and one Executive Committee telephone conference discussed below in Paragraph 5, there have not been any NAMM Events since the ACCO was signed. The next scheduled NAMM Events, as the term is defined in the proposed Decision and Order, are an Executive Committee telephone conference, scheduled for April 22, 2009, an Executive Committee meeting, scheduled for April 29, 2009, and NAMM's annual Board of Directors Meeting, scheduled for April 30 – May 2, 2009. Pursuant to paragraph II.B.2 of the proposed Decision and Order, Antitrust Counsel will attend or otherwise participate in these three upcoming NAMM Events as well as subsequent NAMM Events. NAMM is working with Antitrust Counsel to satisfy its obligations under the proposed Decision and Order.

5. Board of Director and Executive Committee Meetings: There have not been any Board of Directors Meetings since the ACCO was signed. Since the Fifth Compliance Report filed on March 9, 2009, there has been one Executive Committee telephone conference, on March 10, 2009, in which Mr. Cuomo participated. The non-privileged documents distributed at or in advance of this telephone conference are attached as Exhibit A. As mentioned above, NAMM's annual Board of Directors Meeting is

scheduled for April 30 – May 2, 2009. Mr. Cuomo will attend this meeting in-person. Additionally, in accordance with Paragraph II.B.1(e)(ii) of the proposed Decision and Order, Mr. Cuomo, with assistance from Ms. Samantha Garvin of Howrey LLP, is reviewing agendas and other materials that will be distributed at or in advance of the Board of Directors Meeting. NAMM will invite Mr. Cuomo to attend or to otherwise participate in future Board of Directors and Executive Committee Meetings in order to satisfy its obligations pursuant to paragraph II.B.3 of the proposed Decision and Order.

6. Distribution and Publication of Decision and Order: Pursuant to II.B.6. and II.B.7. of the proposed Decision and Order, NAMM is required to publish a copy of the final Decision and Order and the Complaint in NAMM's newsletter and on its website. NAMM also is required to distribute a copy of the final Decision and Order, the Complaint, and a letter in the form of the letter attached to Exhibit A of the Decision and Order to NAMM's Board of Directors. NAMM is working with Antitrust Counsel and the appropriate NAMM personnel to ensure that these obligations are satisfied after the proposed Decision and Order becomes final.

7. Confidentiality: This Sixth Compliance Report contains information that is confidential and non-public. NAMM hereby requests confidential treatment of this entire report pursuant to Section 4.9(c) of the Commissions' Rules, 16 C.F.R. §4.9(c).

Respectfully Submitted,

Joe Lamond, President and Chief Executive Officer
National Association of Music Merchants, Inc.

Date: April 6, 2009

EXHIBIT A

REDACTED

From: Joe Lamond [mailto:JoeL@namm.org]
Sent: Wednesday, March 04, 2009 2:03 PM
To: chipav@aol.com; joel@namm.com; kevin@willis-music.com; lmorton@halleonard.com; tom.schmitt@schmittmusic.com
Cc: Cuomo, Paul
Subject: Agenda for Tuesday's ExCom call 1:00 PM PDT.

Hi Guys,

Here is an agenda for next Tuesday's call. Please feel free to add anything under new business. I believe we would like to spend most of our time on Board meetings and candidates.

Thanks,

Joe

Note later start time than usual! 1:00 PM PDT

(b)(3):6(f),(b)(4) **(hopefully we will not have a repeat of our bad connection like last time…)**

Teleconference Agenda 3-10-09

REDACTED

Summer NAMM

Future Board Meetings and Candidates .

New Business

Adjourn

CONFIDENTIAL
NAMM 000024

HOWREY LLP

1299 Pennsylvania Avenue, NW
Washington, DC 20004-2402
www.howrey.com

Paul C. Cuomo
Partner
T 202.383.6547
F 202.383.6610
cuomop@howrey.com

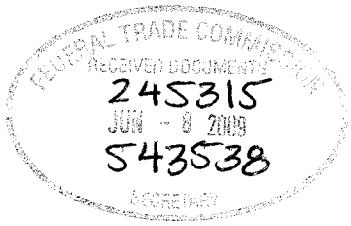
ORIGINAL

June 8, 2009

HAND DELIVERY

CONFIDENTIAL TREATMENT REQUESTED

Donald S. Clark
Secretary
Federal Trade Commission
Room 172
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580



Re: In the Matter of National Association of Music Merchants, Inc., FTC File No. 001-0203, Docket No. C-4255

Dear Mr. Clark:

On behalf of the National Association of Music Merchants, Inc. ("NAMM"), Respondent in the above-captioned matter, please accept for filing one original and one paper copy of NAMM's First Compliance Report ("Report"), submitted in accordance with ¶ III.A. of the final Decision and Order in the above-captioned matter and Section 2.41 of the Commission's Rules, 16 C.F.R. § 2.41.

As indicated on the enclosed Report, NAMM requests Confidential Treatment for the Report and the attachments thereto. In particular, NAMM requests Confidential Treatment of ¶¶ 2-7 of the Report as each of these paragraphs includes confidential and non-public information regarding NAMM's internal compliance with the Decision and Order. NAMM also requests Confidential Treatment of the attachments to the Report as they contain confidential and non-public information regarding NAMM's business practices and finances.

In the event that a determination is made that the enclosed Report or the attachments thereto, including the specific paragraphs discussed above, are not subject to confidential treatment, NAMM will appreciate receiving adequate notice of that determination and an opportunity to appeal such a determination.

CONFIDENTIAL

If you have any questions regarding this letter or the enclosed Report, please do not hesitate to contact me or my colleague, Samantha Garvin, at (202) 383-7180.

Sincerely,

PAUL C. CUOMO
Counsel to National Association of Music Merchants, Inc.

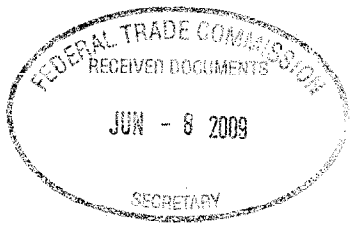
cc: Daniel P. Ducore
Arthur Strong (without exhibits)

Enclosures

CONFIDENTIAL TREATMENT REQUESTED

ORIGINAL

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION



In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

File No. 001-0203
Docket No. C-4255

FIRST COMPLIANCE REPORT UNDER FINAL FTC DECISION AND ORDER FILED BY RESPONDENT NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

1. On April 8, 2009, the Federal Trade Commission entered its final Decision and Order ("Order") in the matter of In re National Association of Music Merchants, Inc. ("NAMM"). Paragraph III.A. of the Order requires NAMM to submit to the FTC "[w]ithin sixty (60) days after the date the Order becomes final . . . a verified written report setting forth in detail the manner and form in which [NAMM] has complied, is complying, and will comply with" the Order. Paragraphs III.A.1-8 further identify specific information that the report shall include. This constitutes NAMM's report pursuant to paragraph III.A. of the Order.

2. Appointment of Antitrust Compliance Officer and Antitrust Counsel: As indicated in NAMM's First Compliance Report under the Agreement Containing Consent Order ("ACCO"), submitted on November 7, 2009, on October 27, 2008, NAMM appointed Paul C. Cuomo, Esq., a Partner at Howrey LLP in Washington DC, as its Antitrust Counsel pursuant to paragraph II.B.1(b) of the Order. Per paragraph II.B.1(a)

CONFIDENTIAL

of the Order, Mr. Cuomo also will serve as NAMM's Antitrust Compliance Officer. Mr. Cuomo's contact information is:

Paul C. Cuomo, Esq.
Howrey LLP
1299 Pennsylvania Avenue, NW
Washington, DC 20004
(202) 383-6547
cuomop@howrey.com

3. Compliance with Paragraph II.B.1:

a) As indicated in previous Compliance Reports submitted in accordance with the ACCO, as NAMM's Antitrust Compliance Officer and Antitrust Counsel, Mr. Cuomo previously received a copy of NAMM's then current Antitrust Policy. Mr. Cuomo worked with NAMM to implement revisions to the Antitrust Policy in order to comply with NAMM's obligations under the Order. Among other things, the revised Antitrust Policy includes procedures to enable people to report violations of the Order and the antitrust laws to Mr. Cuomo, confidentially and without fear of retaliation of any kind, pursuant to paragraph II.B.1(h). Pursuant to paragraph II.B.1(i) of the Order, the Antitrust Policy also provides for disciplinary procedures for violations of the Order. To date, NAMM has not taken any affirmative obligations pursuant to paragraph II.B.1(i) of the Order and the corresponding sections of the revised Antitrust Policy. The revised Antitrust Policy was posted onto NAMM's web site on April 16, 2009 and formally adopted by NAMM's Executive Committee during its meeting on April 29, 2009. The revised Antitrust Policy is available at: http://www.namm.org/policies/antitrust-policy-and-guidelines. In addition to being posted on NAMM's website, and though not specifically required by the

Order, NAMM distributed a copy of the revised Antitrust Policy to all employees on April 16, 2009. NAMM also required that all employees certify in writing that they received, read and agree to abide by the revised Antitrust Policy. All employee certifications were received by NAMM no later than April 25, 2009. The revised Antitrust Policy with the signature page is attached as Exhibit A. In addition to providing the revised Antitrust Policy to all employees, on April 24, 2009, Mr. Cuomo circulated a memorandum to all NAMM Staff Directors and Associate Directors providing advice and "plain English" direction regarding NAMM's compliance obligations under the Order. This memorandum has been withheld as privileged and can be found on the accompanying privilege log. Finally, in addition to the written guidance provided to NAMM, Mr. Cuomo regularly provides advice to NAMM regarding its obligations under the Order and the antitrust laws generally.

b) Pursuant to II.B.1 (c), Mr. Cuomo conducted training for NAMM's Board of Directors regarding NAMM's obligations under the Order and compliance with the antitrust laws. This training was conducted in-person at NAMM's annual Board of Director's meeting on May 1, 2009.[1] In addition to NAMM's Board, a number of NAMM employees, primarily its Staff Directors, were present for the Board training on May 1; these NAMM employees will also attend the employee training on June 8 described below.

[1] Michael Kirman, the President of NAYMM (National Association of Young Music Merchants) and an ex officio member of NAMM's Board of Directors did not attend the NAMM Board meetings in April-May 2009 due to the birth of his child in early April. Thus, Mr. Kirman was not present for the in-person training on May 1. Mr. Kirman will no longer be President of NAYMM or an ex officio member of the NAMM Board as of July 2009; nonetheless NAMM will make the recording of its June 8, 2009 antitrust training session for NAMM employees available to Mr. Kirman.

c) Pursuant to II.B.1(d), on June 8, 2009, Mr. Cuomo is scheduled to provide training to NAMM's employees regarding NAMM's obligations under the Order and compliance with the antitrust laws via a webinar teleconference. This session will be recorded and made available to NAMM employees who cannot attend the session on June 8 (expected to be a very small number of employees) and NAMM's agents.

d) Pursuant to II.B.1(e), Mr. Cuomo, with the assistance of Samantha Garvin (a Senior Associate at Howrey) and to a lesser extent Steven Chidester (a Partner at Luce Forward), has received and approved materials subject to this paragraph prior to their distribution. Additional information regarding the materials subject to II.B.1(e)(ii) is discussed below in Paragraph 4.

e) Pursuant to II.B.1(f), and as discussed in NAMM's Fourth Compliance Report submitted in accordance with the ACCO on February 6, 2009, NAMM has provided context-appropriate guidance on compliance with the antitrust laws to all scheduled speakers, not just musical product manufacturers or musical product dealers, at NAMM Events and Global Summits. As required under paragraph II.B.1(g), NAMM has received certification, in writing, from each of these scheduled speakers that they have received and read the guidance. Additionally, NAMM has required that the speakers agree to abide by the guidelines as well as NAMM's Antitrust Policy generally. NAMM also has sought permission from each of its speakers to video or audio record their presentations as part of its compliance obligations pursuant to paragraph II.B.5. The speaker guidelines, the speaker agreement with required certification and the audio/video release that

have been approved for use for all future NAMM Events are attached as Exhibits B, C and D, respectively.

4. NAMM Events: Pursuant to III.A.3, a list of the NAMM Events held within 60 days of the Order becoming final is attached as Exhibit E.[2] Antitrust Counsel either attended or otherwise participated in all of these Events, pursuant to paragraph II.B.2 of the Order. At the commencement of each of these events, Antitrust Counsel recited a statement providing context-appropriate guidance pursuant to paragraph II.B.4. Antitrust Counsel will attend or otherwise participate in subsequent NAMM Events and Global Summits, including Board of Director and Executive Committee meetings and 2009 Summer NAMM, all scheduled for July. Pursuant to III.A.4, all written materials and prepared remarks reviewed by, unless otherwise indicated in Exhibit E, Mr. Cuomo and/or Ms. Garvin under paragraph II.B.1(e) and distributed by NAMM "at each NAMM Event, Global Summit, or other event at which any Member of the Board of Directors, employee or agent" of NAMM delivered a speech or statement within 60 days after the Order became final are provided with this Report. Included in these materials are the materials distributed at, in advance of, or after NAMM's annual Board of Directors' meeting held April 30 – May 2, 2009.

5. Board of Directors and Executive Committee Members: Pursuant to paragraph III.A.5, attached as Exhibit F is the contact information for each current Member of NAMM's Board of Directors and its current Executive Committee. There have been no new Board or Executive Committee members since the Order became final on April 8, 2009.

---

[2] There have not been any Global Summits since the Order became final.

6. Distribution of Order and Complaint: As required under paragraph II.B.7(a), NAMM distributed a copy of the Order, the Complaint and a letter in the form of the letter attached as Exhibit A to the Order to each Member of its Board of Directors "electronically or by other means" and received signed certifications from each that such materials were received. The date that NAMM distributed these materials to each Board Member and the date that they each certified receipt of these materials is indicated in Exhibit F.[3]

7. Publication of Order: Pursuant to II.B.6. of the Order, NAMM published a copy of the final Order and the Complaint in its first electronic edition of its newsletters, PLAYback Digital, on April 15, 2009.[4] Pursuant to III.A.7, copies of the newsletters are attached as Exhibit G. Pursuant to II.B.7(b), NAMM published a copy of the Order, the Complaint and a letter in the form of the letter attached as Exhibit A to the Order on its website on April 22, 2009 (see www.namm.org/news/articles/ftc-approves-final-consent-order-namm). Per paragraph II.B.7(b), this information is available on NAMM's home page via a link entitled "Antitrust Compliance" (see www.namm.org).

8. Confidentiality: This Compliance Report, including all attachments, contains information that is confidential and non-public. NAMM hereby requests confidential treatment of this entire report, including all attachments,

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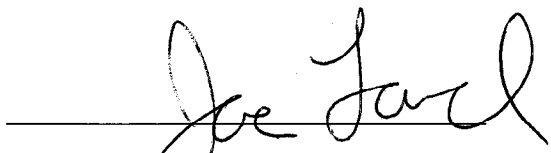
[3] In addition to officially submitting these materials to its Board of Directors as indicated in Exhibit F, in order to satisfy its obligations under paragraph II.B.7(a) of the Order, NAMM provided a copy of the final Order and Complaint to its Board on April 14, 2009, as soon as the FTC publicly announced that the Order was final. Additionally, NAMM provided a copy of the proposed Order and Complaint to its Board on March 4, 2009.

[4] NAMM tailors its PLAYback Digital newsletter to specific categories of members and therefore has four different versions of its newsletter. All four versions contained the final Order and Complaint.

pursuant to Section 4.9(c) of the Commissions' Rules, 16 C.F.R. §4.9(c).

Respectfully Submitted,



Joe Lamond, President and Chief Executive Officer
National Association of Music Merchants, Inc.

Date: June 4, 2009

NAMM Privilege Log for June 8, 2009 Compliance Report

Name	Date	Author	Recipient	Location and Control	Subject Matter	Bases of Privilege
Antitrust Compliance Training Presentation	May 1, 2009	Paul C. Cuomo, Esq. Howrey LLP	NAMM Board of Directors NAMM Executive Committee NAMM Staff Directors	Howrey LLP	Antitrust Compliance	Attorney Client Communication Attorney Work Product
E-mail and Attachment re Antitrust Compliance Training Presentation	May 4, 2009	Paul C. Cuomo, Esq. Howrey LLP	NAMM Board of Directors Patricia Martin Director of Events & Legal Affairs, NAMM Samantha W. Garvin, Esq. Howrey LLP	Howrey LLP	Antitrust Compliance	Attorney Client Communication Attorney Work Product
E-mail and Memorandum to NAMM Employees re Compliance with FTC Order	April 24, 2009	Paul C. Cuomo, Esq. Samantha W. Garvin, Esq. Howrey LLP	NAMM Staff Directors and Associate Directors	Howrey LLP	Antitrust Compliance	Attorney Client Communication Attorney Work Product
NAMM-000156	September 2008	Chip Averwater Chairman, NAMM	NAMM Executive Committee Andrew Ridenour Haynes & Boone LLP	Howrey LLP	Antitrust Compliance	Attorney Client Communication

Name	Date	Author	Recipient	Location and Control	Subject Matter	Bases of Privilege
NAMM-000163.1	January 2009	Paul C. Cuomo, Esq. Howrey	NAMM Executive Committee	Howrey LLP	Antitrust Compliance	Attorney Client Communication Attorney Work Product
NAMM-000331	April 2009	Patricia Martin Director of Events & Legal Affairs, NAMM	NAMM Board	Howrey LLP	NAMM Legal Affairs	Attorney Work Product Attorney-Client Communication Reflects Legal Advice of Counsel, Paul C. Cuomo, Esq. of Howrey LLP and Steven Chidester, Esq. of Luce Forward

EXHIBIT A

NAMM ANTITRUST POLICY STATEMENT

THIS POLICY IS APPLICABLE TO ALL NAMM EVENTS AND ACTIVITIES

This Antitrust Policy Statement ("Policy") is applicable to all NAMM, the International Music Products Association ("Association"), events, activities and programs. It is required to be read and followed by all Members of the Association, the Association Staff, Association Agents, Board, Chairs and Members of all NAMM Committees, Councils and Divisions and all participants in NAMM-sponsored activities.

NAMM is committed to adhering to the antitrust laws and all of NAMM's activities must be conducted strictly in accordance with U.S. federal and state antitrust laws (including NAMM's obligations under the Federal Trade Commission's Decision and Order in *In re National Assoc. of Music Merchants, Inc.*, Docket No. C-4255, available at http://www.ftc.gov/os/caselist/0010203/index.shtm (hereinafter "FTC Order")) and foreign antitrust laws. This Antitrust Policy will familiarize you with the basics of antitrust law, but it is not a complete or definitive statement. Any specific questions related to antitrust compliance not addressed in this Policy should be forwarded to NAMM's counsel or to your company's legal counsel.

NAMM's Antitrust Counsel and Compliance Officer:

Paul C. Cuomo, Esq.
Howrey LLP
(202) 383-6547
cuomop@howrey.com

OVERVIEW OF THE ANTITRUST LAWS

Antitrust laws are intended to promote and protect competition, which benefits consumers. Competition leads to lower prices, higher quality, and increased output of goods and services. Associations like NAMM can promote competition by engaging in a variety of activities, including standard-setting, educating the public, conveying information to the government, and collecting and disseminating certain information about the industries in which they operate. On the other hand, associations like NAMM often bring competitors together in person and through information sharing, and the antitrust laws are always suspicious that competitors might agree to engage in behavior that hurts consumers. For that reason, NAMM has developed this Policy to help ensure that its activities are conducted consistently with the antitrust laws.

The United States, the individual states and many foreign countries have antitrust laws. The main antitrust laws at the federal level are the Sherman Act, the Clayton Act, the Robinson-Patman Act, and the Federal Trade Commission Act. The Department of Justice prosecutes some violations of the Sherman Act criminally. Criminal antitrust violations are felonies, and an individual is subject to as much as ten years in prison and a $1 million fine per violation. Almost all of the individual states have their own antitrust laws. More than 100 countries have their own antitrust laws (often referred to as "competition laws"). In addition, the European Union has its

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own antitrust laws and enforces them vigorously. Almost everywhere that people make music, there's an antitrust law governing business conduct.

IMPROPER ACTIVITIES AND PROGRAMS

Before covering particular circumstances and conduct that raises concerns under the antitrust laws, it is useful to set out a few very basic concepts.

Some conduct is considered unlawful under the antitrust laws of most countries regardless of (a) the reasons why it is undertaken, (b) the revenues or assets of the parties involved in the conduct or (c) the justifications that can otherwise be made for the conduct. Examples of such "per se" or "hard core" unlawful activities include: (1) price fixing with competitors, (2) bid rigging, (3) allocating customers or markets and (4) certain group boycotts of customers. These "per se" violations are illegal ***regardless of the circumstances.***

(1) Agreements on Prices or Output (Price or Output Fixing)

Agreements among competitors on price or output are per se unlawful, meaning that the agreements cannot be defended or justified. The agreement itself is illegal, even if it has no effect on price or output. "Price" is interpreted very broadly and includes:

- wholesale, retail and suggested prices for goods and services (including salaries, benefits and wages for employees or independent contractors)
- price ranges
- pricing formulas
- discount, rebate, warranty and credit terms
- minimum advertised prices ("MAP")
- reference prices (e.g., using one price as a take-off point for other prices)
- price increases or decreases
- margins

Antitrust violations can be based on circumstantial evidence and thus evidence of an explicit agreement is not needed. Therefore, comments that "signal" to competitors on these issues or that could otherwise result in exchanges of competitively sensitive information also must be avoided. For example:

- "If we don't come to our senses and rationalize prices, we're going to destroy the industry."
- "We're going to put each other out of business if we keep producing at this rate."
- "I don't care what others do, but we're raising prices next week."

Agreements among competitors on output or production are also per se unlawful. "Output" includes factors like:

- actual or proposed production or changes in production
- down-time at manufacturing facilities
- hours of operation (e.g., agreements to close on Sundays)

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(2) Agreements to Allocate Customers or Territories

Agreements among competitors to allocate, divide or assign customers, territories, products or services are also per se illegal. Agreements between a manufacturer and a dealer to limit that dealer to certain customers or a defined territory are treated differently under the antitrust laws; however, dealers cannot agree on allocations among themselves and have the manufacturer adopt them.

(3) Boycotts and Refusals to Deal

Agreements among competitors to boycott certain suppliers, customers or competitors are per se unlawful in some circumstances. In the trade association context, restrictions on membership and participation in shows or exhibitions, disciplinary proceedings and standard-setting activities generate most boycott issues. In particular, NAMM members should not engage in any discussion about whether to refuse to do business with any other entity or whether to limit or terminate any existing relationship.

(4) Information Exchange

The exchange of competitively sensitive information among competitors can lead to price fixing and other antitrust violations. NAMM members should not discuss any competitively sensitive information, including:

- individual company actual, suggested or proposed wholesale or retail prices; proposed price changes; discounts; warranty policies; credit terms; mark-ups; margins; costs; minimum advertised prices; price ranges; pricing formulas; and allowances
- actual production levels; plans to increase or decrease production
- costs for goods purchased for resale
- wages, salaries and benefits for employees and independent contractors

With appropriate safeguards, trade associations may collect some competitively sensitive business information from their members and provide members with data compilations and survey results. These safeguards may include the use of a third party vendor to collect and process the submissions, limiting access to the raw data, masking the identities of the submitters (even from association personnel) and aggregating data so that the identity of the submitters is not disclosed and cannot be inferred. Under no circumstances can an association ever provide one member with another's competitively sensitive business information.

CONDUCT OF ASSOCIATION BUSINESS

All officers, directors, employees and agents of NAMM will receive a copy of this Policy and acknowledge in writing (electronic acknowledgement is acceptable) that he or she has read and understands the Policy. A copy of this Policy will also be available to all NAMM members (and the general public) on NAMM's website and it will be printed in NAMM trade show directories.

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A copy of this Policy will also be provided to all speakers and presenters at any conference or meeting sponsored by or affiliated with NAMM; presentations on commercial topics must be made available in advance for review by NAMM's legal counsel. Notices and agendas of NAMM meetings shall be prepared and distributed in advance. Agendas should not include any subjects which are identified as improper for consideration or discussion under this Policy and should conform to rules established or approved by NAMM's legal counsel. At NAMM's direction, minutes of certain NAMM meetings will be prepared and certain NAMM events will be recorded (by audio and/or video).

Discussion that appears to be leading to a violation of this Policy should be discontinued until legal counsel determines whether any limitations and/or safeguards should be implemented. In addition, if any questions arise regarding the legality of any discussions or other activity, you should consult with counsel *before acting*.

COMPLIANCE WITH FTC ORDER

In addition to the obligation to follow and comply with the antitrust laws, NAMM also has specific obligations under the FTC Order. The obligations under the FTC Order apply to all officers, directors, representatives, committees, subcommittees, boards, divisions, employees and agents of NAMM. Participants at NAMM shows and events must also be aware of and comply with the terms of the FTC Order.

The FTC Order requires that NAMM refrain from certain activities including:

- Urging, encouraging, advocating, suggesting, coordinating, participating in, or facilitating in any matter the exchange of information between or among musical product manufacturers or musical product dealers relating to: (1) the retail price of musical products; or (2) any term, condition or requirement upon which any musical product manufacturer or musical product dealer deals, or is willing to deal, with any other musical product manufacturer or musical product dealer, including, but not limited to, price terms, margins, profits, or pricing policies, including but not limited to minimum advertised price policies or resale price maintenance policies.

- Entering into, adhering to, enforcing, urging, encouraging, advocating, suggesting, assisting or otherwise facilitating any musical product manufacturer or musical product dealer to enter into, adhere to or enforce any combination, conspiracy, agreement or understanding between or among any musical product manufacturers or musical product dealers relating to: (1) the retail price of any musical product; (2) any term, condition or requirement upon which any musical product manufacturer or musical product dealer deals, or is willing to deal, with any other musical product manufacturer or musical product dealer, including, but not limited to, price terms, margins, profits, or pricing policies, including but not limited to minimum advertised price policies or resale price maintenance policies; or (3) the refusal to do business, or the reduction of business, with particular musical product manufacturers or musical product dealers.

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NAMM also must implement certain policies and practices regarding its activities and events, including having antitrust counsel present at and reciting an antitrust statement before certain NAMM events. Finally, all scheduled speakers at NAMM events must certify in writing that they received antitrust guidance and agree to abide by NAMM's antitrust policies and obligations.

ANTITRUST COMPLIANCE REPORTING PROCEDURES AND DISCIPLINARY POLICY

NAMM is committed to adhering to the antitrust laws and its obligations under the FTC Order. The purpose of this section of the Antitrust Policy is to implement procedures for reporting potential violations and disciplining individuals that fail to comply with NAMM's Antitrust Policy, its obligations under the FTC Order and/or with the antitrust laws generally.

At the outset it should be noted that these reporting procedures only apply to conduct as it relates to NAMM's events and activities and/or NAMM's obligations under the FTC Order. To the extent information relates to individual companies or the industry generally, that information should be reported to your individual company counsel in the first instance.

INTERNAL REPORTING PROCESS

NAMM encourages prompt reporting of any incidents involving potential violations of NAMM's Antitrust Policy, the FTC Order and/or the antitrust laws generally so that corrective action may be taken. Any potential violations (including by any NAMM member, member of NAMM's Board of Directors, NAMM employee or NAMM agent) should be reported immediately by telephone to NAMM's Antitrust Counsel and Compliance Officer, Paul C. Cuomo, Esq. of Howrey, LLP, at (202) 383-6547, who is responsible for investigating these complaints.

It cannot be emphasized strongly enough that ALL COMPLAINTS OR INCIDENTS OF POTENTIAL VIOLATIONS OF NAMM'S ANTITRUST POLICY, THE FTC ORDER OR THE ANTITRUST LAWS GENERALLY MUST BE PROMPTLY REPORTED. NAMM cannot resolve a potential violation unless it knows about it. Moreover, in certain circumstances NAMM may avoid punishment under the antitrust laws if it promptly notifies the government of a suspected violation. Prompt notification could be the difference between no liability and paying significant fines and other criminal sanctions. Therefore, it is the responsibility of any NAMM member, member of NAMM's Board of Directors, NAMM employee or agent of NAMM who has information that gives rise to a belief of potential violations to bring the information to the attention of NAMM's Antitrust Counsel as promptly as possible.

Every reported potential violation will be investigated thoroughly and promptly. Depending on the facts and circumstances, the investigation may include the following steps: an interview of the person who reported the alleged violation to obtain complete details regarding the alleged violation; interviews of anyone who is alleged to have committed the acts of alleged

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violation to respond to the claims; and interviews of any employees who may have witnessed, or who may have knowledge of, the alleged violation. The investigation will be handled in as confidential a manner as possible consistent with a full, fair and proper investigation and subject to any applicable legal requirements.

NON-RETALIATION

NAMM takes all reports of potential antitrust issues seriously and will not penalize or retaliate against anyone in any way for providing information to NAMM's Antitrust Counsel. NAMM will not tolerate retaliation against anyone for reporting a potential violation of NAMM's Antitrust Policy, the FTC Order and the antitrust laws generally, or any other unlawful conduct, or for cooperating in an investigation. Any incidents of retaliation should be reported immediately to NAMM's Antitrust Counsel.

CORRECTIVE ACTION

NAMM does not consider conduct in violation of NAMM's Antitrust Policy to be within the course and scope of employment and does not sanction such conduct.

If, as a result of the investigation, NAMM concludes that a violation of NAMM's Antitrust Policy, the FTC Order, the antitrust laws generally or retaliation occurred in violation of this Policy, NAMM will take prompt and effective remedial action, including appropriate corrective action against the person or people involved in the violation and the retaliating party. The corrective action will depend on the particular facts and circumstances. Corrective action may include, for example: training, disciplinary action ranging from verbal or written warnings to termination of employment or membership, depending on the circumstances. The treatment of employees involved in questionable conduct will be decided on a case-by-case basis, depending on the degree of the involvement. "Self reporting" may weigh in an employee's favor depending on the actual facts and circumstances. If a member of NAMM's Board of Directors, a NAMM employee or an agent of NAMM engages in conduct in violation of the antitrust laws or NAMM's obligations under the FTC Order and is convicted or found civilly liable for such conduct and all appeals have run, that person shall be terminated or discharged, provided that such termination or discharge does not violate any applicable U.S. laws. With regard to violations by members, visitors, customers, vendors, suppliers or independent contractors, appropriate corrective action will be taken after consultation with the pertinent management personnel, and may include revocation of membership, denial of access to NAMM premises or personnel or termination of their business relationship with NAMM.

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RECEIPT OF ANTITRUST POLICY STATEMENT

I have received and read a copy of NAMM's Antitrust Policy Statement in its entirety, and agree to abide by this Policy and the procedures contained therein.

If I have any questions regarding the content or interpretation of NAMM's Antitrust Policy Statement, the FTC Order or the antitrust laws generally, I will immediately bring them to the attention of NAMM's Antitrust Counsel. I acknowledge that I fully understand the Policy and that it is my responsibility to review the Policy for revisions on a regular basis and abide by those revisions.

Name: _____ Date: _____

Signature: _____

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EXHIBIT B

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NAMM Events
Antitrust Guidelines for Speakers, Presenters and Panelists

These Guidelines apply to all speakers, presenters, and panelists ("Speaker") at any program, conference, meeting or event ("Program") sponsored by or affiliated with NAMM and to all NAMM directors, officers, employees or agents ("NAMM Personnel") invited to be Speakers because of their affiliation with NAMM, even if the Program is not sponsored by or affiliated with NAMM. Additionally, all NAMM Personnel invited to be Speakers because of their affiliation with NAMM must receive approval from NAMM's counsel before accepting any such invitations.

All Speakers must receive a copy of these Speaker Guidelines and NAMM's Antitrust Policy and Guidelines (the "Antitrust Policy").

NAMM's Antitrust Policy provides a brief overview of the basics of antitrust laws; these Speaker Guidelines identify appropriate subjects of discussion at Programs and the limits of those discussions. They are not, however, designed to be complete or definitive statements regarding antitrust law. Any specific questions regarding compliance with U.S. or foreign antitrust laws should be addressed with NAMM's antitrust counsel[1] or to Speaker's counsel.

Because antitrust compliance is critical to the continued success of an organization like NAMM, every Speaker must adhere to these Speaker Guidelines. Failure to do so violates the terms of the NAMM Speaker Agreement and could result in the Speaker not being invited back as a Speaker at future NAMM Programs.

Speaker Do's

- **Do comply with NAMM's Antitrust Policy, Speaker Guidelines and other guidance from counsel at all times.**

It is absolutely critical that all Speakers follow and adhere to NAMM's Antitrust Policy and Speaker Guidelines at all times and events related (directly or indirectly) to NAMM Programs. In addition to following the Antitrust Policy and Speaker

[1] NAMM's antitrust counsel is Paul C. Cuomo, Esq. of Howrey LLP. Mr. Cuomo can be reach at (202) 383-6547. You also can contact his colleague, Samantha W. Garvin, Esq., at (202) 383-7180.

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Guidelines at all formal sessions, they must also be followed at any informal gatherings such as dinners and cocktail parties.

- **Do remember NAMM's purpose as an organization.**

NAMM's purpose is to promote the global music products industry and to increase active participation in music making. Participate only in discussions that further these purposes.

- **Do follow the approved agenda.**

Any questions concerning the agenda should be raised with NAMM or other counsel before the meeting to the extent possible.

- **Do seek advice of counsel or, if necessary, end the discussion if other participants engage in discussion of off-limits topics.**

If you become aware of any discussion relating to off-limits topics, you should stop the discussion. If the conversation continues, you should excuse yourself. You must report any such conversations to NAMM's antitrust counsel or to Speaker's counsel.

- **Do remember that appearances count—assume that the whole world is watching, and follow these Guidelines!**

Speaker Don'ts

- **Don't discuss matters that are not part of the approved Program agenda.**
- **Don't discuss competitively sensitive information.**

Discussions with competitors concerning commercial or competitive matters always carry a significant antitrust risk. Even if the discussions themselves don't cross the line into illegality, they may be used later to suggest that NAMM or its members engaged in unlawful conduct. Therefore, to avoid even the appearance of impropriety, do not discuss any competitively sensitive information relating to products, warranty or repair services, or other business practices, including:

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- Prices (including discounts), minimum advertised price programs, unilateral price policies, reseller prices, proposed or actual bids, production capacity or costs, sales quotas, discounts, sales promotions (including "freebies" and product or service add-ons), terms and conditions of sale, or any other commercial terms, conditions, or features that can impact (either by directly or indirectly raising, lowering or stabilizing) the price of any product or service;

- Allocating, dividing or assigning specific customers, markets, products, services, territories, or areas, including whether to make sales to such customers, markets, products, services, territories, or areas, or whether to do business with particular manufacturers or dealers;

- Information concerning any individual company's costs, profits, margins, inventory, production capacity, pricing formulas, market share, or other commercial information of a non-public nature;

- Non-public plans to expand or contract product offerings or output, geographic areas of operation, or customers.

Note: There are two very limited exceptions to the prohibition on discussing prices and related business practices. First, Speakers may refer to pricing and related business practices, provided that (a) the information is more than six months old and (b) the information is aggregated so that individual companies' information cannot be identified. Second, Speakers can discuss non-competitively sensitive information, such as the general effect of pricing or promotional activities on demand. When in doubt, Speakers should consult with NAMM or their company's counsel.

- **Speakers should adhere to these Guidelines and NAMM's antitrust policy. Assume that everything you say could be made public. If you wouldn't want the information in USA Today, then don't discuss it.**
- **Don't discuss whether to do business with other companies, organizations or industries.**

The antitrust laws prohibit express and implied agreements among competitors to boycott or refuse to deal with certain suppliers, customers or other competitors. Speakers should not discuss whether to refuse to do business with any other entity, or

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whether to limit or terminate existing relationships. Speakers should not disparage or discriminate against other companies, irrespective of whether they are or are not members of NAMM. Speakers should not disparage any other company's products and services.

- **Don't seek agreement – or even suggest or imply that agreement would be desirable – on how firms should operate their businesses.**
- **Don't discuss the future competitive actions of an attendee's organization.**
- **Don't endorse particular products, companies, or industry segments.**
- **Don't be negative about any company, organization, or industry.**
- **Don't threaten any company, organization or industry.**
- **Don't participate in "off the record" or informal discussions of off-limits topics.**

Speakers should not engage in any "off the record" discussions concerning sensitive matters pertaining to the way in which their companies (or any other company) compete or otherwise do business. Informal, small group, "off the record" discussions that touch upon competitively sensitive matters can often, unfortunately, open the door to the most serious antitrust concerns. For that reason, Speakers should exercise particular caution to limit substantive discussions to the formal meetings at which counsel or a member or staff representative attuned to antitrust issues is present.

- **Don't joke about engaging in inappropriate activities or off-limits discussions.**

Speakers should not joke about engaging in inappropriate activities or in off-limits discussions as these jokes often can be misinterpreted or considered serious by those in attendance.

You should consult with counsel in advance of any discussion that you believe may violate NAMM's Antitrust Policy, NAMM's Speaker Guidelines or the antitrust laws generally. If a discussion appears to be leading to questionable areas under these Speaker Guidelines or NAMM's Antitrust Policy, you should stop the discussion until you have consulted with legal counsel to determine the appropriate scope of discussion, including any limitations and/or safeguards.

NAMM, the International Music Products Association
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EXHIBIT C

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SPEAKER AGREEMENT

This Speaker Agreement ("Agreement") is entered into effective as of November 1, 2008 ("Effective Date") by the National Association of Music Merchants, Inc. ("NAMM") and <Speaker's Name>,("Speaker"), an individual having a business address at <Speaker's Address>.

NAMM has asked the Speaker to make a presentation and/or participate in a panel discussion on <Topic> at the NAMM Show 09 on <Date>, 2009 at <Time> (the "Speaking Session"), as more particularly set forth below.

NOW, THEREFORE, NAMM and the Speaker agree as follows:

1. Scope. The Speaker agrees to personally make the referenced presentation at the Speaking Session. NAMM will be solely responsible for arranging and managing venues and promoting the Speaking Session.

2. Termination. After signing this Agreement, NAMM may cancel the Speaking Session without liability to the Speaker. NAMM will give Speaker as much notice as possible of such a cancellation.

3. Presentation Fee. As the total compensation for the Speaking Session, NAMM shall pay the Speaker a fee of $_____, which shall be paid to Speaker within 10 days following the completion of the Speaking Session.

4. Assurances. The Speaker agrees that he or she will conform the presentation to the following requirements. During and in connection with the Speaking Session, the Speaker:

Will not defame, slander or libel any person; Will not infringe upon or violate any copyright, trademark, patent or intellectual property rights of any person; Will speak on the assigned topic or topics; Will follow any specific directions from the moderator and not discuss, present, or address (or permit to be discussed or addressed) any subjects identified as prohibited subjects by NAMM representatives; Has received, read and agrees in writing to abide by NAMM's Antitrust Policy and Guidelines; Has received, read and agrees in writing to abide by NAMM's Antitrust Guidelines for Speakers; If any written materials (including audio or video recordings and photographs) or prepared remarks will be provided during the Speaking Session, will Provide any written materials or prepared remarks discussing any potentially competitively sensitive topics, including, but not limited to, the topics in NAMM's Antitrust Policy and Guidelines, price terms,

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margins, profits, minimum advertised price policies, or resale price maintenance policies to NAMM in advance of the Speaking Session so that NAMM may approve of the written materials and/or prepared remarks prior to distribution.

5. Indemnity. The Speaker shall indemnify, defend and hold NAMM harmless against all damages, claims, liabilities, losses and other expenses, including without limitation reasonable attorneys' fees and costs, that arise out of or relate to the negligent or willful acts or omissions of the Speaker.

6. Relationship of Parties. The parties agree that the Speaker is an independent contractor and shall not be considered an agent or an employee of NAMM. The parties also acknowledge and agree that NAMM will not withhold payments with regard to federal and state income taxes from payments made to the Speaker or provide the Speaker with a Form W-2.

7. Interpretation and Venue. This Agreement is made in San Diego, California, and shall be interpreted and enforced according to the substantive laws of the State of California without application of its conflicts or choice of law rules. Both parties irrevocably submit to the jurisdiction of the state or federal courts located in San Diego County for any action or proceeding regarding this Agreement.

8. Entire Agreement. This Agreement and a Speaker Release if executed by Speaker with reference to the Speaking Session constitute the entire Agreement between the parties regarding the subject matter hereof and supersede all prior oral or written agreements or understandings. This Agreement can only be amended by a writing signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

National Association of Music Merchants, Inc

Name: Ken Wilson
Title: Director of Professional Development

(Speaker's Name)

Signature: _____

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SPEAKER AGREEMENT

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NAMM has asked the Speaker to make a presentation and/or participate in a panel discussion on <Topic> at the NAMM Show 09 on <Date>, 2009 at <Time> (the "Speaking Session"), as more particularly set forth below.

NOW, THEREFORE, NAMM and the Speaker agree as follows:

1. Scope. The Speaker agrees to personally make the referenced presentation at the Speaking Session. NAMM will be solely responsible for arranging and managing venues.

2. Termination. After signing this Agreement, NAMM may cancel the Speaking Session without liability to the Speaker. NAMM will give Speaker as much notice as possible of such a cancellation.

3. No Compensation. The Speaker is agreeing to make the presentation as a service to the music products industry and will not charge a fee or other compensation.

4. Assurances. The Speaker agrees that he or she will conform the presentation to the following requirements. During and in connection with the Speaking Session, the Speaker:

Will not defame, slander or libel any person; Will not infringe upon or violate any copyright, trademark, patent or intellectual property rights of any person; Will speak on the assigned topic or topics; Will follow any specific directions from the moderator and not discuss, present, or address (or permit to be discussed or addressed) any subjects identified as prohibited subjects by NAMM representatives; Has received, read and agrees in writing to abide by NAMM's Antitrust Policy and Guidelines; Has received, read and agrees in writing to abide by NAMM's Antitrust Guidelines for Speakers; If any written materials (including audio or video recordings and photographs) or prepared remarks will be provided during the Speaking Session, Will Provide any written materials or prepared remarks discussing any potentially competitively sensitive topics, including, but not limited to, the topics in NAMM's Antitrust Policy and Guidelines, price terms, margins, profits, minimum advertised price policies, or resale price maintenance policies to NAMM in advance of the Speaking Session so that NAMM may approve of the written materials and/or prepared remarks prior to distribution.

NAMM, the International Music Products Association
5790 Armada Drive Carlsbad, CA 92008 | p.760.438.8001 f.760.438.7327 | www.namm.org

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believe in music

5. Relationship of Parties. The parties agree that the Speaker is an independent contractor and shall not be considered an agent or an employee of NAMM.

6. Interpretation and Venue. This Agreement is made in San Diego, California, and shall be interpreted and enforced according to the substantive laws of the State of California without application of its conflicts or choice of law rules. Both parties irrevocably submit to the jurisdiction of the state or federal courts located in San Diego County for any action or proceeding regarding this Agreement.

7. Entire Agreement. This Agreement and a Speaker Release if executed by Speaker with reference to the Speaking Session constitute the entire Agreement between the parties regarding the subject matter hereof and supersede all prior oral or written agreements or understandings. This Agreement can only be amended by a writing signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

National Association of Music Merchants, Inc

Name: Ken Wilson
Title: Director of Professional Development

(Speaker's Name)

Signature: _____

NAMM, the International Music Products Association
5790 Armada Drive Carlsbad, CA 92008 | p.760.438.8001 f.760.438.7327 | www.namm.org

EXHIBIT D

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SPEAKER RELEASE

I have separately agreed to speak or make a presentation at an event or session organized by the National Association of Music Merchants, Inc. ("NAMM"). I authorize NAMM (or its agents) to record (audio and/or video) the event or session, including my remarks, presentation, or performance and any written or electronic documents or information used by me in the presentation. I hereby irrevocably assign to NAMM the right to use such recording in NAMM's activities, including but not limited to making such recording available on NAMM's web site.

I agree that I am not entitled to any compensation for NAMM's use of the recording. Upon NAMM's request, I will execute such documents and perform such acts as are necessary for NAMM to obtain trademark, copyright or other intellectual property registration or protection for the recording, and further agree to cooperate with NAMM in the enforcement of its rights to the recording. I hereby release NAMM from any and all liability arising from or related to the development, production, distribution, use or other disposition of the recording.

This release shall be governed in accordance with California law, may be amended only in writing. This release, along with a separate written Speaker Services Agreement between NAMM and me constitutes my entire agreement with NAMM with respect to its subject matter. I hereby irrevocably submit to the jurisdiction of the state and federal courts located in San Diego, California for any action or proceeding regarding this release, and I hereby waive any right to object to the jurisdiction or venue of the courts in San Diego, California.

I HAVE READ AND UNDERSTAND THE FOREGOING.

Signature: _____

Print Name: _____

Date: _____

3814526.2

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6-8-09 COMP REPORT
NAMM-000016

EXHIBIT E

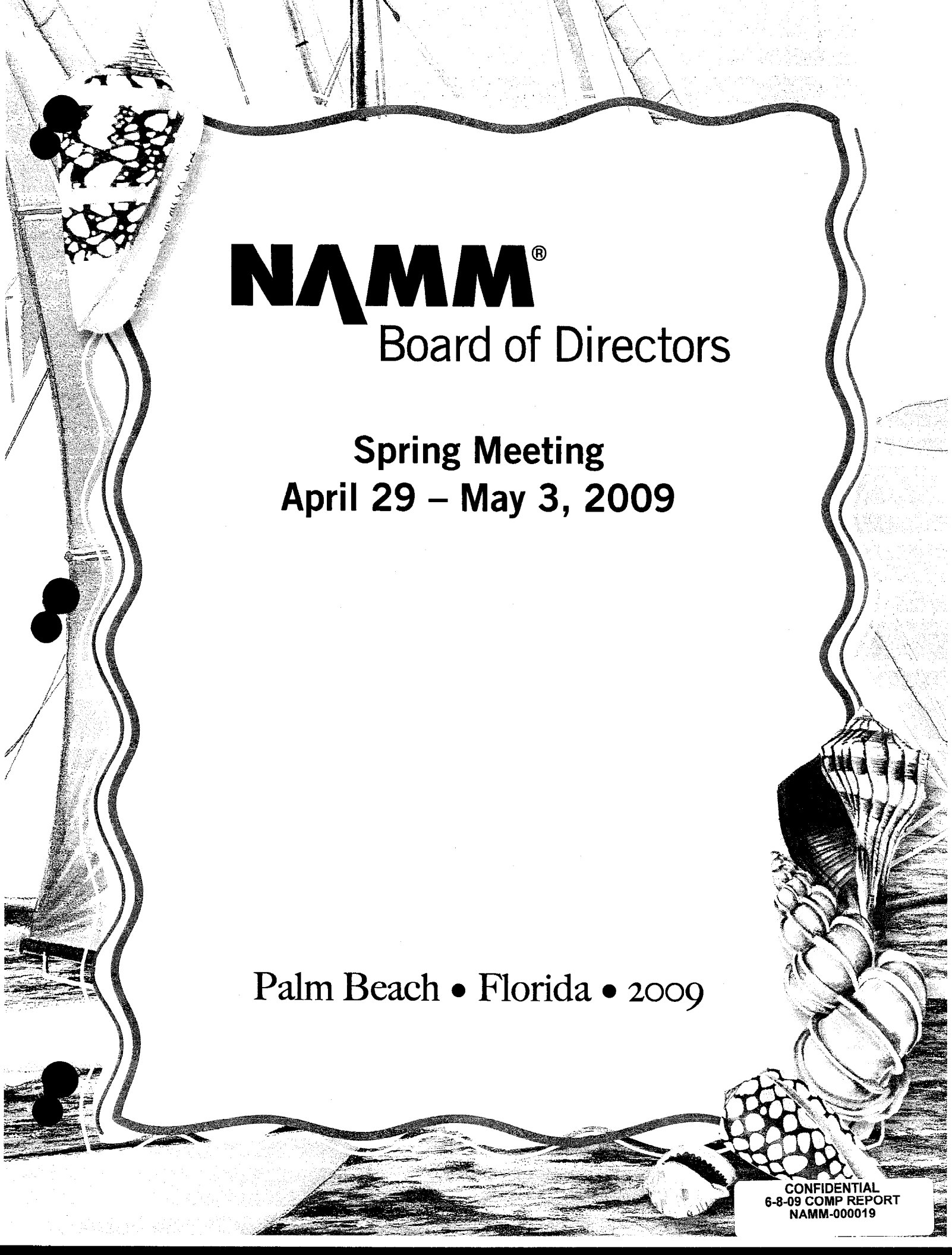
List of NAMM Events

NAMM Event	Date	Location	Materials Subject to II.B.1(e)
NAMM Board of Directors Meeting	April 30 – May 2, 2009	Palm Beach, Florida	1. Board Book (see NAMM-000019 to NAMM-000567) 2. Board Presentation[1] (see NAMM-000568 to NAMM-000756) 3. Staff Presentation (see NAMM-000757 to NAMM-000995) 4. Script/talking points for Staff Presentation (see NAMM-000996 to NAMM-001025) 5. Joe Lamond scripted questions for Paul Comstock presentation (see NAMM-001026) 6. Joe Lamond e-mail post Board Meeting (see NAMM-001027 to NAMM-001028) 7. Joe Lamond e-mail post Board Meeting (see NAMM-001029 to NAMM-001035) 8. Joe Lamond e-mail post Board Meeting (see NAMM-001036 to NAMM-001050) 9. Antitrust Training Presentation (materials withheld due to attorney-client privilege; see privilege log) 10. NAMM Corporate Video (available at www.namm.org/about)

[1] The entire Board Presentation is one document that was used over the course of several days during the Board Meeting.

NAMM Event	Date	Location	Materials Subject to II.B.1(e)
			11. NAMM History Video (see attached DVD labeled "NAMM Historical 1901 to Present")
Executive Committee Meeting	April 22, 2009	Palm Beach, Florida	1. Agenda (see NAMM-001051 to NAMM-001052)
Executive Committee Meeting	April 28, 2009	Palm Beach, Florida	1. Agenda (see NAMM-001053) 2. Presentation (see NAMM-001054 to NAMM-001076)
Executive Committee Meeting	April 29, 2009	Palm Beach, Florida	1. Agenda (see NAMM-001077) 2. NAMM Financials (see NAMM-001078 to NAMM-001086) 3. NAMM Policies[2] (see NAMM-001087 to NAMM-001118)
Executive Committee Meeting	June 2, 2009	Teleconference	1. Agenda (see NAMM-001141 to NAMM-00143) 2. Joe Lamond Email to ExCom (see NAMM-001119 to NAMM-001140) 3. Joe Lamond Email to ExCom (see NAMM-001144 to NAMM-001166)

[2] With the exception of the revised Antitrust Policy, the other attached NAMM Policies were drafted by NAMM's outside counsel Steven Chidester of Luce Forward. Per Definition D of the Order, Mr. Chidester reviewed these materials prior to distribution to the Executive Committee.



NAMM®
Board of Directors

Spring Meeting
April 29 – May 3, 2009

Palm Beach • Florida • 2009

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6-8-09 COMP REPORT
NAMM-000019

NAMM®
Board of Directors
Palm Beach, Florida • April 29-May 3, 2009

AGENDA

Chairman Chip Averwater Presiding

Thursday, April 30, 2009

7:30 a.m. **Working Breakfast in Committee** *[Magnolia Room]*

8:30 a.m.

1. **Call to Order – Welcome** *[Ponce de Leon Ballroom I & II]*
   - A. **Roll Call of Board**
   - B. **Acknowledge Staff & Guests**
2. **Motion To Accept Agenda**
   - A. **Overview of Purpose**
   - B. **Shared Responsibilities**
   - C. **Presentation and Explanation of Agenda**
3. **Approval of Minutes**
4. **NAYMM Report**
5. **Treasurer's Report**
6. **NAMM Board of Directors Nomination Schedule**
7. **Chairman's Report**
8. **President's Report**

9:40 a.m. **(20 minute break – reconvene in the Screening Room)**

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6-8-09 COMP REPORT
NAMM-000020

Thursday, April 30, 2009 (continued)

10:00 a.m. **Staff Director Presentation** *[Ponce de Leon Ballroom III]*
(If spouse or guest is interested in learning more about NAMM activities, they are welcome to attend.)

9. Staff Reports Based on Strategic Plan

A. Professional Development

B. Market Development

C. Grants & Scholarships

D. Statistical Services

E. Public Affairs & Government Relations

F. International Affairs

G. Trade Show

H. Membership Services

I. Marketing & Communications

J. Organizational Competency
- **Legal Affairs**
- **Human Resources**
- **Technology**
- **Resource Center**
- **Meetings & Events**

K. NAMM Foundation
- **Research Division**
- **American Music Conference**
- **Museum of Making Music**

Announcements

12:30 p.m. **Adjourn**

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6-8-09 COMP REPORT
NAMM-000021

Friday, May 1, 2009

7:30 a.m.	**Working Breakfast in Committee**	*[Magnolia Room]*
8:30 a.m.	**Meeting in Panel Groups**	*[Magnolia Room]*
9:30 a.m.	**Call to Order** (Closed meeting: Board and Past Presidents only)	*[Ponce de Leon Ballroom III]*
9:45 a.m.	**Antitrust Training**	

10:15 a.m. **10. Board Panel Discussions**

11:15 a.m. ***(15 minute break)***

12:30 p.m. **Committee Breakouts**

11. Committee Responsibilities & Assignments

Committee Meeting Locations:

Grants & Scholarships
- *South Mezzanine B*

Market Development
- *Gulfstream 2*
-

Professional Development
- *Gulfstream 1*

Government Relations & Music Education
- *Magnolia Room*

Board Committee Meetings with Working Lunch

- **Review – Old Business**
- **Discuss – New Business**
- **Prepare Update for the Full Board**

___ **Oral Report to Board by Committee Chairperson**

___ **Written Report for Minutes**

___ **Organize Recommendations**

___ **Finalize Update and Report**

3:00 p.m. **Adjourn**

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6-8-09 COMP REPORT
NAMM-000022

Saturday, May 2, 2009

8:00 a.m. **Working Breakfast in Committee** *[Magnolia Room]*

9:00 a.m. **Call to Order** *[Ponce de Leon Ballroom I & II]*

12. Committee Reports

A. Grants & Scholarships

B. Market Development

C. Professional Development

D. Government Relations & Music Education

11:30 – 1:00 p.m. **Group Lunch** *[Magnolia Room]*

1:00 p.m. **Board Meeting Reconvenes** *[Ponce de Leon Ballroom I & II]*

13. Motions for NAMM Foundation

Abridged Rules of Order

A. Funding Requests

14. New Business

A. Future Meeting Dates and Locations

B. Amendments to NAMM Bylaws

Summarize Expenditures

Conclusions and Summary

Announcements

2:00 p.m. **Adjourn – End of Meeting**

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000023

NAMM®
Board of Directors

April 29-May 3, 2009
The Breakers
Palm Beach, Florida

SCHEDULE OF EVENTS

*Unless otherwise specified, all events are **resort casual** and take place on the resort property. For comfort, sweaters or light jackets are recommended at all events.*

*Definition for **resort casual**:*
***Women** – casual dresses, skirts, tops, slacks, walking shorts, casual shoes, sandals, preferably no flip-flops.*
***Men** – casual slacks, walking shorts, collared shirts, dressy sandals, preferably no flip-flops.*

Wednesday, April 29

6:45 pm – 8:45 pm [location: Ocean Lawn]
Welcome Reception
Attended by **All** ...including families

Thursday, April 30

7:30 am – 8:30 am [location: Magnolia Room]
Working Breakfast (by Committee)
Attended by Board Members, ExCom and Past Presidents

8:30 am – 10:00 am [location: Cabana 29 & 30]
Spouse Breakfast
*Attended by **spouse/guest** of Board Members, ExCom and Past Presidents*

8:30 am – 10:00 am [location: Ponce de Leon 1 & 2]
Board Meeting
Attended by Board Members, ExCom and Past Presidents

10:00 am – 12:30 pm [location: Ponce de Leon 3]
NAMM Staff Director's Business Presentation
Attended by Board Members, ExCom and Past Presidents
(Any spouse or guest that is interested in learning more about NAMM's activities is welcome to attend.)

{Afternoon at your leisure}

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000024

Thursday, April 30 (continued)
7:00 pm – 10:00 pm [location: Flagler Museum]
Reception and Dinner (Group Photo)
Attended by Board, ExCom, Past Presidents and spouse/guests
Bus departure at 6:45pm - front of hotel *adults only please*
Suggested attire for this off-site dinner: ***Women*** *– dresses (dressier evening style), pant suits, dressy skirt suits, this is an indoor event so heels should be fine.* ***Men*** *– dressy slacks, long sleeve button-down shirts, coats are optional (no tie).*

Friday, May 1

7:30 am – 8:30 am [location: Magnolia Room]
Working Breakfast (by Committee)
Attended by Board Members, ExCom and Past Presidents

8:30 am – 10:00 am *[location: Cabana 29 & 30]*
Spouse Breakfast
Attended by ***spouse/guest*** *of Board Members, ExCom and Past Presidents*

8:30 am – 9:30 am [location: Magnolia Room]
Breakout Groups (by Panel Topic)
Attended by Board Members and ExCom

9:30 am – 12:30 pm [location: Ponce de Leon 3]
Board of Directors Antitrust Training and Panel Discussions
Attended by Board Members, ExCom and Past Presidents

12:30 pm – 3:00 pm
Committee Breakouts (working lunch)
Attended by Board Members and ExCom
~ Professional Development Committee [South Mezzanine 1]
~ Market Development Committee [Gulfstream 2]
~ Grants & Scholarships Committee [South Mezzanine B]
~ Government Relations & Music Education Committee [Magnolia Room]

{Afternoon and evening at your leisure}

Saturday, May 2

8:00 am – 9:00 am [location: Magnolia Room]
Working Breakfast (by Committee)
Attended by Board Members, ExCom and Past Presidents

8:30 am – 10:00 am *[location: Cabana 29 & 30]*
Spouse Breakfast
Attended by ***spouse/guest*** *of Board Members, ExCom and Past Presidents*

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000025

Saturday, May 2 (continued)
9:00 am – 2:00 pm [location: Ponce de Leon 1 & 2]
Board Meeting
Attended by Board Members, ExCom and Past Presidents

11:30 am – 1:00 pm [location: Magnolia Room]
Board Luncheon
Attended by Board Members, ExCom and Past Presidents

{Afternoon at your leisure}

7:00 pm – 10:00 pm [location: Ocean Gazebo]
Reception and Buffet
Attended by **All** ...including families
Attire for this on-site party: ***Women and Men*** *– laid back casual, flip-flops encouraged, Jimmy Buffet theme...need we say more? Event is outdoors.*

Sunday, May 3

7:00 am – 10:00 am [location: Ocean Lawn]
Departure Continental Breakfast
Optional, **All** invited...including families

Noon
The Breakers check out time

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000026

NAMM®
Board of Directors

April 28–May 3, 2009
The Breakers
Palm Beach, Florida

SCHEDULE OF EVENTS

*Unless otherwise specified, all events are **resort casual** and take place on the resort property. For comfort, sweaters or light jackets are recommended at all events.*

*Definition for **resort casual**:*
***Women** – casual dresses, skirts, tops, slacks, walking shorts, casual shoes, sandals, preferably no flip-flops. **Men** – casual slacks, walking shorts, collared shirts, dressy sandals, preferably no flip-flops.*

Tuesday, April 28

12:00 pm - 5:00 pm [location: Gulfstream 2]
Executive Committee Meeting - NAMM International LLC

7:00 pm - 9:00 pm [location: Gold Room]
Welcome Reception and Dinner
attended by New Board Members, ExCom and spouses
*Suggested attire for this on-site event: **Women** – dresses, dressy slacks, pant or skirt suits, heels or sandals. **Men** – dressy slacks, button-down shirts, no coat or tie.*

Wednesday, April 29

9:00 am - 12:45 pm [location: Gulfstream 2]
Executive Committee Meeting

{New Board: morning at your leisure}

1:00 pm - 4:00 pm [location: Flagler Boardroom]
New Board Orientation Meeting
attended by New Board Members, Chairman, President/CEO and legal counsel - Steven Chidester

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6-8-09 COMP REPORT
NAMM-000027

Wednesday, April 29 (continued)

6:45 pm – 8:45 pm [location: Ocean Lawn]
Welcome Reception
attended by All ...including families

Thursday, April 30

7:30 am - 8:30 am [location: Magnolia Room]
Working Breakfast (by Committee)
attended by Board Members, ExCom and Past Presidents

8:30 am - 10:00 am [location: Cabana 29 & 30]
Spouse Breakfast
*attended by **spouse/guest** of Board Members, ExCom and Past Presidents*

8:30 am - 10:00 am [location: Ponce de Leon 1 & 2]
Board Meeting
attended by Board Members, ExCom and Past Presidents

10:00 am - 12:30 pm [location: Ponce de Leon 3]
NAMM Staff Director's Business Presentation
attended by Board Members, ExCom and Past Presidents
(Any spouse or guest that is interested in learning more about NAMM's activities is welcome to attend.)

{Afternoon at your leisure}

7:00 pm - 10:00 pm [location: Flagler Museum]
Reception and Dinner (Group Photo)
attended by Board, ExCom, Past Presidents and spouse/guests
bus departure at 6:45pm - front of hotel *adults only please*
*Suggested attire for this off-site dinner: **Women** – dresses (dressier evening style), pant suits, dressy skirt suits, this is an indoor event so heels should be fine. **Men** – dressy slacks, long sleeve button-down shirts, coats are optional (no tie).*

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6-8-09 COMP REPORT
NAMM-000028

Friday, May 1

7:30 am - 8:30 am [location: Magnolia Room]
Working Breakfast (by Committee)
attended by Board Members, ExCom and Past Presidents

8:30 am - 10:00 am [location: Cabana 29 & 30]
Spouse Breakfast
*attended by **spouse/guest** of Board Members, ExCom and Past Presidents*

8:30 am - 9:30 am [location: Magnolia Room]
Breakout Groups (by Panel Topic)
attended by Board Members and ExCom

9:30 am - 12:30 pm [location: Ponce de Leon 3]
Board of Directors Antitrust Training and Panel Discussions
attended by Board Members, ExCom and Past Presidents

12:30 pm - 3:00 pm
Committee Breakouts (working lunch)
Attended by Board Members and ExCom
~ Professional Development Committee [South Mezzanine 1]
~ Market Development Committee [Gulfstream 2]
~ Grants & Scholarships Committee [South Mezzanine B]
~ Government Relations & Music Education Committee [Magnolia Room]

{Afternoon and evening at your leisure}

Saturday, May 2

8:00 am - 9:00 am [location: Magnolia Room]
Working Breakfast (by Committee)
attended by Board Members, ExCom and Past Presidents

8:30 am - 10:00 am [location: Cabana 29 & 30]
Spouse Breakfast
*attended by **spouse/guest** of Board Members, ExCom and Past Presidents*

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6-8-09 COMP REPORT
NAMM-000029

Saturday, May 2 (continued)

9:00 am - 2:00 pm [location: Ponce de Leon 1 & 2]
Board Meeting
attended by Board Members, ExCom and Past Presidents

11:30 am - 1:00 pm [location: Magnolia Room]
Board Luncheon
attended by Board Members, ExCom and Past Presidents

{Afternoon at your leisure}

7:00 pm - 10:00 pm [location: Ocean Gazebo]
Reception and Buffet
attended by All ...including families
*Attire for this on-site party: **Women and Men** – laid back casual, flip-flops encouraged, Jimmy Buffet theme...need we say more? Event is outdoors.*

Sunday, May 3

7:00 am - 10:00 am [location: Ocean Lawn]
Departure Continental Breakfast
Optional, All invited...including families

Noon
The Breakers check out time

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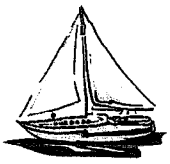
6-8-09 COMP REPORT
NAMM-000030



NAMM®
Board of Directors
Palm Beach, Florida • April 29-May 3, 2009

Memo To: **Executive Committee and Board Members**

From: **Chip Averwater** **Joe Lamond**
Chairman **President and CEO**

Subject: **NAMM Spring Board Meeting**

Date: **April 14, 2009**

Greetings from NAMM headquarters, we're looking forward to seeing you in just a couple weeks. Please find enclosed your Board of Directors meeting book. These reports and documents are designed to familiarize you with the various NAMM departments and activities and bring you up to speed on the industry issues and challenges we will discuss during our time together in Palm Beach, Florida.

During this meeting we will be conducting both NAMM and the NAMM Foundation business. It's a lot to cover and our time together will be fast paced and interactive so we appreciate your thorough review of the materials prior to the meeting. Please note that in addition to NAMM and the NAMM Foundation end-of-fiscal year financials, we have included financials for the first six months of fiscal 2009. We've also enclosed a copy of our annual NAMM Member Survey for your review prior to the Board meeting as well as a disk containing our most recent nationwide Gallup Poll "Public Attitudes Toward Music".

For the eight new Board Members who are attending their first meeting, we extend a special welcome. For the returning Members, we look forward to your continued contributions. Please take the time to review the Board book contents and bring the meeting book with you to our meeting. *(New Board Members will need to bring your Director's Handbook as well).*

We've experienced some unprecedented challenges in our industry and the global economy during the past year. The NAMM mission of unifying the industry and creating more music makers is as relevant today as when the first Board met over a century ago. We are grateful for your spirit of service to the industry and look forward to a productive and positive meeting.

See you in Palm Beach!

Chip Averwater Joe Lamond

P.S. Please take a couple minutes to complete the enclosed board nomination form. Tom Schmitt, Nominating Committee Chairman, will be collecting these during the meeting.

NAMM Board of Directors Nomination Form

Submitted by:_____

Our efforts are now underway to locate excellent candidates to serve a three-year term as a director on the NAMM Board of Directors. Individuals from Voting Member Companies (Retail, Commercial and Manufacturers Representative categories) are eligible for nomination.

Please list at least three names below and return this completed form to Tom Schmitt, Nominating Committee Chairman, **by the end of the Board Meeting.** If you'd like to submit the names of more than three candidates, please include their names on the back of this sheet, or submit them separately.

1. Candidate's Name: _____

   Candidate's Company: _____

   Reason Candidate Should Be Nominated: (Experience, participation in industry and community organizations, etc.) _____

   _____

2. Candidate's Name: _____

   Candidate's Company: _____

   Reason Candidate Should Be Nominated: (Experience, participation in industry and community organizations, etc.) _____

   _____

3. Candidate's Name: _____

   Candidate's Company: _____

   Reason Candidate Should Be Nominated: (Experience, participation in industry and community organizations, etc.) _____

   _____

We thank you for your support in this very important process.

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6-8-09 COMP REPORT
NAMM-000122

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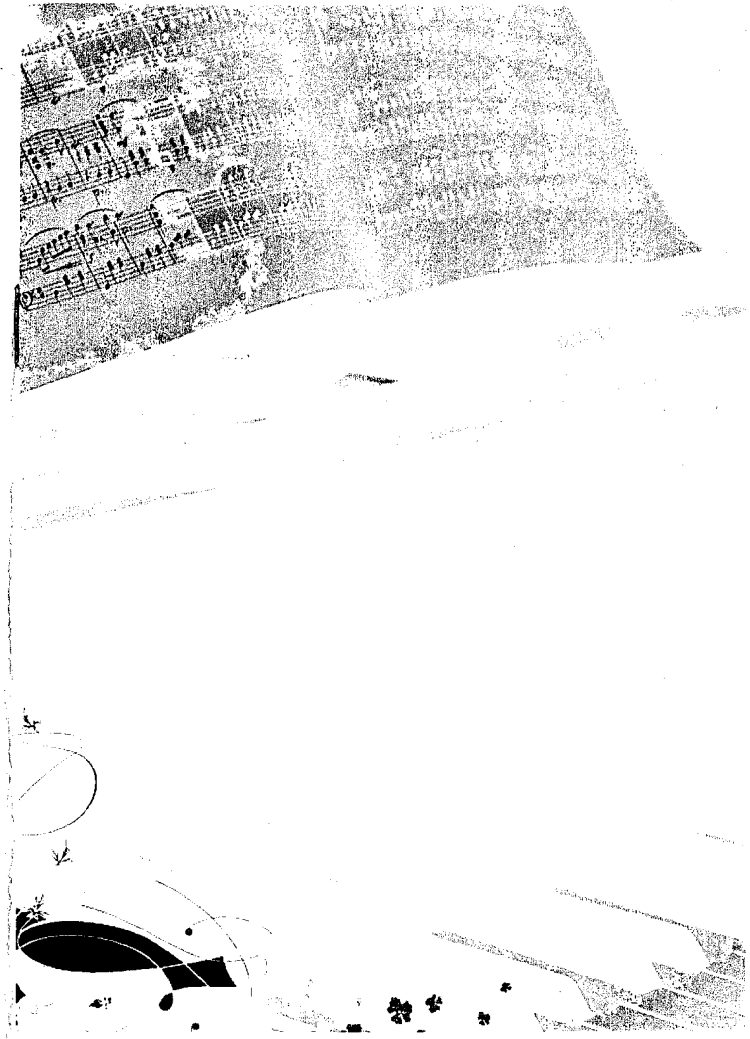
5790 Armada Drive Carlsbad, CA 92008
Tel: (760) 438-8001 (800) 767-6266 Fax: (760) 438-8639
www.namm.org



NAMM®

Board of Directors

Meeting • April 29-May 3 • Palm Beach, Florida

Attendee Directory

NAMM
BOARD OF DIRECTORS MEETING

APRIL 2009

Chip & Jan Averwater
Memphis, TN

Dick Boak
Nazareth, PA

Jack & Patricia Coffey
Past President
Norwood, MA

Kevin & Debbi Cranley
Florence, KY

Jeff & Cheri Falgien
Van Nuys, CA

Alfredo & Tenchita Flores
San Antonio, TX

Gary & Melissa Forkum
Nashville, TN

Donald Griffin
Past President
Los Angeles, CA

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NAMM-000123

NAMM
BOARD OF DIRECTORS MEETING

APRIL 2009

Jon Harris
Chicago, IL

Paul & Carol Heid
Past President
Appleton, WI

Dennis & Patti (sister) Houlihan
Past President
Los Angeles, CA

Rosi & Dex Johnson
Hattiesburg, MS

Updated as of 03/24/09

Brock & Carol Kaericher
Valencia, CA

Joe Lamond
Carlsbad, CA

Neil & Leslie Lilien
West Orange, NJ

Kurt Listug
El Cajon, CA

Updated as of 03/24/09

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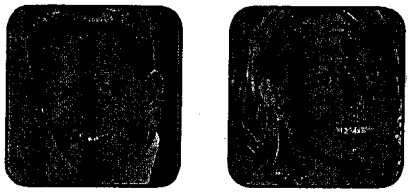
NAMM-000124



Joel & Lara Menchey
Hanover, PA

Warner Paige & Judy Hall
Past President
Telluride, CO

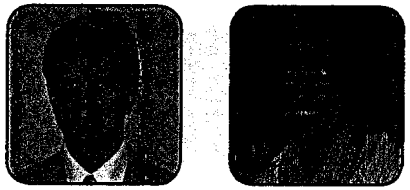
Larry & Diana Morton
Milwaukee, WI

Barbara & Maurice Paulsen
Naperville, IL

Paul Murphy
Past President
Boston, MA

John Paulson
Eden Prairie, MN

Qian Ni & Ruisi Gao
Clarksburg, MD



Lee Paynter & Joan Sacks
Paoli, PA

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NAMM-000125

NAMM
BOARD OF DIRECTORS MEETING

APRIL 2009

Joe Vasko & Jackie Cotugno
La Vergne, TN

Robin Walenta
Coralville, IA

Steve & Victoria West
Past President
Coralville, IA

Chris & Tracy White
Waukesha, WI

Robert & Mary Wilson
Hertfordshire, United Kingdom

Rick & Jane Young
Buena Park, CA

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000127

Updated as of 03/24/09

SCHEDULE OF EVENTS

TUESDAY, APRIL 28

7 p.m. – 9 p.m.	Welcome New Board Reception and Dinner – Gold Room

WEDNESDAY, APRIL 29

1 p.m. – 4 p.m.	New Board Orientation Meeting Flagler Boardroom - Bus 6:45 p.m.
6:45 p.m. – 8:45 p.m.	Welcome Reception Ocean Lawn

THURSDAY, APRIL 30

7:30 a.m. – 8:30 a.m.	Working Breakfast (by Committee) Magnolia Room
8:30 a.m. – 10 a.m.	Board Meeting Ponce De Leon 1, 2
10 a.m. – 12:30 p.m.	NAMM Staff Directors' Business Presentation Ponce De Leon 3

Afternoon at your leisure

6:45 p.m. – 10:00 p.m.	Reception and Dinner (offsite) Flagler Museum

FRIDAY, MAY 1

7:30 a.m. – 8:30 a.m.	Working Breakfast (by Committee) Magnolia Room
8:30 a.m. – 9:30 a.m.	Breakout Groups, by Panel Topics Magnolia Room
9:30 a.m. – 12:30 p.m.	Antitrust Training Board Panel Topic Discussions Ponce De Leon 3
12:30 p.m. – 3 p.m.	Committee Breakouts (working lunch) Gulfstream Magnolia Room South Mez. 1 South Mez. B

Afternoon and evening at your leisure

SATURDAY, MAY 2

8 a.m. – 9 a.m.	Working Breakfast (by Committee) Magnolia Room
9 a.m. – 1 p.m.	Board Meeting Ponce De Leon 1, 2
11:30 a.m. – 1:00 p.m.	Board Working Lunch Magnolia Room

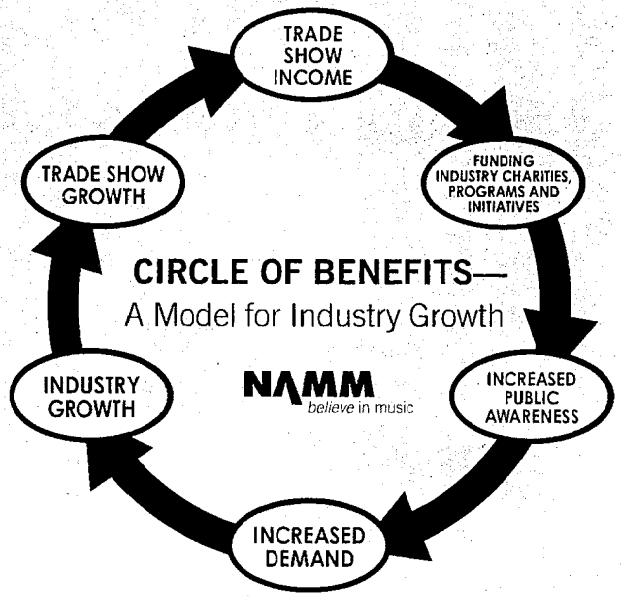
Afternoon at your leisure

7 p.m. – 11 p.m.	Reception and Dinner Ocean Gazebo

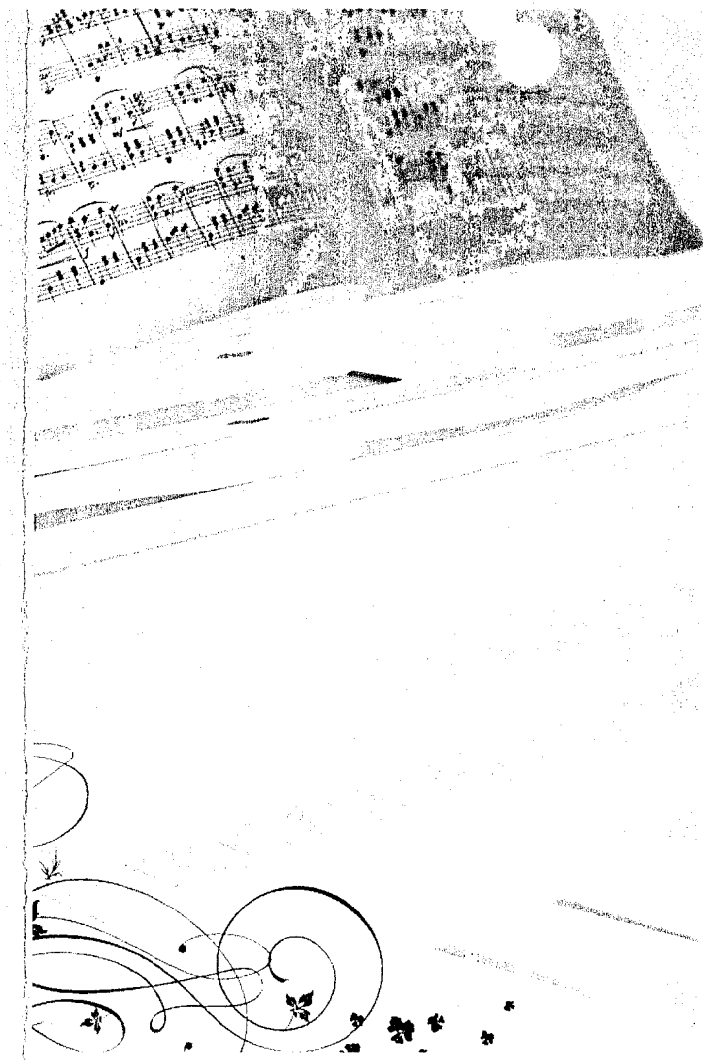
SUNDAY, MAY 3

7 a.m. – 10 a.m.	Departure Continental Breakfast Ocean Lawn

Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida



NAMM is the association whose mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making.



NAMM®
Board of Directors

Meeting • April 29-May 3 • Palm Beach, Florida

Schedule of Events
Map/Floor Plan

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000128

Final Night Reception & Dinner
Ocean Gazebo
Saturday • 7 p.m. - 11 p.m.

Market Development Committee Meeting & Lunch
Friday • 12:30 p.m.

Office

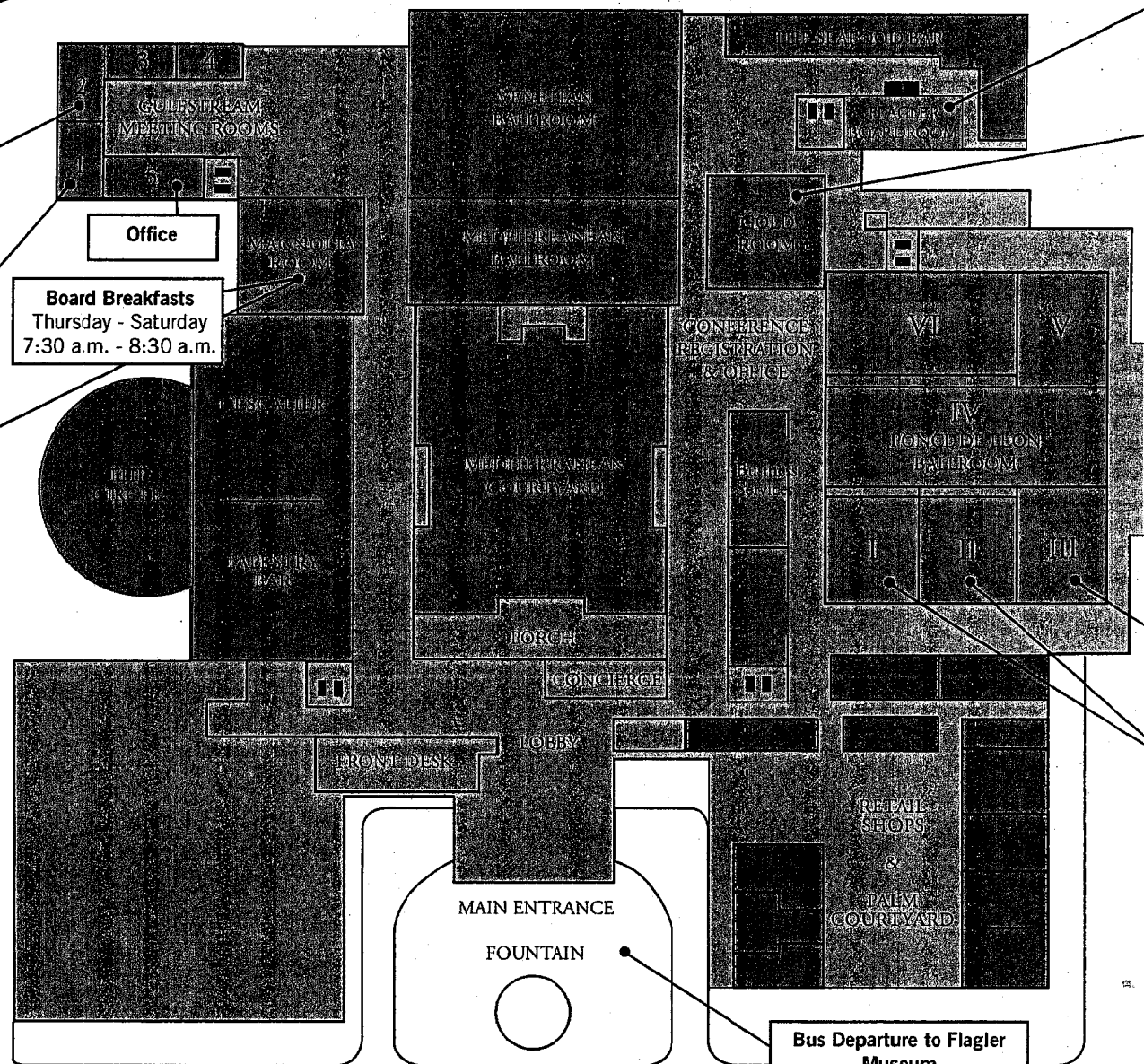
Professional Development Committee Meeting & Lunch
Friday • 12:30 p.m.

Board Breakfasts
Thursday - Saturday
7:30 a.m. - 8:30 a.m.

Government Relations & Music Education Committee & Lunch Meeting
Friday • 12:30 p.m.

Grants & Scholarships Committee Meeting & Lunch
Friday • 12:30 p.m.

Evening Events Are in Blue



Board Orientation Meeting
Wednesday • 1 p.m. - 4 p.m.

New Board Reception & Dinner
Tuesday • 7 p.m. - 9 p.m.

Ocean Lawn Reception
Wednesday
6:45 p.m. - 8:45 p.m.

Departure Breakfast
Sunday
7 a.m. - 10:00 a.m.

Staff and Board Presentations/Anti-trust
Thursday and Friday

Board Meetings
Thursday and Saturday

Spouse Breakfasts
Thursday - Saturday
Cabanas
8:30 a.m. - 10 a.m.

Bus Departure to Flagler Museum
Thursday • 6:45 p.m.

NAMM®

Board of Directors

Palm Beach, Florida • April 29-May 3, 2009

Revised

ROLL CALL

____ Chip Averwater
____ Dick Boak
____ Kevin Cranley
____ Jeff Falgien
____ Gary Forkum
____ Jon Harris
____ Rosi Johnson
____ Brock Kaericher
____ Michael Kirman
____ Joe Lamond
____ Neil Lilien
____ Kurt Listug
____ Joel Menchey
____ Larry Morton
____ Qian Ni
____ Barbara Paulsen
____ John Paulson
____ Lee Paynter
____ George Quinlan, Jr.
____ Phil Rich
____ Liane Rockley
____ Alan Rosen
____ Tom Schmitt
____ John Tarpley
____ Ray van Straten
____ Joe Vasko
____ Robin Walenta
____ Christopher White
____ Robert Wilson
____ Rick Young

STAFF

____ Betty Heywood
____ Kevin Johnstone
____ Sandra Jordan
____ Mary Luehrsen
____ Larry Manley
____ Patricia Martin
____ Robin Muller
____ Morgan Ringwald
____ Scott Robertson
____ Ken Wilson

GUESTS

____ Steve Chidester
____ Paul Cuomo

PAST PRES/CHAIRMAN

____ Jack Coffey
____ Robert Fletcher
____ Alfredo Flores
____ Donald Griffin
____ Paul Heid
____ Dennis Houlihan
____ Paul Murphy
____ Warner Paige
____ Gerson Rosenbloom
____ Steve West

1 CALL TO ORDER

2 MOTION TO ACCEPT AGENDA

3 APPROVAL OF MINUTES

4 NAYMM REPORT

5 TREASURER'S REPORT / FINANCIALS

6 BOARD NOMINATION SCHEDULE

7 CHAIRMAN'S REPORT

8 PRESIDENT'S REPORT

9 STAFF REPORTS

10 BOARD PANEL DISCUSSIONS

11 STANDING COMMITTEES

12 COMMITTEE REPORTS

13 RULES OF ORDER / MOTIONS

14 NEW BUSINESS

15

- NAMM MISSION STATEMENT
- NAMM BYLAWS
- NAMM FOUNDATION BYLAWS

AVERY® READY INDEX®

NAMM®

Board of Directors

Palm Beach, Florida • April 29-May 3, 2009

ROLL CALL

____ Chip Averwater
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NAMM®

Board of Directors

Palm Beach, Florida • April 29-May 3, 2009

MOTION TO ACCEPT AGENDA

A. PURPOSE OF THIS MEETING: To review the past and ongoing activities of the Association to ensure that the Association is meeting its stated mission. It will be our job (as the board of directors) while we are at this meeting to:

1. Review staff activities and give direction
2. Make good decisions based on good information
3. Set policy and make commitments
4. Allocate resources (staff and financial)

B. SHARED RESPONSIBILITIES: As volunteer Members of this board our ONLY failure will be if we fail to identify the common needs of our Membership and act upon them. We share the following important responsibilities to insure that we remain focused on our stated goals and objectives:

1. Identify and continually assess where we are and how well we are positioned for the future
2. Focus attention on the "right thing to do"
3. Create climate where thinking will take place that builds confidence in our Association

C. REVIEW AGENDA DAY BY DAY: Please note that the board will function as a "committee of the whole" on days one, two, and three. I should point out that when the board meets as a "committee of the whole" we temporarily suspend our policy making ability... the board becomes a committee. It is for that reason, that I am requesting that all motions for action be reserved until the last day.

D. ACCEPTANCE OF MOTION FOR APPROVAL OF AGENDA

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NAMM-000133

NAMM®
Board of Directors
Palm Beach, Florida • April 29-May 3, 2009

APPROVAL OF MINUTES

All officers and Directors were furnished with a copy of the following minutes:

- NAMM Foundation: Museum of Making Music Meeting
  June 14, 2008
- Executive Committee Meeting
  June 18, 2008
- Board of Directors Meeting
  June 19, 2008
- NAMM Foundation Board of Directors Meeting
  June 19, 2008
- Executive Committee Meeting
  September 24-27, 2008
- Executive Committee Meeting
  January 13, 2009
- NAMM Foundation: American Music Conference Meeting
  January 14, 2009
- NAMM Foundation: Museum of Making Music Meeting
  January 16, 2009
- Annual Meeting of Members Meeting
  January 17, 2009
- NAMM Foundation: Research Division Meeting
  February 20, 2009

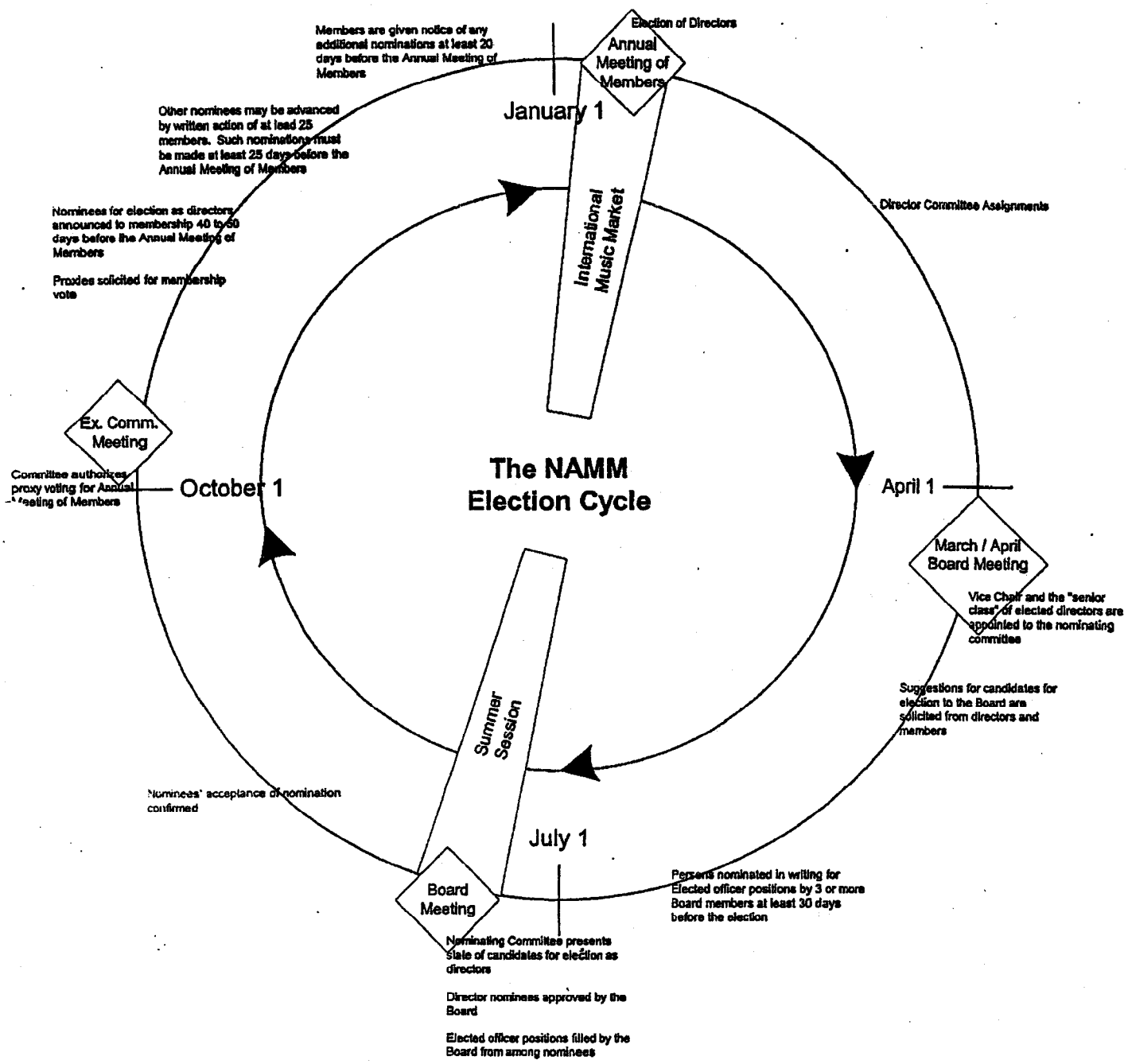
Provided there are no questions or corrections relating to these minutes, a motion to approve them as submitted, as well as the actions of the Executive Committee, would be in order.

NAMM®
Board of Directors
Palm Beach, Florida • April 29-May 3, 2009

NAMM BOARD OF DIRECTORS

NOMINATION CYCLE

Schedule	
April & May	Nomination Committee appointed (ExCom & senior Board Members)
April & May	Solicit Member suggestions for Board nominees
July	Nomination Committee meets before the Board meeting to develop slate Nomination Committee announces slate to Board Board approves slate
January	Nominees to be elected at the Annual Meeting of Members



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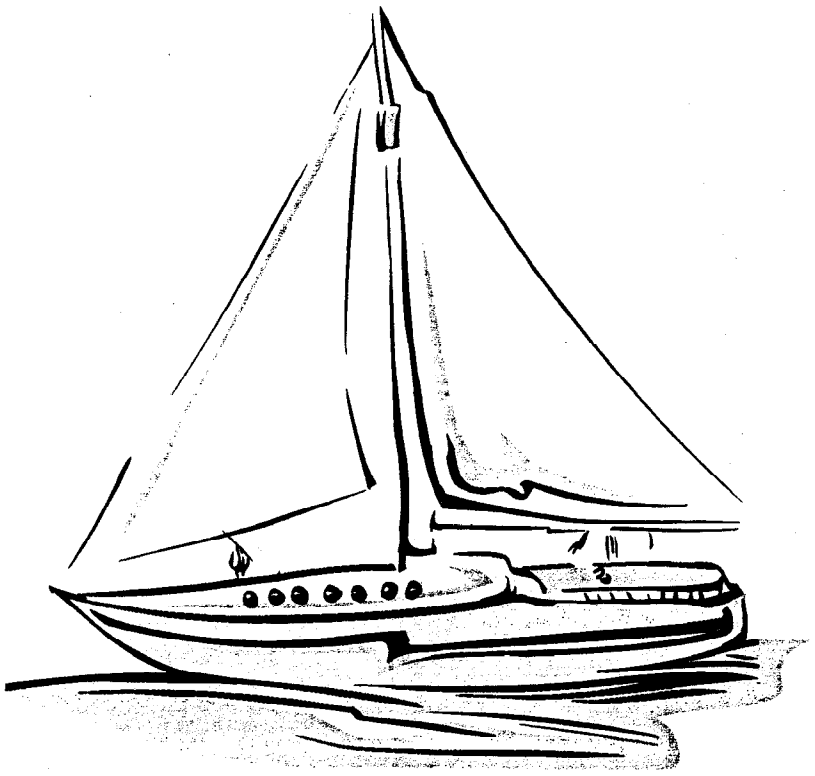
NAMM-000260

2009 Board Meeting, The Breakers, Palm Beach, Florida

Chairman's Report

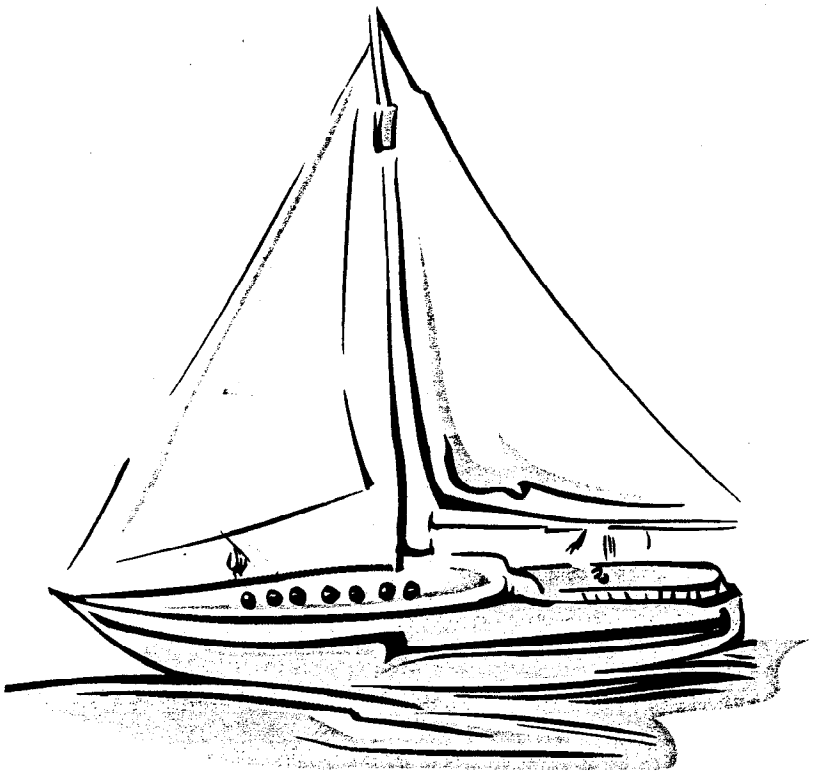


To be presented at Board meeting

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000261

2009 Board Meeting, The Breakers, Palm Beach, Florida

President's Report



To be presented at Board meeting

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000265

NAMM®
believe in music

Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #1

PROFESSIONAL DEVELOPMENT: Enhance the professional competencies of Members to manage successful businesses in a changing industry environment.

STRATEGIC DIRECTIONS:

1.1 NAMM should obtain and analyze data from Members and information from other sources to identify the professional development needs of both retailer and commercial Members.
1.2 NAMM should strengthen the scope and depth of products offered by NAMM University.
1.3 NAMM should continue to explore the application of technology-based and other nontraditional vehicles for delivering information and education to Members.
1.4 NAMM should educate its Members on strategies and programs needed for educating their customers (i.e., manufacturers train reps and dealers, dealers train their customers, etc.).
1.5 NAMM should develop close relationships with colleges to increase the number of qualified students seeking a career in music.
1.6 NAMM University should teach retailers "how to" create and operate well-run music education programs in local non-school settings (within stores, YMCAs, etc.) because education is a point of differentiation against price and service for independent retailers.

Adopted by the NAMM Board of Directors July 9, 1998

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6-8-09 COMP REPORT
NAMM-000268

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Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #2

MARKET DEVELOPMENT: Expand markets for music products and services, and communicate the benefits of active participation to enlarge the portion of the population that makes music and understands the value of music making.

STRATEGIC DIRECTIONS:

2.1 Leverage NAMM resources to reach as many potential music participants as possible through, for instance, the development of strong relationships with other industry, industry related and other organizations whose actions can support NAMM's Mission and its advocacy effort.
2.2 Encourage and support industry-segment-specific associations to create appropriate market-building programs.
2.3 NAMM should support scientific research which strengthens the case for music making and music education through the International Foundation for Music Research and continue to promote the findings of research to the Membership and, through others, to the general public.
2.4 NAMM should recognize that all Market Development activities need to be marketed to the industry.
2.5 NAMM should teach its Members "how to" utilize all market development programs with an appropriate level and type of marketing and promotion.
2.6 NAMM should be "proactive" in encouraging "alternative sources" for music exposure/ experiences which encourage the creation of long-term active music makers or are a supplement of high-quality, sequential education in music.

Adopted by the NAMM Board of Directors July 9, 1998

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6-8-09 COMP REPORT
NAMM-000272

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Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #1

PROFESSIONAL DEVELOPMENT: Enhance the professional competencies of Members to manage successful businesses in a changing industry environment.

STRATEGIC DIRECTIONS:

1.5 NAMM should develop close relationships with colleges to increase the number of qualified students seeking a career in music.

GENERAL OBJECTIVE #2

MARKET DEVELOPMENT: Expand markets for music products and services, and communicate the benefits of active participation to enlarge the portion of the population that makes music and understands the value of music making.

STRATEGIC DIRECTIONS:

2.1 Leverage NAMM resources to reach as many potential music participants as possible through, for instance, the development of strong relationships with other industry, industry related and other organizations whose actions can support NAMM's Mission and its advocacy effort.

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Adopted by the NAMM Board of Directors July 9, 1998

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6-8-09 COMP REPORT
NAMM-000280

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Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #3

STATISTICAL SERVICES: Collect, interpret and disseminate statistical and trend information on the sale of musical products and services.

STRATEGIC DIRECTIONS:

3.1 Establish NAMM as "the" reliable, accurate and dependable source of industry and market data.
3.2 NAMM should conduct research to identify the categories and depth of information that is sought by all segments of Members (i.e., establish an information agenda).
3.3 Utilize a recognized outside resource to collect data in a credible, secure manner that protects the anonymity of all participants.
3.4 Compile data from members, "skull" groups and secondary sources for use by Members.
3.5 NAMM should study changes in the overall competitive structure of the industry and, then, provide information—education to help all types of Members adapt to and succeed in their own competitive environments.
3.6 Industry structure issues, trends and strategies from other industries (at retail, distribution and production levels) provide "case study" information that NAMM can provide to current Members

Adopted by the NAMM Board of Directors July 9, 1998

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6-8-09 COMP REPORT
NAMM-000293

STATISTICAL SERVICES

Ken Wilson

The annual NAMM statistical publication, NAMM Global Report/ Music USA released in July 2008, contained statistics and trend information from thirteen countries: Australia, Austria, Brazil, Canada, China, Germany, Italy, Japan, Norway, Spain, Switzerland and the United Kingdom as well as the data from the USA. This was the first time that statistics from South America were included in the report.

According to Music Trades magazine (December 2008), this group of countries accounts for 84% and approximately $15.2 billion of the $18.2 billion global music products industry.

Snapshots of the economic, trade and demographic trends in each country were included to provide a background and context for the trends in the music products industry. Also in the 2008 edition, surveys from Australia, the UK and USA on "People's Attitude to Music" were explored as well as an overall comparison of results from each survey.

The "People's Attitude to Music" survey is conducted by Gallup every three years and the most recent survey was completed in March of 2009. This survey and the new findings will be added to the 2009 Global Report and compared to historical Gallup survey data as well the findings from the surveys completed by Australia and the UK.

The 2009 edition will once again include the comprehensive "Music Retailing – the Cost of Doing Business "study, which features highlights from the Industry Performance Report survey conducted by Industry Insights and based on business information contributed by NAMM Members.

Going forward, statistics and materials from the Global Report will hopefully be able to be added to NAMM U Online in their digital form. This would allow Members to explore more in-depth data than is available in the printed version and eventually to be able to select specific areas of interest and sort the statistics and data to suit their individual needs.

The 2009 Global Report will be released at the Summer NAMM show in July.

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NAMM-000294

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Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #4

GOVERNMENT RELATIONS: Monitor and influence appropriate legislation and regulations at federal, state and local levels which affect the industry, its markets and governmental support for music education.

STRATEGIC DIRECTIONS:

4.1 NAMM should continue to identify, monitor and influence those issues that most impact the future strength of the music products industry.

4.2 NAMM should be prepared to increase its emphasis on addressing governmental issues that impact Members' operations and profitability and the industry's long-term strength.

4.3 NAMM should develop a grassroots capability to represent the industry's interests by educating Members on "how to" communicate and educate policymakers at local and national levels.

4.4 NAMM should identify and organize to spearhead the Association's grassroots governmental initiatives.

4.5 NAMM should continue to create and strengthen relationships with elected governmental officials and other public policymakers to support and enact legislation that provides music and arts education programs in public and private schools.

GENERAL OBJECTIVE #7

ORGANIZATIONAL RELATIONSHIPS: Create and participate in alliances and relationships with all organizations whose actions can support attainment of NAMM's Mission.

STRATEGIC DIRECTIONS:

7.1 NAMM must partner and build relationships with "traditional" industry organizations (like NARAS, MENC, etc.) and non-traditional interests (like "wellness" or "life enhancement" organizations) to enhance the industry's ability to tell its story and to increase the number of active music makers.

7.2 NAMM must position the music products industry as a key part of the "entertainment industry" while, at the same time, creating relationships with non-entertainment organizations and interests as vehicles to increase the number of active music makers.

7.3 NAMM should continue to create and strengthen relationships with the educational community to establish a common focus, mutually beneficial relationships, understanding of different perspectives and viewpoints, etc. (i.e., continue to embrace and partner with the educational community).

7.4 NAMM should encourage Members (especially at retail and wholesale levels) to communicate with music schools' departments at local levels, to create mutually beneficial relationships.

Adopted by the NAMM Board of Directors July 9, 1998

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believe in music

Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #2

MARKET DEVELOPMENT: Expand markets for music products and services, and communicate the benefits of active participation to enlarge the portion of the population that makes music and understands the value of music making.

STRATEGIC DIRECTIONS:

2.1 Leverage NAMM resources to reach as many potential music participants as possible through, for instance, the development of strong relationships with other industry, industry related and other organizations whose actions can support NAMM's Mission and its advocacy effort.

2.2 Encourage and support industry-segment-specific associations to create appropriate market-building programs.

2.3 NAMM should support scientific research which strengthens the case for music making and music education through the International Foundation for Music Research and continue to promote the findings of research to the Membership and, through others, to the general public.

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2.6 NAMM should be "proactive" in encouraging "alternative sources" for music exposure/ experiences which encourage the creation of long-term active music makers or are a supplement of high-quality, sequential education in music.

GENERAL OBJECTIVE #5

TRADE SHOWS AND CONVENTIONS: Sponsor events for music products and services that will also serve as forums for the exchange of information about the industry and markets.

STRATEGIC DIRECTIONS:

5.1 NAMM should implement a continuous improvement strategy to constantly upgrade its annual trade show in terms of scope, depth and cost-effectiveness.

5.2 NAMM should examine the viability of using its trade show management competency to produce expositions—conventions outside of the United States in order to address needs of the global music products industry.

5.3 NAMM should continue to sponsor and/or facilitate events (meetings, symposia, etc.) that bring all segments of the global music products industry together in order to (a) build greater industry unity; and (b) to create greater business opportunities for all Association Members.

Adopted by the NAMM Board of Directors July 9, 1998

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NAMM-000312

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believe in music

Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #5

TRADE SHOWS AND CONVENTIONS: Sponsor events for music products and services that will also serve as forums for the exchange of information about the industry and markets.

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Adopted by the NAMM Board of Directors July 9, 1998

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6-8-09 COMP REPORT
NAMM-000315

NAMM®
believe in music

Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #6

BUSINESS SERVICES: Provide services and materials which assist Members to increase the profitability of their business operations.

STRATEGIC DIRECTIONS:

6.1 NAMM should survey its Members to identify the "next generation" of business services that can increase the profitability of Members by increasing revenues and/or decreasing expenses.
6.2 NAMM should monitor efforts of other trade associations to provide its Members with business services that, if implemented by NAMM, could strengthen the operational effectiveness of the Association's Members.
6.3 NAMM should ensure that all business services it offers provide a clear economic advantage for Members when compared to competing products and services in the marketplace.
6.4 NAMM should provide an array of business services that address the needs of companies in all segments of the Membership.
6.5 NAMM should continue to support the preservation and documentation of the industry's rich history and role in music making.

Adopted by the NAMM Board of Directors July 9, 1998

NAMM®
believe in music

Mission Statement

general objectives & strategic directions

"NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making."

GENERAL OBJECTIVE #8

IMAGE AND IDENTITY: Enhance NAMM's image and build support for its mission, activities, projects and programs throughout the music community.

STRATEGIC DIRECTIONS:

8.1 NAMM should develop and implement a communications strategy that positions the Association as a strong, contemporary and creative leader of the worldwide music products industry (i.e., NAMM should be "the" Association for the global music products industry and emphasize how this focus benefits all Members and strengthens the domestic industry).

8.2 NAMM should ensure that all Members understand the Association's objectives, strategies and accomplishments; and how these strengthen the industry, create greater short- and long-term opportunities for all Members and increase the likelihood that Members will be successful in operating their own businesses.

8.3 The unique role and contribution of the trade show to NAMM, the industry and Members must be clearly communicated by the Association to all Members.

8.4 NAMM should build strong two-way communication processes between itself and its Members through, for instance, the expanded use of the Association's Web site and other communication technologies.

8.5 NAMM should "counter-argue" perceptions that it is "only" a trade show "sponsorship" organization.

- Short-term payoffs and direct benefits of NAMM Membership must be highlighted for nonmember recruitment.
- Increased utilization of available services by current Members must be achieved for Member satisfaction and retention (i.e., superior marketing efforts are needed).
- Regional events or structures should be developed to serve Members and nonmembers.
- Increased public relations efforts will create a positive image of NAMM among Members and non-members.

Adopted by the NAMM Board of Directors July 9, 1998

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6-8-09 COMP REPORT
NAMM-000326

LEGAL AFFAIRS

Patricia Martin

REDACTED

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6-8-09 COMP REPORT
NAMM-000331

NAMM®
Foundation

Mission Statement

"Advancing active participation in music making across the lifespan by supporting scientific research, philanthropic giving and public service programs from the international music products industry."

NAMM® Foundation

Research Division

"The NAMM Foundation Research Division funds research projects that explore the role of active participation in music during life's various stages. Research is funded under three program areas: *Sounds of Learning* that advances knowledge about the benefits of music education for school age children, *Sounds of Living* that explores the impact of music making and informal music education, and *Scientific Grants* that support scientific discovery about the neural, psychological and physical impact of active participation in music."

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6-8-09 COMP REPORT
NAMM-000358

During the February meeting, research advisors reviewed completed projects and work in progress from nine-funded projects around the country. Reports were provided via call-in conference call from:

- Michael Raiber
  University of Oklahoma - Norman, OK
- Harold Abeles
  Teachers College/Columbia University - NY, NY
- Sandy Stauffer/Margaret Schmitt
  Arizona State University - Tempe, AZ
- Robert Reichardt
  University of Colorado – Denver, CO
- Barry Bittman
  Mind-Body Wellness Center – Meadville, PA
- Susan Calkins
  The University of North Carolina Greensboro
  Greensboro, NC
- Dr. Youngmoo E. Kim
  Drexel University - Philadelphia, PA

One culminating funded project, a documentary project produced by Elena Mannes and PBS, was previewed and strongly endorsed by advisors as representing the outcome and vision of the type of research support that the Foundation is seeking to advance. The documentary called "The Music Instinct: Science and Song" will air on PBS stations in the U.S. on June 24 and is also slated for international distribution. The NAMM Foundation was the first supporter of this project.

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6-8-09 COMP REPORT
NAMM-000360

Mission Statement

"To promote the benefits of music making, music education and music research to the general public."

As an operating division of the NAMM Foundation, the American Music Conference (AMC) contributes to NAMM's ongoing public relation efforts including its WannaPlay campaign and other outreach efforts that seek to expand the public's involvement with music making.

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6-8-09 COMP REPORT
NAMM-000361

MUSEUM OF MAKING

MUSIC

CARLSBAD, CALIFORNIA

Mission Statement

"The Museum of Making Music's mission is to celebrate the rich history and encourage the future of music making.

The Museum's vision is to preserve, communicate, and advance the tradition of innovation and excellence in the music products industry and to help ensure that music making processes, in their broadest sense, continue to thrive.

To achieve this vision, we will engage people of diverse backgrounds in the exploration of the creation, design, distribution and use of musical instruments and tools, and will provide opportunities for people to develop their personal connections with music."

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6-8-09 COMP REPORT
NAMM-000364

NAMM FOUNDATION

MUSEUM OF MAKING MUSIC

Carolyn Grant

OVERVIEW

NAMM's Museum of Making Music has been open to the public since 2000. Since that time, 195,000 visitors have explored the multifaceted history of the American music products industry from its beginnings in the 1890s to today. The Museum serves as a resource for the community of NAMM Members through the preservation, interpretation and sharing of the industry's collective history in a public museum context. In addition, it reveals the unique and often unknown story of the music products industry to the general public. And, through intimate concerts, films, discussions, hands-on workshops, volunteer opportunities and programs for underserved youth, the Museum opens doors to enable people of all ages and walks of life to find their way into the richly kaleidoscopic world of music making.

Further, NAMM's Museum of Making Music is part of an impressive national network of museums that, while diverse in their missions, are united through the esteemed American Association of Museums, its high standards of conduct and its Code of Ethics. According to the AAM, museums in the United States are grounded in a tradition of public service, and make their unique contribution by *exhibiting* the things of this world (owned or borrowed) and *educating* through programs that invite public participation.

The Museum of Making Music aligns itself with the philosophy of the AAM, and makes its unique contribution to the world of museums through exhibiting chapters from the MPI story. These chapters reveal stories of hard work, challenge, inspiration and pioneering innovation, and illustrate the profound relationship between the industry, popular music, and global culture. Additionally, because this industry's story focuses squarely on the actual making of music, the Museum's exhibitions are complemented with educational programs that encourage active participation in music as well as attendance at concerts, lectures and demonstrations. The Museum takes seriously it's responsibility to educate and thus offers stand-alone educational programs that, while not directly related to exhibitions, offer accessible points of entry into music for people of many ages.

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What follows is a brief update on the Museum's duet of *exhibitions* and *education.*

SPECIAL EXHIBITIONS

The Museum's special exhibitions typically run for a six-month period. They present themes that complement and expand upon the Museum's permanent exhibitions. Special exhibitions keep the Museum in the public eye, encourage repeat visitors and increase Museum Membership and support.

The Magic and Mystery of Slide Guitar

Exhibition: *October '08 through March '09*
Programs: *Opening Reception and sold-out performance series including artists David Lindley, Sonny Landreth, Ravikiran, Martin Simpson, Bob Brozman, Cindy Cashdollar, Freddie Roulette, Henry Kaiser and others.*

ON! The Beginnings of (the) Electric Sound Generation

Exhibition: *April '09 through March '10*
Programs: *Opening Reception and educational presentation series including "The Electric Effect," "Harnessing Lightning: How Music Becomes Electric," and "The Lore of Loar."*

Waves of Inspiration: The Legacy of Moog *(in collaboration with The Bob Moog Foundation)*

Exhibition: *August '09 through March '10*
Programs: *Opening Reception and Performance Series (in development)*

Online Exhibitions

The Museum recently began an online exhibition program. These exhibitions will run indefinitely and add to the richness and depth of its online community. The first of such exhibitions is *The Ukulele and You: America's Love Affair with the Jumping Flea* which can be found at http://www.museumofmakingmusic.org/ukulele/.

EDUCATION PROGRAMS

The goals of the Museum's education program include:

- To create opportunities for children to experience music and music history through engaging activities and programs
- To form partnerships with local schools to develop and pilot music programs which incorporate Museum content with classroom and music curriculum

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- To respond to the education interest and needs of the community through ongoing dialogue and feedback from our constituents
- To provide a music education community where economic status and age are not barriers to participation
- To create engaging and accurate content to enhance the visitor experience during their visit to the Museum
- To develop fieldtrip programs that are rooted in California State Standards and supplemented by pre- and post-visit curriculum

The programs we currently are running to meet these goals are:

New Horizons Band AND New Horizons String Orchestra (55+)
Music for Little Mozarts (ages 4 to 6, coming this summer)
Summer Music Camp (ages 8 to 18)
MusicVentures Fieldtrip Program (grades 1 through 6)
Professional Development Workshops (partnership with Cal State University-San Marcos)
Music and Wellness Series (ages 18+)
Family Activity Days (families)
Musical Performances and "Concert and Conversation" evenings (general adult)
School Partnerships
Film Series (general adult)

ADDITIONAL INFORMATION

Online Presence

The Museum has an ever-growing and active presence in the following online communities:

Facebook: *www.facebook.com/pages/Carlsbad-CA/Museum-of-Making-Music/69516235423*
Twitter: *http://twitter.com/MuseumMaknMusic*
Flickr: *http://www.flickr.com/photos/museumofmakingmusic*
MySpace: *http://www.myspace.com/museumofmakingmusic*
YouTube: *http://www.youtube.com/museumofmakingmusic*

Advisory Board

The Members of the Museum's Advisory Board are as follows:

Henry K.S. Lee, President
Terry Lewis, Vice-President
Michael Greene, Secretary/Treasurer
Remo Belli
Bob Chini

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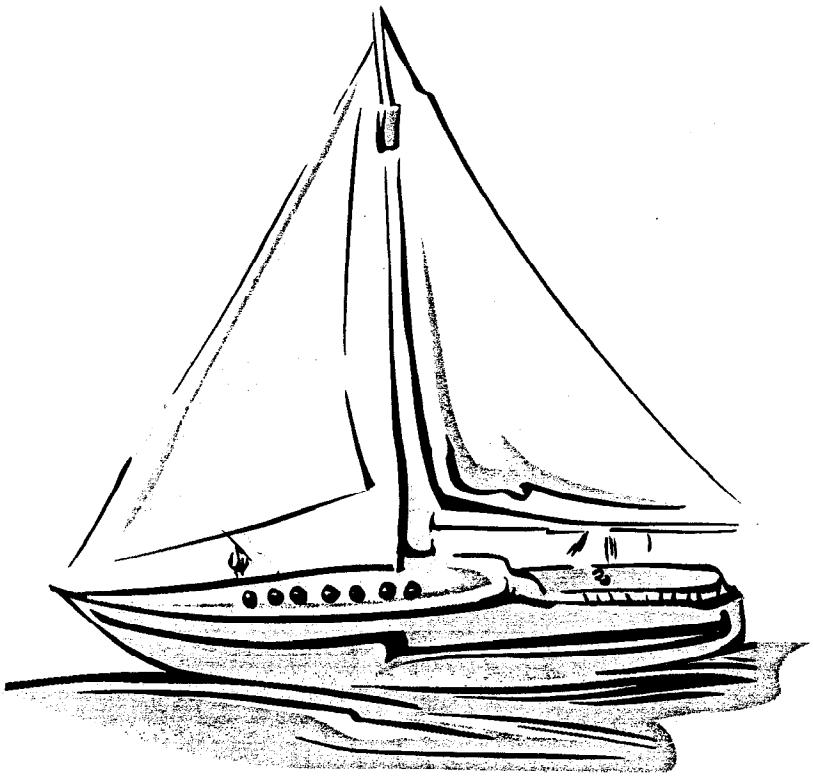
2009 Board Meeting, The Breakers, Palm Beach, Florida



Grants and Scholarships

Committee Report

To be presented at Board meeting

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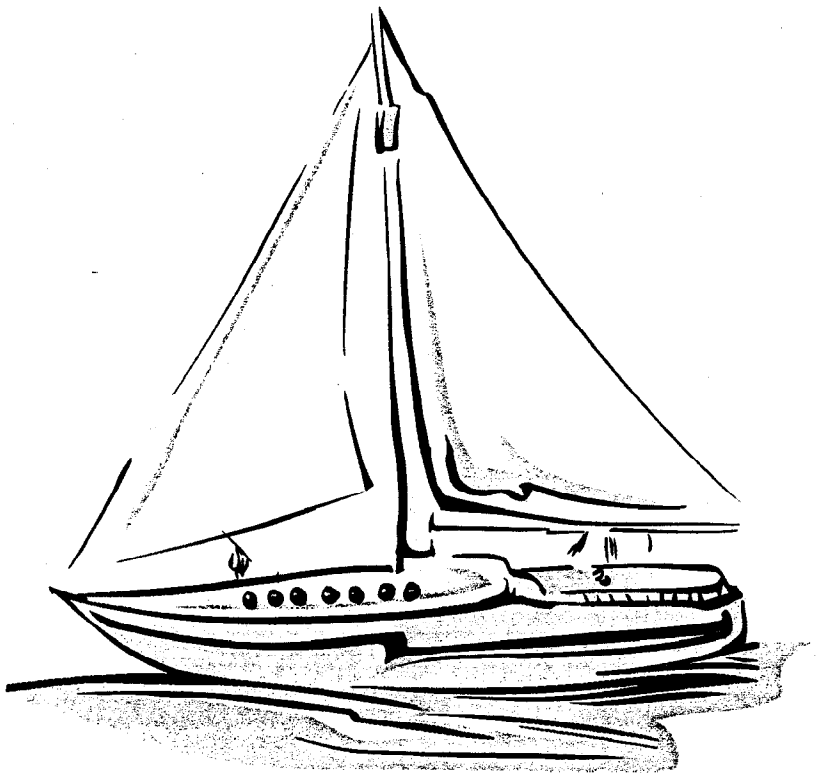
NAMM-000373

2009 Board Meeting, The Breakers, Palm Beach, Florida



Market Development

Committee Report

To be presented at Board meeting

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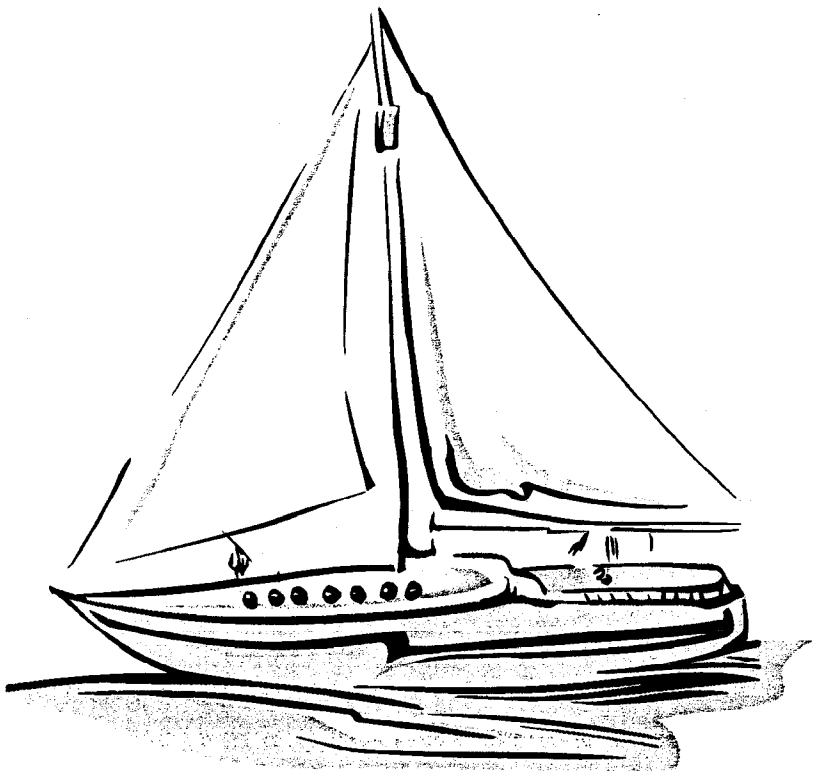
NAMM-000393

2009 Board Meeting, The Breakers, Palm Beach, Florida



Professional Development

Committee Report

To be presented at Board meeting

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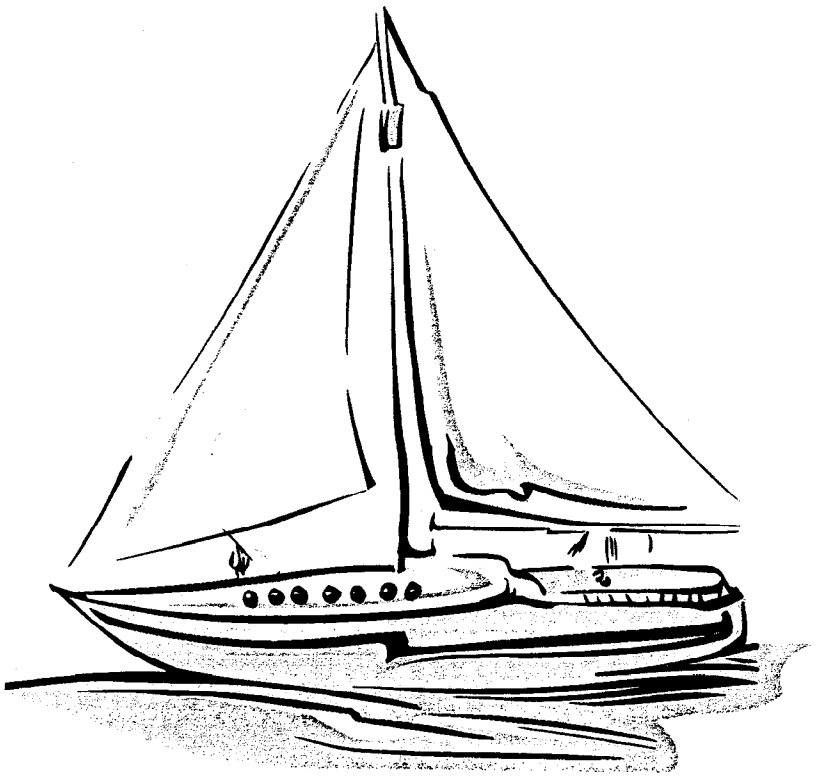
NAMM-000394

2009 Board Meeting, The Breakers, Palm Beach, Florida



Government Relations and Music Education

Committee Report

To be presented at Board meeting

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Board of Directors
Palm Beach, Florida • April 29-May 3, 2009

ABRIDGED RULES OF ORDER

1. ONLY ONE SUBJECT MAY BE BEFORE THE GROUP AT ONE TIME.
That is the reason for motions. How often do boards debate for 20 minutes, only to find that two or more factions have been talking at cross-purposes? A motion focuses the group's attention on one specific action or issue.

2. SECONDING THE MOTION.
A motion requires a seconder because unless more than one person in the group wants to discuss the issue, it is a waste of the group's time. Sometimes the person who seconds the motions says, "I second it for the sake of discussion," by saying this, the seconder is signaling that he or she is not necessarily endorsing the action but believes it merits further discussion.

3. SPEAKING ORDER.
The mover of the motion speaks first and last. Having tossed the action on the table with little or no preamble, the mover of the motions logically speaks first to explain why he or she believes taking this action will benefit the organization. After several Members of the group have spoken for and against the motion, it is only fair that the mover of the motion have an opportunity to remind the group of the motions' original intent, and so the mover of the motions closes the debate before the vote.

4. NEGATIVE MOTIONS.
There is no such thing as a negative motion. If a motion is meant to propose action, it must be positive. The proper way to stop doing something is to make the motion and defeat it. There is no harm in defeating a motion, in fact, it is wise to have the proposed action on the record as having been discussed and rejected.

5. EACH ITEM PRESENTED FOR CONSIDERATION IS ENTITLED TO FULL AND FREE DEBATE.
The chair must ensure that everyone has the opportunity to speak. During discussion, speakers should signal whether they are speaking for or against the motion. This makes it easier for listeners to focus on the speaker's intent. The speaker begins his or her remarks by saying, "Speaking for (or against) the motions..." The chair should stop irrelevant remarks immediately. Discussion not relevant to the motion at hand is out of order.

6. ALL BOARD MEMBERS HAVE EQUAL RIGHTS.
A speaker should not have a second chance to speak until everyone has had an opportunity to present an opinion. This principle of parliamentary procedure prevents outspoken Members of the board from dominating the discussion. The chair determines the need for a second chance to speak, ensuring that fairness and time efficiency prevail.

7. THE RIGHTS OF THE MINORITY MUST BE PRESERVED, BUT THE WILL OF THE MAJORITY MUST BE CARRIED OUT.

During discussion, the chair ensures that both sides of the issue are debated fairly. However, by voting on the motion, the group ensures that the will of the majority is carried out. Only one speaker may have the floor at a time. No one should speak until he or she has been given the floor by the chair. All speakers should address his or her remarks to the chair. This eliminates any opportunity for two or more Members to enter into arguments. If the speaker begins to argue with another Member of the group, he or she will be reminded to direct all remarks to the chair.

8. ONCE AN ACTION IS PASSED, IT SHOULD BE SUPPORTED BY THE WHOLE GROUP.

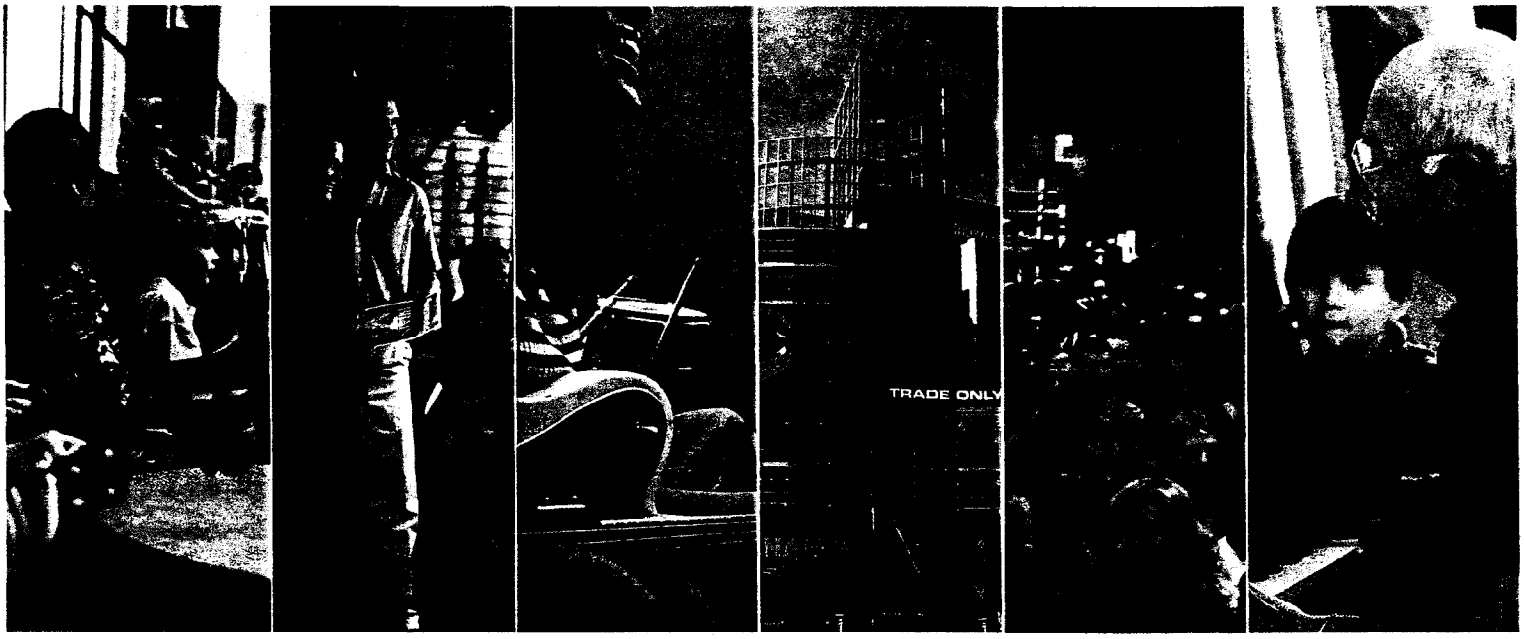
Often called "unity of action," this principle of parliamentary procedure is critical to an organization's effectiveness. Despite the individual positions taken during debate on the motion, whatever action was decided becomes a group action.

9. ADDED ACTIONS.

Amendments to the original motion allow the group to make minor modifications so that the action being proposed is more acceptable to the group as a whole. If the original motion is totally unacceptable, participants may defeat it, but if it simply requires some modification, they may amend it. An amendment may delete, add, or replace words in the motion, but it must not change the original intent of the motion. Amendments require a seconder and full debate. Only the modification being proposed may be discussed during the motion to amend. An amendment may also be amended during discussion on the modification being proposed, it may become apparent that the modification is not exact enough. The amendment to amend must be seconded and debated in the same manner as any motion. The chair must ensure that debate is focused on only the modification being proposed to the amendment. Only three motions may be considered by the board at one time...the main motion, the amendment to the main motion, and the amendment to the amendment...this is all any group should be expected to handle at any one time. When a main motion is amended, discussion and voting occurs in reverse order. Since the second amendment modifies the first, it must be decided before the group can consider the first amendment. And since the outcome of both amendments could affect the final wording of the main motion, they must both be decided before the group can consider the first amendment. And since the outcome of both amendments could affect the final wording of the main motion, they must both be decided before an action can be taken on the main motion.

10. WHEN IN DOUBT OR WHEN CONFUSION THREATENS COMPLETE UNDERSTANDING.

Parliamentary procedure is an effective means of running a meeting. If however, basics become confusing the chair shall be guided by two principles: (a) what is fair and (b) what is time efficient.



NAMM®

the, International Music Products Association
5790 Armada Drive, Carlsbad, CA 92008 (760) 438-8001

SERVING THE MUSIC PRODUCTS INDUSTRY

Mission Statement

general objectives & strategic directions

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MISSION STATEMENT: NAMM's mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making.

Adopted by the NAMM Board of Directors July 9, 1998

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GENERAL OBJECTIVES:

The highest-priority purposes of NAMM, consistent with its Mission, are defined in the following General Objectives. These Objectives define the scope of NAMM and its fundamental priorities.

1. Professional Development:	Enhance the professional competencies of Members to manage successful businesses in a changing industry environment.
2. Market Development:	Expand markets for music products and services, and communicate the benefits of active participation to enlarge the portion of the population that makes music and understands the value of music making.
3. Statistical Services:	Collect, interpret and disseminate statistical and trend information on the sale of musical products and services.
4. Government Relations:	Monitor and influence appropriate legislation and regulations at federal, state and local levels which affect the industry, its markets and governmental support for music education.
5. Trade Shows and Conventions:	Sponsor events for music products and services that will also serve as forums for the exchange of information about the industry and markets.
6. Business Services:	Provide services and materials which assist Members to increase the profitability of their business operations.
7. Organizational Relationships:	Create and participate in alliances and relationships with all organizations whose actions can support attainment of NAMM's Mission.
8. Image and Identity:	Enhance NAMM's image and build support for its mission, activities, projects and programs throughout the music community.
9. Technology:	Assume an industry leadership role by identifying appropriate information systems and other cutting-edge technologies, and providing educational and support services that enable all Members to benefit from them.
10. Organizational Competency:	Ensure that NAMM's organizational structure, management, processes and resources enable the achievement of its Mission and the preceding General Objectives.

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STRATEGIC DIRECTIONS:

Based upon the Mission Statement and General Objectives, a series of Strategic Directions will help to define "what" NAMM should do to address its General Objectives in a responsive manner. Below is the criteria used to develop the Strategic Directions:

- What NAMM should do to address its General Objectives
- Master or Core Strategy areas for NAMM
- Organization skills and competencies

On the following pages, critical Strategic Directions for each General Objective are given. These Directions define the focus that NAMM should build into its annual plans and operating budgets that were developed by the Association's committees and staff.

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GENERAL OBJECTIVE #1

PROFESSIONAL DEVELOPMENT: Enhance the professional competencies of Members to manage successful businesses in a changing industry environment.

STRATEGIC DIRECTIONS:

1.1 NAMM should obtain and analyze data from Members and information from other sources to identify the professional development needs of both retailer and commercial Members.

1.2 NAMM should strengthen the scope and depth of products offered by NAMM University.

1.3 NAMM should continue to explore the application of technology-based and other non-traditional vehicles for delivering information and education to Members.

1.4 NAMM should educate its Members on strategies and programs needed for educating their customers (i.e., manufacturers train reps and dealers, dealers train their customers, etc.).

1.5 NAMM should develop close relationships with colleges to increase the number of qualified students seeking a career in music.

1.6 NAMM University should teach retailers "how to" create and operate well-run music education programs in local non-school settings (within stores, YMCAs, etc.) because education is a point of differentiation against price and service for independent retailers.

GENERAL OBJECTIVE #2

MARKET DEVELOPMENT: Expand markets for music products and services, and communicate the benefits of active participation to enlarge the portion of the population that makes music and understands the value of music making.

STRATEGIC DIRECTIONS:

2.1 Leverage NAMM resources to reach as many potential music participants as possible through, for instance, the development of strong relationships with other industry, industry related and other organizations whose actions can support NAMM's Mission and its advocacy effort.

2.2 Encourage and support industry-segment-specific associations to create appropriate market-building programs.

2.3 NAMM should support scientific research which strengthens the case for music making and music education through the International Foundation for Music Research and continue to promote the findings of research to the Membership and, through others, to the general public.

2.4 NAMM should recognize that all Market Development activities need to be marketed to the industry.

2.5 NAMM should teach its Members "how to" utilize all market development programs with an appropriate level and type of marketing and promotion.

2.6 NAMM should be "proactive" in encouraging "alternative sources" for music exposure/ experiences which encourage the creation of long-term active music makers or are a supplement of high-quality, sequential education in music.

GENERAL OBJECTIVE #3

STATISTICAL SERVICES: Collect, interpret and disseminate statistical and trend information on the sale of musical products and services.

STRATEGIC DIRECTIONS:

3.1 Establish NAMM as "the" reliable, accurate and dependable source of industry and market data.

3.2 NAMM should conduct research to identify the categories and depth of information that is sought by all segments of Members (i.e., establish an information agenda).

3.3 Utilize a recognized outside resource to collect data in a credible, secure manner that protects the anonymity of all participants.

3.4 Compile data from members, "skull" groups and secondary sources for use by Members.

3.5 NAMM should study changes in the overall competitive structure of the industry and, then, provide information—education to help all types of Members adapt to and succeed in their own competitive environments.

3.6 Industry structure issues, trends and strategies from other industries (at retail, distribution and production levels) provide "case study" information that NAMM can provide to current Members

GENERAL OBJECTIVE #4

GOVERNMENT RELATIONS: Monitor and influence appropriate legislation and regulations at federal, state and local levels which affect the industry, its markets and governmental support for music education.

STRATEGIC DIRECTIONS:

4.1 NAMM should continue to identify, monitor and influence those issues that most impact the future strength of the music products industry.

4.2 NAMM should be prepared to increase its emphasis on addressing governmental issues that impact Members' operations and profitability and the industry's long-term strength.

4.3 NAMM should develop a grassroots capability to represent the industry's interests by educating Members on "how to" communicate and educate policymakers at local and national levels.

4.4 NAMM should identify and organize to spearhead the Association's grassroots governmental initiatives.

4.5 NAMM should continue to create and strengthen relationships with elected governmental officials and other public policymakers to support and enact legislation that provides music and arts education programs in public and private schools.

GENERAL OBJECTIVE #5

TRADE SHOWS AND CONVENTIONS: Sponsor events for music products and services that will also serve as forums for the exchange of information about the industry and markets.

STRATEGIC DIRECTIONS:

5.1 NAMM should implement a continuous improvement strategy to constantly upgrade its annual trade show in terms of scope, depth and cost-effectiveness.

5.2 NAMM should examine the viability of using its trade show management competency to produce expositions—conventions outside of the United States in order to address needs of the global music products industry.

5.3 NAMM should continue to sponsor and/or facilitate events (meetings, symposia, etc.) that bring all segments of the global music products industry together in order to (a) build greater industry unity; and (b) to create greater business opportunities for all Association Members.

GENERAL OBJECTIVE #6

BUSINESS SERVICES: Provide services and materials which assist Members to increase the profitability of their business operations.

STRATEGIC DIRECTIONS:

6.1 NAMM should survey its Members to identify the "next generation" of business services that can increase the profitability of Members by increasing revenues and/or decreasing expenses.

6.2 NAMM should monitor efforts of other trade associations to provide its Members with business services that, if implemented by NAMM, could strengthen the operational effectiveness of the Association's Members.

6.3 NAMM should ensure that all business services it offers provide a clear economic advantage for Members when compared to competing products and services in the marketplace.

6.4 NAMM should provide an array of business services that address the needs of companies in all segments of the Membership.

6.5 NAMM should continue to support the preservation and documentation of the industry's rich history and role in music making.

GENERAL OBJECTIVE #7

ORGANIZATIONAL RELATIONSHIPS: Create and participate in alliances and relationships with all organizations whose actions can support attainment of NAMM's Mission.

STRATEGIC DIRECTIONS:

7.1 NAMM must partner and build relationships with "traditional" industry organizations (like NARAS, MENC, etc.) and non-traditional interests (like "wellness" or "life enhancement" organizations) to enhance the industry's ability to tell its story and to increase the number of active music makers.

7.2 NAMM must position the music products industry as a key part of the "entertainment industry" while, at the same time, creating relationships with non-entertainment organizations and interests as vehicles to increase the number of active music makers.

7.3 NAMM should continue to create and strengthen relationships with the educational community to establish a common focus, mutually beneficial relationships, understanding of different perspectives and viewpoints, etc. (i.e., continue to embrace and partner with the educational community).

7.4 NAMM should encourage Members (especially at retail and wholesale levels) to communicate with music schools' departments at local levels, to create mutually beneficial relationships.

GENERAL OBJECTIVE #8

IMAGE AND IDENTITY: Enhance NAMM's image and build support for its mission, activities, projects and programs throughout the music community.

STRATEGIC DIRECTIONS:

8.1 NAMM should develop and implement a communications strategy that positions the Association as a strong, contemporary and creative leader of the worldwide music products industry (i.e., NAMM should be "the" Association for the global music products industry and emphasize how this focus benefits all Members and strengthens the domestic industry).

8.2 NAMM should ensure that all Members understand the Association's objectives, strategies and accomplishments; and how these strengthen the industry, create greater short- and long-term opportunities for all Members and increase the likelihood that Members will be successful in operating their own businesses.

8.3 The unique role and contribution of the trade show to NAMM, the industry and Members must be clearly communicated by the Association to all Members.

8.4 NAMM should build strong two-way communication processes between itself and its Members through, for instance, the expanded use of the Association's Web site and other communication technologies.

8.5 NAMM should "counter-argue" perceptions that it is "only" a trade show "sponsorship" organization.

- Short-term payoffs and direct benefits of NAMM Membership must be highlighted for non-member recruitment.
- Increased utilization of available services by current Members must be achieved for Member satisfaction and retention (i.e., superior marketing efforts are needed).
- Regional events or structures should be developed to serve Members and non-members.
- Increased public relations efforts will create a positive image of NAMM among Members and non-members.

GENERAL OBJECTIVE #9

TECHNOLOGY: Assume an industry leadership role by identifying appropriate information systems and other cutting-edge technologies and providing educational and support services that enable all Members to benefit from them.

STRATEGIC DIRECTIONS:

9.1 Position NAMM as the industry's technology leader by focusing on areas like EDI, bar-coding, standards, Internet, etc.

9.2 NAMM should identify Members' needs in technology through survey research and other input processes.

9.3 NAMM should help Members to incorporate capabilities of the Internet, specifically, into their business strategies.

9.4 NAMM should be the "information clearinghouse" for those information technologies most related to improving industry and Member productivity.

9.5 NAMM should identify technology applications in other industries that best "fit" the music products industry.

9.6 NAMM should take a leadership role in establishing, defining and standardizing information technology in the music products industry.

9.7 NAMM should act as an industry catalyst in the advancement of MIDI and other industry technology standards.

GENERAL OBJECTIVE #10

ORGANIZATIONAL COMPETENCY: Ensure that NAMM's organizational structure, management, processes and resources enable the achievement of its Mission and the preceding General Objectives.

STRATEGIC DIRECTIONS:

10.1 NAMM should continue to obtain formal and informal feedback from Members to better and more completely define their needs or expectations; and their perceptions of the Association's performance in satisfying such needs.

10.2 NAMM should continue to incorporate state-of-the-art information and communication technologies in its programming and in its delivery systems.

10.3 NAMM should develop succession plans to ensure staff continuity over the long-term.

10.4 NAMM should develop a comprehensive and ongoing program to upgrade the competencies and skill sets of its staff.

10.5 NAMM should continue to use sound financial management approaches in revenue generation, cost controls, and in its budgeting and control process.

10.6 NAMM should ensure that it cultivates and uses volunteer leadership talent in an effective manner at Executive Committee, Board and Committee levels.

10.7 NAMM should develop and implement a self-evaluation process—to assess its performance against stated goals, measure alignment of its resources against priorities, evaluate organizational structure and process efficiency, etc.—and report results to the Board on a regular basis.

GENERAL OBJECTIVE #10 (continued)

10.8 NAMM should constantly identify and evaluate potential changes in its organizational structure that might be needed to serve Members more effectively and efficiently.

- NAMM should assess the desirability of positioning itself as the "umbrella" organization for the global industry (i.e., an International Music Products Association could be the "umbrella organization" under which NAMM and other organizations would be clustered).
- NAMM could be positioned as an "umbrella" organization with departments (or Divisions) established to meet the needs of specific segments (size of Member, categories of business; domestic-international; band instruments, keyboard, combo, etc.).
- Members would join "NAMM" and the Association would pursue broad-based initiatives in market development, government relations, global scope, relationship building and trade show sponsorship.
- Members would join the Divisions for "direct" Member services in education, statistics, etc.

10.9 Define the scope and nature of benefits to be achieved through all NAMM activities, ensuring the appropriate strategies and resources necessary to achieve each benefit.

10.10 NAMM should ensure that adequate staff and financial resources are available to support all strategic directions.

BYLAWS

NAMM®

National Association of Music Merchants, Inc.
5790 Armada Drive, Carlsbad, California 92008 (760) 438-8001

SERVING THE MUSIC PRODUCTS INDUSTRY

As amended April 29, 2006
As amended July 18, 2002
As amended April 1, 2001
As amended April 30, 1998
As amended January 20, 1996
As amended July 16, 1993
As amended January 22, 1993
As amended April 28, 1992
As amended January 15, 1992
As amended June 16, 1989
As amended January 1, 1985
As amended June 29, 1980
As amended August 1, 1968
As amended August 1, 1967
As amended August 1, 1964
As amended August 1, 1957
As amended August 1, 1953
As amended August 1, 1952
As amended August 1, 1951
As amended August 1, 1948
As amended August 1, 1947
As amended August 1, 1945

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NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.
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ARTICLE I
NAME AND LOCATION OF GENERAL HEADQUARTERS

SECTION 1.01. NAME. THE NAME OF THIS ASSOCIATION SHALL BE:

"NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC."

The association shall be referred to herein as the "Association."

SECTION 1.02. LOCATION OF GENERAL HEADQUARTERS.
The business office and general headquarters of this Association shall be maintained at such place and under such conditions as the Board of Directors may determine, unless specific provision therefor has been made by the Members of the Association in an Annual Meeting.

ARTICLE II
OBJECTIVES

SECTION 2.01. OBJECTIVES OF THE ASSOCIATION.
The objectives of this Association shall be those defined by the Association's Strategic Plan as it may be amended from time to time by vote of the Board of Directors.

ARTICLE III
MEMBERSHIP

SECTION 3.01. CLASSES OF MEMBERSHIP.
This Association shall have the following classes of members: Retail Members, Affiliate Retail Members, Commercial Members, Affiliate Commercial Members, Manufacturers Representative Members, Service Provider Members, and NAYMM Members.

SECTION 3.02. RETAIL MEMBERS.
Any corporation, partnership, proprietorship, or company or division thereof (any one of which is sometimes referred to hereinafter as a firm) that is actively and legitimately engaged as its predominant business in selling musical instruments or products at retail and that may be engaged in related activities such as providing music lessons, instrument repair, or instrument rental, and that purchases musical instruments, products, or components for such sales from music industry manufacturers or distributors, which such firm sells at retail, shall be eligible for Retail membership in this Association.

SECTION 3.03. AFFILIATE RETAIL MEMBERS.
Any firm that is actively and legitimately engaged (although not as its predominant business) in selling musical instruments or products at retail and that may be engaged in related activities such as providing music lessons, instrument repair, or instrument or studio rental, and that purchases musical instruments, products, or components for such sales from 3 or more music industry manufacturers or distributors (or at wholesale from dealers), which such firm sells at retail, shall be eligible for Affiliate Retail membership in this Association.

SECTION 3.04. COMMERCIAL MEMBERS.
Any firm that is actively and legitimately engaged (or can reasonably be expected to be so engaged within the immediately ensuing 6 months) as its predominant business in selling at wholesale to music industry dealers (or to distributors for resale to such dealers) musical instruments or products of general interest to Retail Members of the Association shall be eligible for Commercial membership in this Association.

SECTION 3.05. AFFILIATE COMMERCIAL MEMBERS.
Any firm that is actively and legitimately engaged (or can reasonably be expected to be so engaged within the immediately ensuing 6 months), although not as its predominant business in selling to 3 or more music industry manufacturers or dealers (or to distributors for resale to such dealers) musical instruments or products of general interest to Retail Members of the Association shall be eligible for Affiliate Commercial membership in this Association.

SECTION 3.06. MANUFACTURERS REPRESENTATIVE MEMBERS.
Any firm or individual entity that is actively and legitimately engaged in the business of acting as a sales representative for one or more current Commercial NAMM member shall be eligible for Manufacturers Representative membership in this Association.

SECTION 3.07. SERVICE PROVIDER MEMBERS.
Any firm or person who is actively and legitimately engaged in the business of selling products or services to 3 or more current Retail or Commercial NAMM members, using a program specific to the music products industry, where such products or services are not provided for resale or used in manufacturing musical instruments or products but are of assistance to Retail or Commercial NAMM members in conducting their businesses, shall be eligible for Service Provider membership in this Association.

SECTION 3.08. NAYMM.
Any person, age 35 or younger, in the employ of a Retail or Commercial Member of the Association shall be eligible for the National Association of Young Music Merchants ("NAYMM") class of membership in the Association. Applications for NAYMM membership shall be submitted in writing in the form and manner specified by the Association and shall bear the approval of the

Representative of the Retail or Commercial Member that employs the applicant. Applications shall be considered by the President or his or her staff and shall be examined and accepted or rejected in the manner prescribed by the Board of Directors. NAYMM Members may, by a vote of such Members, adopt a NAYMM membership class charter (subject to approval by the Board of Directors). The NAYMM Members shall elect a President of NAYMM Members by a procedure and for a term set out in such charter. Except as otherwise provided in these Bylaws, NAYMM Members shall not have the right and privilege of voting at elections or on matters requiring the approval of the Association's Members.

SECTION 3.09. INTERPRETATION OF MEMBERSHIP CRITERIA.
Questions of interpretation of the eligibility criteria shall be determined by the President or his or her staff, whose decision shall be final.

SECTION 3.10. APPLICATION FOR MEMBERSHIP.
Application for membership shall be made to this Association in writing in the form and manner specified by the Association. Such application shall signify the applicant's agreement to comply with the Association's Bylaws and other applicable rules and regulations approved by the Board of Directors. Such application shall be accompanied by payment of membership dues for the applicable membership category, in an amount set by the Board of Directors pursuant to Section 3.17 of these Bylaws. Applications for membership shall be considered by the President or his or her staff and examined and accepted or rejected in the manner prescribed by the Board of Directors. Applicants for membership shall be promptly notified of the action or decision on their applications. Membership shall be on an annual basis, and annual renewal of membership shall require approval of the President or his or her staff in the manner prescribed by the Board of Directors.

SECTION 3.11. VOTING MEMBER RIGHTS.

(a) Retail Members, Commercial Members and Manufacturers Representative Members shall have the rights afforded members under the Association's Certificate of Incorporation (the "Certificate of Incorporation"), these Bylaws, and the New York Not-For-Profit Corporation Law (the "Law"). Retail Members, Commercial Members, and Manufacturers Representative Members shall vote and otherwise act as a single class of membership for voting and membership rights purposes, except as otherwise provided herein (and shall hereafter be referred to as "Voting Members.") No firm shall be permitted more than one vote as a Member of the Association, notwithstanding the fact that such firm may be eligible for admission in more than one of the classes of voting membership referred to in this Section 3.11. Nothing in this Section 3.11 shall be construed as limiting the right of the Association to refer to other persons or entities associated with it as "members" (such as Affiliate Retail Members, Affiliate Commercial Members, Service Providers, or NAYMM Members) even though such persons or entities are not members with voting rights under the Law, and no such reference shall confer any rights on such persons or entities other than as set forth in these Bylaws.

(b) In the event of dissolution of the Association, Voting Members of record at the time a certificate evidencing the Association's election to dissolve is filed with the Department of State or, if no such election is made, at the time a judgment or final order dissolving the Association is entered, shall have the rights afforded members under the provisions of the Law pertaining to dissolution.

SECTION 3.12. OFFICIAL REPRESENTATIVE OF VOTING MEMBER.

Any firm which is now or hereafter becomes a Retail Member, a Commercial Member, or a Manufacturers Representative Member of this Association shall designate, in the membership application or by subsequent written notice delivered to the Association's President, one individual as its official representative ("Representative") in its relations and affairs with this Association. Such individual must be an owner, officer, or employee of the Voting Member. Such Representative shall have the right to exercise the voting rights of the Voting Member at meetings of the Association or otherwise. The Representative so designated may be replaced at the discretion of the Voting Member by duly authorized written notice to the President designating the name and address of the Voting Member's new Representative. However, a Voting Member may not replace its Representative at any time when such Representative is serving as a Director or Officer of the Association. If an elected Director or Officer (other than the President) ceases to be a Representative of a Voting Member in good standing, such person's office or seat on the Board of Directors shall be deemed vacant.

SECTION 3.13. EXHIBITION.

No person, partnership, firm, corporation, or company conducted for profit shall be eligible to rent, use, or otherwise obtain exhibit or display space or facilities at any convention, meeting, or trade show of this Association unless such person, partnership, firm, corporation, or company is a Commercial Member, Affiliate Commercial Member, or Service Provider Member of this Association in good standing. In keeping with the primary purpose of such conventions, meetings, or trade shows, Commercial and Affiliate Commercial Members may be given priority over Service Provider Members for exhibit space, at the discretion of the President or his or her staff. The Association may adopt and enforce rules and regulations, not inconsistent with these Bylaws, regarding all aspects of such conventions, meetings, or trade shows (including specifying the persons who may attend).

SECTION 3.14. BYLAWS TO GOVERN.

All Members of this Association shall, in their relations to and with this Association, be governed by the provisions of these Bylaws as, at present, adopted or as amended.

SECTION 3.15. RESIGNATION BY MEMBERS.

Membership in this Association may be terminated voluntarily by delivery of written notice of resignation to the Association's President. No such resignation shall be effective unless the resigning Member shall, at the time, be in good standing and shall have paid all past and present indebtedness to the Association, including dues and assessments for the fiscal year in which such resignation is tendered.

SECTION 3.16. EXPULSION AND SUSPENSION.

(a) No person or firm acquires any of the rights and privileges of membership in the Association by virtue of applying for or being accepted to membership in the Association, if such person or firm is in fact ineligible for membership at the time of applying for membership. Similarly, an eligible person or firm who is properly admitted to membership in the Association and who subsequently becomes ineligible (whetherby change in business operations or otherwise) shall thereupon cease to enjoy the rights and privileges of membership. Any such person or firm claiming to be a Member of the Association who is at any time determined to have been ineligible at the time of applying or to have subsequently become ineligible may be stricken from the Association's membership roles upon the order of the Chairman and President of the Association, after giving reasonable notice and opportunity to such person or firm to establish that such person or firm was and is eligible for membership in the relevant class of membership. Such an order shall be effective without action of the Board of Directors and no hearing before the Board shall be required. A person or firm stricken under this subsection may be subsequently admitted to membership only upon the terms and conditions provided by the Board of Directors.

(b) (1) The Chairman, the Board of Directors, or the Executive Committee (the "citing body") may, on its own motion or on written complaint of a Voting Member and after reasonable investigation, cite any Member of the Association to answer a charge of conduct alleged to be detrimental to the welfare or character of this Association or in violation of its Bylaws and may convene a hearing on such charge. At the direction of the citing body, the Secretary shall have written notice delivered to the cited Member at least 30 days prior to such hearing, specifying: (i) the charge against such Member stated in sufficient detail to enable the Member to respond; (ii) the date, place, and time of the hearing; (iii) the rights of the Member at the hearing; and (iv) the hearing's purpose and possible result of expulsion.

(b) (2) Such hearing may be conducted by the Board of Directors or by a committee of not less than five Voting Members in good standing. The cited Member shall be entitled to appear in person, to be heard, and to be represented by counsel at such hearing. The Board of Directors or the committee appointed by the Board shall determine whether the cited Member is guilty or not guilty of the charge. The Board of Directors or the committee shall be the sole judge of what constitutes conduct detrimental to the welfare or character of this Association or in violation of its Bylaws and shall be the sole judge of the sufficiency of the evidence by which such conduct is determined. If the Board of Directors or the committee shall be satisfied that the Member is guilty of the charge, the Board or committee may expel or suspend such Member by a threefourths vote of the Directors or committee members present at such meeting. A Member so expelled or suspended shall not be considered to be a Member in good standing for purposes of these Bylaws. Such a Member may, upon written application, be reinstated to membership in this Association upon such terms and conditions as the Board of Directors shall determine.

SECTION 3.17. MEMBER DUES.
The Board of Directors shall have the authority to impose dues and other assessments on the Association's Members. The amount and frequency of such dues and assessments may vary among the classes of Members and among Members within a class depending on the number of places of business such Members operate.

SECTION 3.18. CHANGES IN DUES.
Should the Board of Directors decide to change the amount of dues or other assessments imposed on any class of Members, the Board shall notify the Voting Members in writing of such change at least 60 days before the change is to be effective. If, during such period, the Association receives written objections to such change from 10 percent of its Voting Members in good standing, such change shall not take effect unless and until it has been submitted to and approved by the Voting Members.

SECTION 3.19. DEFAULT IN DUES PAYMENT.
Any Member in default in the payment of dues or assessments for 30 days shall be suspended from membership in the Association and shall thereupon not be considered to be a Member in good standing for purposes of these Bylaws. Any Member in default in the payment of dues or assessments for 180 days shall be dropped from the membership rolls but shall remain liable for any dues or assessments unpaid on the date the Member is dropped from membership. Members dropped from the membership rolls for non-payment of dues or assessments may be reinstated upon payment of all back dues and assessments and by complying with other requirements as determined by the Board of Directors.

ARTICLE IV
MEETINGS OF MEMBERS AND VOTING

SECTION 4.01. ANNUAL MEETING OF MEMBERS.
The Annual Meeting of Members of this Association shall be on the date and at the time and place determined by the Board of Directors or the Executive Committee.

SECTION 4.02. SPECIAL MEETINGS OF MEMBERS.
Special Meetings of the Members of the Association may be called at any time by the Chairman or by the Board of Directors and shall be held at the time and place determined by the Board of Directors or Executive Committee. Special Meetings may be called by not less than the lesser of 100 Voting Members in good standing or 10 percent of the Voting Members in good standing, provided such Members file with the Secretary a written demand over their own names and the signatures of their Representatives, specifying the date of the Special Meeting, which shall not be les than two months nor more than three months from the date such written demand is delivered to the Secretary. If the Secretary fails to give notice of the Special Meeting of Members within five days of receiving such a demand, any Voting Member signing the written demand may give notice of the meeting. Special Meetings called by Members of the

Association shall be held in the state and county in which the Association is headquartered.

SECTION 4.03. NOTICE OF MEETINGS OF MEMBERS.

(a) Written notice of each meeting of Members shall be given to each Member entitled to vote at such meeting. Such written notice shall state the place, date, and hour of the meeting and, unless it is an Annual Meeting, shall indicate that it is being issued by or at the direction of the person or persons calling the meeting. Notice of a Special Meeting of Members shall also state the purpose or purposes for which the meeting is called, and no business other than that specified in the notice may be transacted at the Special Meeting.

(b) Such written notice shall be given personally or by mail. If the notice is given personally or by first class mail, it shall be given not less than 10 nor more than 50 days before the date of the meeting; if mailed by any other class of mail, it shall be given not less than 30 nor more than 60 days before such date. If mailed, such notice is deemed given when deposited in the United States mail, with postage thereon prepaid, directed to the Member at its address as it appears on the record of Members, or, if the Member shall have filed with the Secretary of the Association a written request that notices to such Member be mailed to some other address, then directed to such Member at such other address.

SECTION 4.04. WAIVERS OF NOTICE.

Notice of meeting need not be given to any Member who submits a waiver of notice signed by such Member's Representative, whether before or after the meeting. The attendance of any Member at a meeting, whether by such Member's Representative or by proxy if permitted by the Board of Directors, without protesting the lack of notice of such meeting prior to the conclusion of the meeting, shall constitute a waiver of notice by such Member.

SECTION 4.05. RECORD DATE.

(a) The Board of Directors may set, in advance, a date as the record date for the purpose of determining the Members entitled to notice of any meeting of Members or any adjournment thereof (unless the Board sets a new record date for the adjourned meeting). Such record date shall not be less than 10 nor more than 50 days before the date of the meeting. If the Board of Directors does not set such a date, the record date for determining Members entitled to notice of any meeting of Members shall be the last day that is the first day of a calendar month and that is more than 15 business days before the day the first notice of such meeting is given.

(b) The Board of Directors may set, in advance, a date as the record date for the purpose of determining the Members entitled to vote at any meeting of Members or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting, or for the purpose of determining Members entitled to receive any distribution or the allotment of any rights, or for the purpose of any other action by the Members. Such record date shall not be less than 10 nor more than 50 days before the date of the meeting. If the Board of

Directors does not set such a date, the record date for determining Members entitled to vote at a meeting of Members shall be the same as the record date for notice, or if no notice is given, the last day that is the first day of a calendar month and that is more than 15 business days before the meeting. If the Board of Directors does not set a record date for determining Members for any purpose other than voting at a meeting of Members, such record date shall be the day on which the resolution of the Board of Directors relating thereto is adopted.

SECTION 4.06. RECORD OF MEMBERS AT MEETINGS.
A list or record of Members entitled to vote, certified by the Association Officer responsible for its preparation, shall be produced at any meeting of Members upon the request therefor of any Voting Member who, at least 10 days prior to such meeting, has given written notice to the Association that such request will be made. If the right to vote at any meeting is challenged, the person presiding thereat shall require such list or record of Members to be produced as evidence of the right of the persons challenged to vote at such meeting, and all persons who appear from such list or record to be Members entitled to vote thereat may vote at such meeting.

SECTION 4.07. QUORUM OF MEMBERS.
The lesser of 100 Voting Members entitled to vote or 10 percent of the Voting Members entitled to vote shall constitute a quorum for the transaction of business by the Voting Members except as otherwise provided by the Certificate of Incorporation, these Bylaws, or the Law. A majority of the Voting Members present at any meeting of the Members, whether or not a quorum, may adjourn the meeting to another time and place.

SECTION 4.08. VOTING RIGHTS OF RETAIL MEMBERS, COMMERCIAL MEMBERS, AND MANUFACTURERS REPRESENTATIVE MEMBERS.
Each Retail Member, Commercial Member, and Manufacturers Representative Member shall be entitled to one vote on each matter submitted to a vote of the Members, provided that Members who are not in good standing or are suspended or expelled shall not be entitled to vote on any matter. Voting Members may not be represented by proxy unless and to the extent the use of proxies is authorized by the Board of Directors. Each Voting Member must, however, vote and act through its Representative.

SECTION 4.09. VOTING RIGHTS OF OTHER MEMBERS.
Associate Retail Members, Affiliate Commercial Members, Service Provider Members and NAYMM Members shall have the privilege of the floor at all meetings of Members, but such Members shall not vote.

ARTICLE V
BOARD OF DIRECTORS

SECTION 5.01. GOVERNING BODY.
The Governing Body of this Association shall be the Board of Directors, which shall be composed

of 24 Representatives of Voting Members of the Association in good standing, plus certain exofficio members of the Board of Directors, as set forth below (provided that all Directors, whether elected or ex officio, must be at least 18 years of age).

SECTION 5.02. EX OFFICIO MEMBERS OF THE BOARD OF DIRECTORS.

(a) The following persons shall be ex officio members of the Board of Directors with voting rights:

(1) The Association's Chairman;
(2) The Association's Vice Chairman, or if there be more than one Vice Chairman, the Vice Chairman so designated by the Board of Directors;
(3) The Association's Secretary;
(4) The Association's Treasurer;
(5) The Association's President; and
(6) The President of the NAYMM Members.

(b) If any ex officio Director ceases to hold the office or position referred to in Section 5.02(a), he or she shall automatically cease to be an ex officio Director.

(c) Each member of the Board of Directors of the Association, whether elected or ex officio (or both), shall have one vote on each matter submitted to the Board of Directors, except as otherwise provided by these Bylaws or the Law.

SECTION 5.03. DIRECTORS' TERMS OF OFFICE.

Subject to Section 5.14 of these Bylaws, elected members of the Board of Directors shall serve a term of three years. Directors shall serve until their successors are elected and qualified.

SECTION 5.04. NOMINATION OF ELECTED DIRECTOR CANDIDATES.

(a) At least six months before the Annual Meeting of the Members of this Association the Chairman shall appoint a Nominating Committee consisting of seven (or such other number as the Board may establish) members of the Board of Directors. The Nominating Committee's function shall be to select candidates to replace elected Directors whose terms will expire at the next Annual Meeting of Members. The Nominating Committee shall solicit the suggestions of the members of the Board of Directors and of Members of the Association. Based upon such suggestions and the Committee's own judgment, the Nominating Committee shall select a number of eligible persons equal to or greater than the number of elected Directors whose terms will expire at the time of the next ensuing Annual Meeting of Members.

(b) The Nominating Committee's candidates shall each be approved or rejected by the Board of Directors. Any such candidates rejected by the Board may be replaced by the Board without further action by the Nominating Committee. From among the candidates approved by the Board and after verifying that such candidates would accept and be eligible for nomination, the Nominating Committee shall nominate a slate of nominees equal in number to the number of elected

Directors whose terms will expire at the time of the next ensuing Annual Meeting of Members and shall report such slate of nominees to the Board. The Committee's slate of nominees shall be announced to the Voting Members by written notice sent at least 40 days before the Annual Meeting of Members.

(c) Voting Members in good standing in the Association may nominate other eligible individuals for election as Directors. Such nominations must be in writing signed or otherwise assented to on behalf of at least 25 Voting Members in good standing and must be delivered to the President at least 25 days before the Annual Meeting of Members. In the event of such additional nominations, the President shall send (or cause to be sent) written notice of such nominations to all Members entitled to vote thereon at least 20 days before the Annual Meeting of Members.

SECTION 5.05. ELECTION OF DIRECTORS.

Only Representatives of Retail Members, Commercial Members, and Manufacturers Representative Members in good standing, who are not currently serving as elected members of the Board of Directors and who are at least 18 years of age, are eligible to be nominated, to be elected, or to serve as elected Directors. A number of Directors equal to one-third of the elected members of the Board of Directors shall be elected at each Annual Meeting of Members. If the number of persons nominated for election as Directors as provided in Section 5.04 exceeds the number of elected Directors whose terms are scheduled to expire at the Annual Meeting of Member at which such election will occur, common ballots shall be prepared, listing the names of all candidates property nominated for election to the Board of Directors. Each Voting Member of the Association present and properly qualified to vote at the Annual Meeting shall be entitled to cast the number of votes for nominated candidates equal to the number of open seats of elected members of the Board of Directors. Members may not cumulate their votes or otherwise cast more than one vote for any single nominated candidate. The nominated candidate who receives the largest number of eligible and properly qualified votes (even though less than a majority) shall be declared elected to an open seat. The nominated candidate who receives the next largest number of eligible and properly qualified votes (even though less than a majority) shall be declared elected to the next open seat, and so on until all open seats are filled. In the case of a tie vote, the tie shall be broken by a majority vote of the Board of Directors as the first order of business at its first meeting following the voting by the Members. Directors whose terms of office would otherwise have expired at the end of such Annual Meeting of Members shall participate in such tie breaking vote. If no tie breaking vote of the Board is required, the newly elected Directors shall be deemed to be "qualified" and shall take office at the end of the Annual Meeting of Members at which they are elected. If a tie breaking vote of the Board of Directors is required, each of the newly elected Directors (whether elected with or without such a tie-breaking vote) shall take office as soon as all such ties are broken.

SECTION 5.06. DUTIES OF BOARD OF DIRECTORS.

The Board of Directors shall have general supervision and direction of the affairs and

management of the Association; shall appropriate and authorize the expenditures of its funds and disposition of its assets. The Board may delegate to the Officers such duties and responsibilities not otherwise provided for by these Bylaws.

SECTION 5.07. MEETINGS OF DIRECTORS.
The Board of Directors shall hold an Annual Meeting of the Board each year. The Board may also hold Regular Meetings other than its Annual Meeting. The time and place for holding Annual or Regular Meetings of the Board shall be fixed by the Board of Directors. A Special Meeting of the Board may be called at any time by the Executive Committee or the Chairman. A majority of the Directors present at any meeting of the Board, whether or not a quorum, may adjourn the meeting to another time and place.

SECTION 5.08. NOTICE OF MEETINGS OF THE BOARD.
Annual and Regular Meetings of the Board and meetings of the Executive Committee may be held without notice if the time and place of such meetings are fixed by the Board of Directors or by the Committee, respectively. Special Meetings of the Board or the Executive Committee shall be held upon notice to the Directors or Executive Committee members, respectively. Any required notice of a meeting of the Board shall specify the place, date, and hour of the meeting. The notice need not state the purpose of the meeting. Written notice of a Board Meeting shall be given and received by the Director not less than 20 days before the meeting. Such written notice sent by first class mail shall be deemed received when mailed if, not less than 20 days before the meeting, it is deposited in the United States mail, with postage thereon prepaid, directed to the Director at his or her address as it appears on the Association's records or as previously specified to the Secretary in writing by the Director. Written or oral notice of an Executive Committee meeting shall be given and received by the Committee member not less than 24 hours before the meeting. Such written notice if sent by first class mail shall be deemed received when mailed if, not less than 7 days before the meeting, it is deposited in the United States mail, with postage thereon prepaid, addressed as provided for written notice of Board meetings.

SECTION 5.09. WAIVER OF NOTICE.
Notice of meeting need not be given to any Director who submits a signed waiver of notice, whether before or after the meeting. The attendance of any Director at a meeting without protesting lack of notice of such meeting prior to the conclusion of the meeting shall constitute a waiver of notice by such Director.

SECTION 5.10. QUORUM OF BOARD OF DIRECTORS.
Except as otherwise provided in these Bylaws or the Law, 11 members of the Board of Directors shall constitute a quorum for the transaction of business. A Director may not be represented at any meeting by proxy.

SECTION 5.11. QUORUM OF COMMITTEES.
The majority of the members of any committee (including the Executive Committee) shall constitute a quorum for the transaction of business, unless otherwise provided by these Bylaws

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SECTION 5.12. PARTICIPATION IN MEETINGS BY TELEPHONIC CONFERENCE.
Any one or more members of the Executive Committee may participate in a meeting of the Executive Committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

SECTION 5.13. ACTION WITHOUT MEETING.
Any action required or permitted to be taken by the Board of Directors or by the Executive Committee may be taken without a meeting if all members of the Board or the Committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or Committee shall be filed with the minutes of the proceedings of the Board or Committee.

SECTION 5.14. VACANCIES.
Any vacancy that may occur among the elected members of the Board of Directors by reason of death, resignation, removal, or otherwise shall be filled by an eligible Representative of a Voting Member elected by a majority of the Directors then in office, regardless of their number, to serve until the term of the predecessor in the vacant seat would have expired and until a successor is elected and qualified.

SECTION 5.15. POTENTIAL CONFLICTS OF INTEREST.
(a) All members of the Board of Directors who are Representatives of, or otherwise affiliated with any firm that in the past two years has been, or is reasonably expected to be in the future, an exhibitor at a trade show sponsored by the Association shall abstain from voting as a Director or member of any committee with regard to all matters pertaining to the allocation or pricing of exhibit space at any trade show sponsored by the Association.

(b) All members of the Board of Directors shall vote or abstain from voting on, and shall conduct their participation in discussions regarding, any matters of NAMM business in a manner that will avoid any actual or apparent conflicts of interest.

SECTION 5.16. EXECUTIVE COMMITTEE.
(a) The Association shall have an Executive Committee, which shall consist of the Chairman, the Vice Chairman, the Secretary, the Treasurer, and the President of the Association. The Board's vote to elect or appoint such persons to their offices shall be deemed to be an election or appointment to the Executive Committee.

(b) At all times when the Board of Directors is not in session, the Executive Committee shall have and exercise the authority of the Board of Directors in the management and control of the business and affairs of the Association. The Executive Committee's actions shall be subject to alteration or revision by the Board of Directors, provided that no rights or acts of third parties shall be affected by any such revision or alteration. The Executive Committee shall keep minutes of its actions and meetings and shall submit a copy of its minutes to

all members of the Board of Directors within 30 days of such actions or meetings.

(c) The Executive Committee shall be the only committee empowered with the authority of the Board. The Executive Committee shall not have authority as to any of the following:

(1) The submission to Members of any action requiring Members' approval under the Certificate of Incorporation, these Bylaws, or the Law;

(2) The filling of vacancies on the Board of Directors or on the Executive Committee;

(3) Determining whether to pay any compensation (and if so, in what amount) to the Directors for serving on the Board or on the Executive Committee;

(4) The amendment or repeal of these Bylaws or the adoption of new Bylaws; and

(5) The amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable.

SECTION 5.17. ADVISORY COMMISSIONS.
The Chairman may from time to time appoint such advisory commissions and other committees as deemed appropriate, consisting of Directors or persons who are not Directors, but such advisory commissions shall not exercise any powers of the Board.

ARTICLE VI
OFFICERS

SECTION 6.01. OFFICERS.
The Officers of this Association shall be a Chairman, a Vice Chairman, a Secretary, a Treasurer, and a President. Any two or more offices may be held by the same person, except the offices of President and Secretary.

SECTION 6.02. NOMINATION OF OFFICERS.
Any three elected or ex officio Directors may nominate any Representative of a Voting Member in good standing (including one who is already serving as a Director) for election to the offices listed in Section 6.01 (except the office of President). Such nominations must be in writing, signed by the nominating Directors, delivered to the President at least 30 days before the Annual Meeting of the Board at which Officers are to be elected.

SECTION 6.03. ELECTION OF OFFICERS.
In its Annual Meeting, the Board of Directors shall elect all of the Officers enumerated in Section 6.01 (except the President) from among the persons nominated pursuant to Section 6.02. If at such meeting the Board is unable to elect an Officer or Officers from among such

nominees, any three elected or ex officio Directors may orally nominate any person for election to the unfilled offices. Officers shall be elected to serve until the next Annual Meeting of the Board of Directors and until their successors are elected and qualified (except the President who shall be selected by the Board and shall serve until he or she resigns or is removed by the Board). Newly elected Officers shall be deemed to be "qualified" and shall take office at the end of the meeting of the Board of Directors at which they are elected.

SECTION 6.04. REMOVAL OF OFFICERS AND FILLING OF VACANCIES.
Any Officer may be removed with or without cause by the Board of Directors. In the event a vacancy occurs in any office during an Officer's term, the Board of Directors shall elect or appoint a replacement to serve the unexpired term of such Officer.

SECTION 6.05. DUTIES OF THE CHAIRMAN.
The Chairman or Chairwoman or Chairperson (referred to in these bylaws as "Chairman") shall serve as chairman of the Board of Directors for his term. If at any Board meeting both the Chairman and Vice Chairman shall be absent, the Directors present, if a quorum, shall choose a temporary chairman who shall preside for the exclusive purpose of choosing a chairman of the meeting by nomination and ballot. It shall be the duty of the Chairman to preside at all meetings of Members. The Chairman shall appoint all committees not otherwise provided for in these Bylaws; shall act as an ex officio voting member of all committees; shall approve for payment all legitimate expenditures that may be incurred for the Association; and shall enforce the Bylaws and other rules and regulations of this Association. At each Annual Meeting of Members the Chairman shall make a report of the Association's proceedings since the last Annual Meeting of Members.

SECTION 6.06. DUTIES OF THE VICE CHAIRMAN.
It shall be the duty of the Vice Chairman or Vice Chairwoman or Vice Chairperson (referred to in these bylaws as "Vice Chairman") to act on behalf of the Chairman in the absence or disability of the Chairman. When acting on behalf of or in lieu of the Chairman, the Vice Chairman shall have all of the authority and perform all of the duties of the Chairman.

SECTION 6.07. DUTIES OF THE SECRETARY.
The Secretary shall keep or cause to be kept at the principal office of the Association or such other place as the Board may order, a book of minutes of all meetings of Members, of the Board and of the Executive Committee, specifying: (1) the time, place, and type of the meetings; (2) how any special meetings were authorized; (3) what notice was given; (4) the names of those present at Board and Executive Committee meetings; (5) the number of Voting Members present or represented at meetings of Members; and (6) the proceedings of the meetings. The Secretary shall keep, or cause to be kept, at the principal office of the Association the original or a copy of the Association's Certificate of Incorporation and Bylaws, as amended to date. The Secretary shall give, or cause to be given, notice of all meetings of Members and of the Board and Executive Committee required by these Bylaws or the Law to be given, shall keep the seal

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of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

SECTION 6.08. DUTIES OF THE TREASURER.
The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, and shall send or cause to be sent to the Members of the Association such financial statements and reports as are required to be sent to them by Law or by these Bylaws. The books of account shall at all times be open to inspection by any Director at the Association's headquarters. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Association with such depositaries as may be designated by the Board. The Treasurer shall disburse the funds of the Association as may be ordered by the Board, shall render to the Chairman and the Directors, whenever they request it, an account all transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

SECTION 6.09. PRESIDENT.
The President shall be the Chief Executive Officer and General Manager of the Association and shall comply with the directives and policies established by the Board of Directors. The services of the President shall be engaged in any manner determined by the Board of Directors.

ARTICLE VII
INDEMNIFICATION

SECTION 7.01. INDEMNIFICATION.
The Association shall indemnify its Directors and Officers to the fullest extent permitted by the Law.

SECTION 7.02. INSURANCE FOR INDEMNIFICATION.
The Association shall have power to purchase and maintain insurance, in accordance with applicable law, to indemnify the Association for any obligation which it incurs as a result of the indemnification of Directors and Officers under these Bylaws or the Law and to indemnify the Association's Directors and Officers.

ARTICLE VIII
AMENDMENTS

SECTION 8.01. AMENDMENT OF BYLAWS.
These Bylaws may be amended or repealed by approval of the Voting Members or by approval of the Board of Directors; provided, however, that the Voting Members must approve any action that would:

(a) Materially and adversely affect the rights of Members as to voting, dissolution, or redemption, or transfer of memberships;

(b) Effect an exchange, reclassification, or cancellation of all or any part of the voting memberships;

(c) Authorize a new class of membership with voting rights; or

(d) Change the number of elected or ex officio directors.

ARTICLE IX
MISCELLANEOUS

SECTION 9.01. EXPENSES OF DIRECTORS AND OFFICERS.
The necessary expenses of any Director, Officer, or committee member of this Association incurred in performing authorized services for the Association may be paid from the funds of the Association not otherwise appropriated as the Board of Directors may authorize.

SECTION 9.02. BOOKS, DOCUMENTS, AND REPORTS.
All books, documents, and reports by Members and employees of the Association pertaining to the affairs of the Association shall be the property of the Association. An auditor shall be engaged by the Association and shall examine the reports and accounts of the Secretary and Treasurer and shall submit a written report to the Board of Directors of the result of such examination. The Chairman shall, as directed by the Board of Directors, submit such reports to the Annual Meeting of the Members of the Association.

SECTION 9.03. ANNUAL REPORT OF DIRECTORS.
(a) At each Annual Meeting of Members, the Chairman shall present on behalf of the Board a report, verified by the President and Treasurer or by a majority of the Directors or certified by an independent public or certified public accountant selected by the Board, showing in appropriate detail the following:

(1) The assets and liabilities, including any trust funds, of the Association as of the 12 month fiscal period terminating not more than 6 months prior to such meeting;

(2) The principal changes in the Association's assets and liabilities, including trust funds, during such fiscal period;

(3) The revenue and receipts of the Association, both unrestricted and restricted to particular purposes during such fiscal period;

(4) The expenses and disbursements of the Association, for both general and restricted purposes, during such fiscal period; and

(5) The number of Voting Members of the Association as of the date of the report, together with a statement of increase or decrease in such number during such fiscal period, and a statement of the place where the names and places of residence of the current Voting Members may be found.

(b) Such report shall be filed with the records of the Association, and a copy or abstract of the report shall be appended to or entered in the minutes of the Annual Meeting of the Members.

SECTION 9.04. FISCAL YEAR.
The fiscal year of this Association shall begin on October 1 and end on September 30.

SECTION 9.05. ROBERTS' RULES OF ORDER.
The proceedings of all meetings of Members of this Association, its Board of Directors, the Executive Committee, and all advisory commissions of this Association, shall be governed by Roberts' Rules of Order, except as otherwise provided by the Board of Directors, these Bylaws, or the Law.

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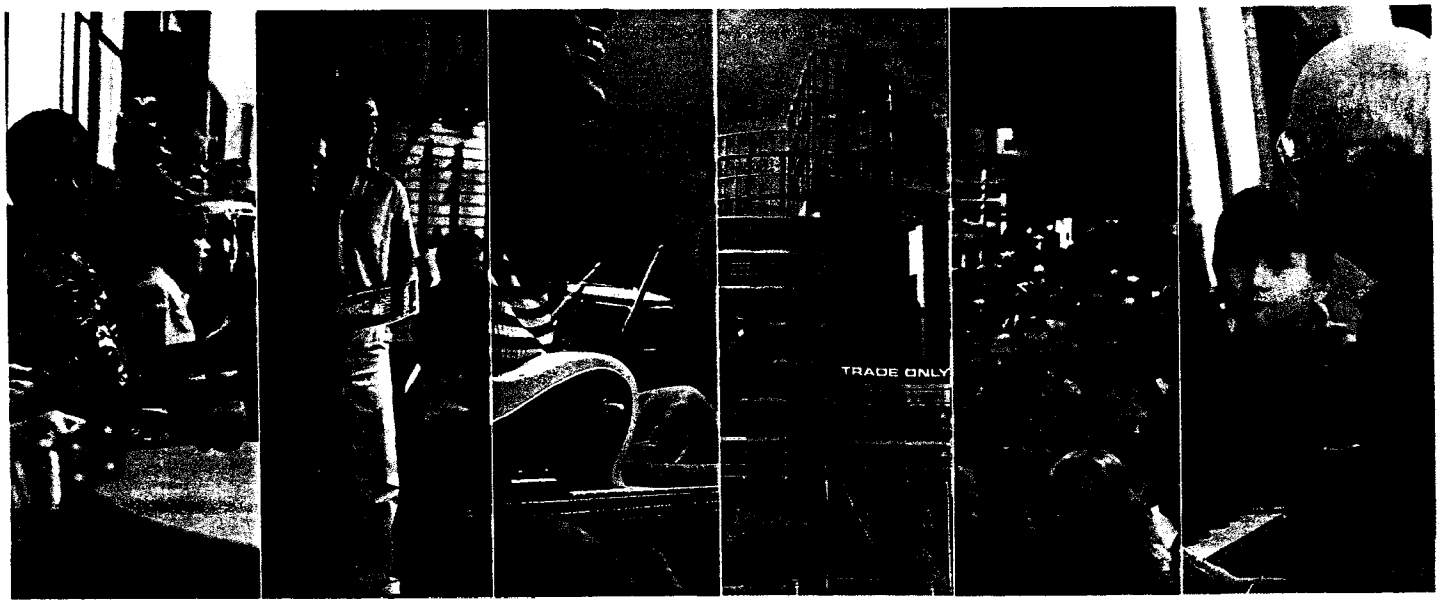

BYLAWS

NAMM® Foundation

National Association of Music Merchants, Inc.
5790 Armada Drive, Carlsbad, California 92008 (760) 438-8001

SERVING THE MUSIC PRODUCTS INDUSTRY

NAMM FOUNDATION

As amended April 21, 2007

As amended January 18, 2006

Mission: Advancing active participation in music making across the lifespan by supporting scientific research, philanthropic giving and public service programs from the international music products industry.

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NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.
FOUNDATION BYLAWS

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NAMM FOUNDATION BYLAWS
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

ARTICLE I
OFFICES

SECTION 1.1. PRINCIPAL OFFICE.
The principal office of the NAMM Foundation (the "Corporation") shall be fixed and located at such place as the Board of Directors (the "Board") shall determine. The Board is granted full power and authority to change said principal office from one location to another.

SECTION 1.2. OTHER OFFICES.
Branch or subordinate offices may be established at any time by the Board at any place or places.

ARTICLE II
MEMBERSHIP

SECTION 2.1. MEMBERS.
The Corporation shall have no members. Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board. All rights which would otherwise vest in the members shall vest in the Directors.

SECTION 2.2. ASSOCIATES.
Nothing in this ARTICLE II shall be construed as limiting the right of the Corporation to refer to persons associated with it as "members" even though such persons are not members, and no such reference shall constitute anyone a member within the meaning of Section 5056 of the California Nonprofit Corporation Law (the "Law"). The Corporation may confer by amendment of its Articles of Incorporation (the "Articles") or of these Bylaws some or all of the rights of a member, as set forth in the Law, upon any person or persons who do not have the right to vote for the election of Directors or on a disposition of substantially all of the assets of the Corporation or on a merger or on a dissolution or on changes to the Corporation's Articles or Bylaws, but no such person shall be a member within the meaning of said Section 5056 of the Law.

ARTICLE III
DIRECTORS

SECTION 3.1. GENERAL CORPORATE POWERS.
Subject to the limitations of the Law, the Articles, and these Bylaws, the activities and affairs of the Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of the Corporation to any person or persons, a management company or committees, however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

SECTION 3.2. SPECIFIC POWERS.
Without prejudice to the general powers set forth in the Law and in Section 3.1 above, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

3.2.1
To select and remove all Officers, agents, and employees of the Corporation, prescribe powers and duties for them as may not be inconsistent with law, the Articles, or these Bylaws, fix their compensation and require from them such security, if any, for faithful service as the Board may deem appropriate.

3.2.2
To conduct, manage, and control the affairs and activities of the Corporation, and to make such rules and regulations therefore not inconsistent with law, the Articles, or these Bylaws, as the Board may deem appropriate.

3.2.3
To adopt, make, and use a corporate seal and to alter the form of such seal from time to time as the Board may deem appropriate.

3.2.4
To borrow money and incur indebtedness for the purposes of the Corporation and to cause to be executed and delivered therefore, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefore.

SECTION 3.3. BOARD OF DIRECTORS.
The Board of Directors shall at all times be composed of the individuals then serving as directors of the National Association of Music Merchants, Inc. ("NAMM"). If, at any time, a then serving Director of the Corporation ceases to serve as a NAMM director, he or she shall automatically cease to be a Director of the Corporation.

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SECTION 3.4. SELECTION AND TERM OF OFFICE.

3.4.1
At all times (except during a vacancy in the office of a Director) a majority of the Directors shall be individuals who have the following qualifications:

3.4.1.1
They are not disqualified persons with respect to the corporation as defined in Section 509(a)(3)(C) of the Internal Revenue Code (the "Code"); and

3.4.1.2
They will, as a group, be responsive to the needs of the organizations described in Article III of the Corporation's Articles of Incorporation (hereinafter "Articles").

3.4.2
Directors appointed by the Board of Directors pursuant to Section 3.3 shall serve one-year terms of office. An appointed Director may be re-appointed an unlimited number of times.

SECTION 3.5. INTERESTED PERSONS.
Not more than forty-nine percent (49%) of the persons serving on the Board at any time may be interested persons. For purposes of this Section 3.5, an interested person is:

3.5.1
Any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as a Director; or

3.5.2
Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

Any violation of the provisions of this Section 3.5 shall not affect the validity or enforceability of any transaction entered into by the Corporation.

SECTION 3.6. TRANSACTIONS IN WHICH DIRECTORS HAVE PERSONAL INTEREST.

3.6.1
Any transaction of the Corporation in which any of its Directors have a material financial interest shall be entered into or consummated only if:

3.6.1.1
The transaction is fair and reasonable as to the Corporation at the time the Corporation enters into the transaction;

3.6.3.2.2
Results in a benefit to one or more Directors or their families because they are in the class of persons intended to be benefitted by the public or charitable program; or

3.6.3.3
A transaction of which the interested Director or Directors have no actual knowledge and which does not exceed the lesser of one percent (1%) of the gross receipts of the Corporation for the preceding fiscal year or One Hundred Thousand Dollars ($100,000).

3.6.4
Any contract or other transaction (other than transactions subject to Sections 3.6.1 or 3.6.3 above) between the Corporation and any corporation, firm, association, or other entity of which one or more of this Corporation's Directors are directors or trustees shall be entered into or consummated only if:

3.6.4.1
The material facts relating to the transaction and to such Director's other directorship are fully disclosed or known to the Board or committee, and the Board or committee authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director or Directors; or

3.6.4.2
The contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved, or ratified.

3.6.5
Notwithstanding any provision of this Section 3.6, at any time during which Section 4958 of the Code applies to the Corporation, the Corporation shall consider the possible effect of Section 4958 on any transaction which could constitute an excess benefit transaction as defined in Section 4958(c) of the Code. At any time during which Section 4941 of the Code applies to the Corporation, the Corporation shall not enter into any transaction which would constitute direct or indirect self-dealing as defined in Section 4941(d) of the Code.

SECTION 3.7. RESIGNATION.
A Director may resign from office only upon simultaneously resigning from the NAMM Board.

SECTION 3.8. REMOVAL.
A Director may be removed from office only upon simultaneously being removed as a Director of the NAMM Board.

SECTION 3.9. PLACE OF MEETINGS.
Meetings of the Board shall be held at any place within or outside the State of California which has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation.

3.6.1.2
The Corporation enters into the transaction for its own benefit; and

3.6.1.3
Prior to consummating the transaction or any part thereof the Board authorizes or approves the transaction in good faith by a vote of the majority of the Directors then in office without counting the vote of the interested Director or Directors (although such Director or Directors may be counted for purposes of determining the presence of a quorum at the meeting at which such action is taken), and with knowledge of the material facts concerning the transaction and such Director's interest in the transaction.

3.6.2
If it is not reasonably practicable to obtain such approval by the Board prior to entering into the transaction, a committee or person authorized by the Board may approve the transaction in a manner consistent with the standards of Section 3.6.1; provided, however, that at its next meeting the Board:

3.6.2.1
Determines that it was not reasonably practicable to obtain approval by the Board prior to entering into the transaction;

3.6.2.2
Determines that the committee or person authorized by the Board approved the transaction in the required manner; and

3.6.2.3
Ratifies the transaction by a vote of the majority of the Directors then in office without counting the vote of the interested Director or Directors (although such Director or Directors may be counted for purposes of determining the presence of a quorum at the meeting at which such action is taken).

3.6.3
Sections 3.6.1 and 3.6.2 shall not apply to:

3.6.3.1
An action of the Board fixing the compensation of a Director as a Director or Officer of the Corporation;

3.6.3.2
A transaction which is part of a public or charitable program of the Corporation if it:

3.6.3.2.1
Is approved or authorized by the Corporation in good faith and without unjustified favoritism; and

SECTION 3.10. ANNUAL MEETINGS.
The Board shall hold an annual meeting for the purposes of organization, selection of Directors and Officers, and the transaction of other business. Annual meetings of the Board shall be held on such dates and at such times as may be fixed by the Board.

SECTION 3.11. REGULAR MEETINGS.
Regular meetings of the Board may be held without call or notice on such dates and at such times as may be fixed by the Board.

SECTION 3.12. SPECIAL MEETINGS.
Special meetings of the Board for any purpose or purposes may be called at any time by the Chair of the Board, the President, any Vice President, the Secretary, or any two Directors.

SECTION 3.13. NOTICE.

3.13.1
Annual and special meetings of the Board shall be held upon at least four (4) days' notice by first-class mail or forty-eight (48) hours' notice given personally or by telephone (including a voice messaging system) or by electronic transmission by the Corporation as defined in Section 20 of the Law. Any such notice shall be addressed or delivered to each Director at such Director's address as it is shown upon the records of the Corporation or as may have been given to the Corporation by the Director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place where the meetings of the Directors are regularly held.

3.13.2
Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the receiver. The notice of a special meeting shall state the time of the meeting and the place, if the place is other than the principal office of the Corporation.

SECTION 3.14. QUORUM.
A majority of the number of Directors then serving constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in Section 3.17. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number be required by law or by the Articles, except as provided in the next sentence. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

SECTION 3.15. PARTICIPATION IN MEETINGS BY CONFERENCE TELEPHONE AND ELECTRONIC MEANS.

Directors may participate in a meeting of the Board, or a committee meeting, through use of a conference telephone, electronic video screen communication or electronic transmission by and to the Corporation pursuant to Sections 20 and 21 of the Law. Participation in a meeting through the use of conference telephone or electronic video screen communication constitutes presence in person at that meeting as long as all members participating in that meeting can hear one another. Participation in a meeting through use of electronic transmission by and to the Corporation, other than telephone conference and electronic video screen communication, constitutes presence in person at that meeting if both of the following apply:

3.15.1

Each member participating in the meeting can communicate with all of the other members concurrently.

3.15.2

Each member is provided the means of participating in all matters before the Board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation.

SECTION 3.16. WAIVER OF NOTICE.

Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 3.17. ADJOURNMENT.

A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, reasonable notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

SECTION 3.18. ACTION WITHOUT MEETING.

Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action in writing, or by telegraph, facsimile, electronic mail, or other electronic means of communication. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board. For the purposes of this Section only, "all members of the Board" shall not include any "interested director" as defined in Section 5233 of the Law.

SECTION 3.19. RIGHTS OF INSPECTION.

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the Corporation.

SECTION 3.20. EXECUTIVE COMMITTEE.

3.20.1

The Corporation shall have an Executive Committee which shall at all times be composed of the individuals then serving as members of the Executive Committee of NAMM. Except when the Board is in session, and except as its powers may be otherwise limited by the Board, the Executive Committee shall have and may exercise the powers of the Board in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it. The Executive Committee shall also have the power of general supervision, management, and control of the business of the Corporation and over its several Officers.

3.20.2

A majority of all the members of the Executive Committee may determine its rules of procedure unless the Board shall otherwise provide. The compensation, if any, of each member of the Executive Committee shall be as prescribed from time to time by the Board. Any action which under the provisions of the Law may be taken at a meeting of the Executive Committee, may be taken without a meeting if authorized by a writing signed by all members of the Executive Committee who would be entitled to vote at a meeting for such purpose and filed with the Secretary of the Corporation.

SECTION 3.21. STANDING OR SPECIAL COMMITTEES.

3.21.1

The term "standing committee" or "special committee" shall mean any committee appointed by the Board which is authorized by specific delegation, without further Board action, to make and implement decisions on behalf of the Board, or to implement, with some degree of discretion, decisions of the Board pursuant to guidelines established by the Board. Notice of, and procedures for, meetings of standing or special committees shall be as prescribed by the chairman of each such standing or special committee, and meetings of standing or special committees may be called by the Board or the chairman of the standing or special committee.

3.21.2

In the event that the Board determines that the management of the Corporation would be benefited by the establishment of one or more standing or special committees in addition to the Executive Committee, the Board may from time to time establish one or more such committees. The establishment of a standing or special committee shall be effected by a resolution of the Board approved by the vote of the majority of the Directors then in office which specifically sets forth the powers and duties delegated to such committee. Each such committee shall consist of two or more Directors and shall be presided over by a Director selected by the Board.

SECTION 3.22. LIMITATIONS UPON COMMITTEES OF THE BOARD.
No committee of the Board shall have any of the authority of the Board with respect to:

3.22.1
The filling of vacancies on the Board or on any committee which has the authority of the Board;

3.22.2
The fixing of compensation of the Directors for serving on the Board or on any committee which has the authority of the Board;

3.22.3
The amendment or repeal of Bylaws or the adoption of new Bylaws;

3.22.4
The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

3.22.5
The appointment of other committees of the Board or the members thereof if such committee will have the authority of the Board;

3.22.6
The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; or

3.22.7
The approval of any self-dealing transaction described in Section 5233 of the Law, except that when it is not reasonably practicable to obtain approval of the Board prior to entering into such a transaction, a committee authorized by the Board may approve the transaction in a manner consistent with the standards set forth in Section 5233(d) of the Law subject to ratification by a majority of the Directors then in office (without counting the vote of any interested Director) at the next meeting of the Board.

SECTION 3.23. ADVISORY BOARDS OR COMMITTEES.
The Chair of the Board, the Board, the Executive Committee, or the President may from time to time appoint such advisory boards or committees as deemed appropriate, consisting of Directors or persons who are not Directors. Such advisory boards or committees shall not be deemed committees of the Board (even if they are referred to as "committees") and shall not exercise any powers of the Board. Notice of, and procedures for, meetings of advisory boards or committees shall be as prescribed by the chairman of each such advisory board or committee, and meetings of advisory boards or committees may be called by the Chair of the Board, the Board, the Executive Committee, the President, or the chairman of the advisory board or committee.

SECTION 3.24. COMMITTEE MEETINGS; NOTICE; VOTING; MINUTES.
Meetings of a committee may be called by the President, the chairman of the committee, or a majority of the committee's voting members. Each committee shall meet as often as is necessary to perform its duties. Notice of a meeting of a committee may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meeting. A majority of the voting members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. Each committee shall keep minutes of its proceedings and shall report periodically to the Board. A committee may take action by majority vote.

SECTION 3.25. RESIGNATION AND REMOVAL OF COMMITTEE MEMBERS.
Any member of a committee may resign at any time by giving written notice to the chairman of the committee or to the President. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice.

SECTION 3.26. VACANCIES ON COMMITTEES.
A vacancy in any committee shall be filled for the unexpired portion of the term in the same manner as the committee member whose position is vacant was selected.

SECTION 3.27. FEES AND COMPENSATION.
Directors and members of advisory boards or committees may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Board. Notwithstanding the foregoing, this Corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director or Officer, unless approved by the Attorney General; provided, however, that the Corporation may advance money to a Director or Officer of the Corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such Officer or Director, provided that in the absence of any such advance, such Director or Officer would be entitled to be reimbursed for such expenses by the Corporation. Subject to the provisions of Section 3.5, nothing contained in this Section 3.27 shall be construed to preclude any Director from serving the Corporation in any other capacity as an Officer, agent, employee, or otherwise, and receiving reasonable compensation therefore.

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ARTICLE IV
OFFICERS

SECTION 4.1. OFFICERS.
The Officers of the Corporation shall be a President, a Secretary, a Treasurer, a Chair of the Board and a Vice-Chair of the Board. Each of the foregoing offices shall be automatically filled by the individuals holding said offices at NAMM. The Corporation may also have, at the discretion of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other Officers as may be elected or appointed in accordance with the provisions of Section 4.3. Any number of offices may be held by the same person except that neither the Secretary nor the Treasurer may serve concurrently as the President or Chair of the Board.

SECTION 4.2. ELECTION.
The Officers of the Corporation, except for the Officers serving by virtue of their offices held at NAMM pursuant to Section 4.1 and such Officers as may be elected or appointed in accordance with the provisions of Section 4.3 or Section 4.5, shall be chosen annually by, and shall serve at the pleasure of, the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected.

SECTION 4.3. SUBORDINATE OFFICERS.
The Board may elect, and may empower the President to appoint, such other Officers as the business of the Corporation may require, each of whom shall hold office for such period and have such authority and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

SECTION 4.4. REMOVAL AND RESIGNATION.

4.4.1
Any Officer may be removed, either with or without cause, by the Board at any time or, except in the case of an Officer chosen by the Board, by any Officer upon whom such power of removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of the Officer under any contract of employment of the Officer with the Corporation.

4.4.2
Any Officer may resign at any time by giving written notice to the Corporation, but without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 4.5. VACANCIES.
A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

SECTION 4.6. CHAIR OF THE BOARD.
The Chair of the Board shall preside at all meetings of the Board and shall exercise and perform such other powers and duties as may be from time to time assigned by the Board or the Executive Committee.

SECTION 4.7. VICE CHAIR OF THE BOARD.
It shall be the duty of the Vice Chair of the Board to act on behalf of the Chair of the Board in the absence or disability of the Chair of the Board. When acting on behalf of or in lieu of the Chair of the Board, the Vice Chair shall have all of the authority and perform all of the duties of the Chair of the Board.

SECTION 4.8. PRESIDENT.
Subject to such powers as may be given by the Board to the Chair of the Board, the President is the general manager and chief executive officer of the Corporation and has, subject to the control of the Board, general supervision, direction, and control of the business and Officers of the Corporation. The President has the general powers and duties of management usually vested in the office of president and general manager of a corporation and such other powers and duties as may be prescribed by the Board.

SECTION 4.9. VICE PRESIDENTS.
In the absence or disability of the President, the Vice Presidents, if any be appointed, in order of their rank as fixed by the Board or, if not ranked, the Vice President designated by the Board, shall perform all the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board.

SECTION 4.10. SECRETARY.
The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of the Board and committees of the Board, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Board and committee meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office of the Corporation in the State of California the original or a copy of the Corporation's Articles and Bylaws, as amended to date. The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by law or by these Bylaws to be given, shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

SECTION 4.11. TREASURER.
The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation. The books of account shall at all times be open to inspection by any Director. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the

Corporation as may be ordered by the Board, shall render to the President and the Directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board.

SECTION 4.12. CHIEF FINANCIAL OFFICER.
The Board may designate a person, who need not be a member of the Board, to serve as the Chief Financial Officer of the Corporation. In the absence of such a designation, the Treasurer shall serve as the Chief Financial Officer of the Corporation.

ARTICLE V
OTHER PROVISIONS

SECTION 5.1. ENDORSEMENT OF DOCUMENTS; CONTRACTS.
Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing, and any assignment or endorsement thereof, executed or entered into between the Corporation and any other person, when signed by the Chair of the Board, the President, or any Vice President and the Secretary, any Assistant Secretary, the Treasurer, or any Assistant Treasurer of the Corporation shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other person that the signing Officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, and, unless so authorized by the Board, no Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

SECTION 5.2. REPRESENTATION OF SHARES OF OTHER CORPORATIONS.
The President, or any other Officer or Officers authorized by the Board or the President, are each authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation. The authority herein granted may be exercised either by such Officer in person or by any other person authorized to do so by proxy or power of attorney duly executed by said Officer.

SECTION 5.3. CONSTRUCTION AND DEFINITIONS.
Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

SECTION 5.4. AMENDMENTS.
These Bylaws may be amended or repealed, subject to the provisions of the Law, by the approval of the Board except that Sections 3.3 and 3.4 may not be amended without NAMM's written consent.

SECTION 5.5. MAINTENANCE OF CERTAIN RECORDS.

The accounting books, records, and minutes of proceedings of the Board and the Executive Committee of the Board shall be kept at such place or places designated by the Board, or, in the absence of such designation, at the principal office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form, or in any other form capable of being converted into written, typed, or printed form.

SECTION 5.6. ANNUAL REPORT.

The Board shall cause an annual report to be furnished to the Directors not later than one hundred twenty (120) days after the close of the Corporation's fiscal year. The annual report shall be accompanied by any report thereon of independent accountants or, if there is no such accountant's report, the certificate of an authorized Officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation. The annual report shall contain in appropriate detail the following:

5.6.1

The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;

5.6.2

The principal changes in assets and liabilities, including trust funds, during the fiscal year;

5.6.3

The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

5.6.4

The expenses or disbursements of the Corporation, for both general and restricted purposes, for the fiscal year; and

5.6.5

Any information required by Section 5.7 of these Bylaws.

SECTION 5.7. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS.

5.7.1

The Corporation shall furnish annually to its Directors a statement of any covered transaction or indemnification described below, if such covered transaction or indemnification took place. Such annual statement shall be affixed to and sent with the annual report described in Section 5.6 of these Bylaws. A covered transaction under this Section 5.7 is a transaction in which the Corporation was a party, and in which either of the following interested persons had a direct or indirect material financial interest (excluding a mere common directorship):

5.7.1.1
Any Director or Officer of the Corporation, or its parent or subsidiary; or

5.7.1.2
Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent or its subsidiary.

5.7.2
The statement required by this Section 5.7 shall describe briefly:

5.7.2.1
Any covered transaction (including compensation of Officers and Directors) during the previous fiscal year involving more than Fifty Thousand Dollars ($50,000), or which was one of a number of covered transactions in which the same interested persons had a direct or indirect material financial interest and which transactions in the aggregate involve more than Fifty Thousand Dollars ($50,000);

5.7.2.2
The names of the interested persons involved in such transactions, stating such person's relationship to the Corporation, the nature of such person's interest in the transaction, and, where practicable, the amount of such interest; provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated; and

5.7.2.3
The amount and circumstances of any indemnifications or advances aggregating more than Ten Thousand Dollars ($10,000) paid during the fiscal year to any Officer or Director of the Corporation pursuant to ARTICLE VI of these Bylaws.

ARTICLE VI
INDEMNIFICATION

SECTION 6.1. DEFINITIONS.
For the purposes of this ARTICLE VI, the following definitions shall apply:

6.1.1
References to "agent" mean any person who is or was a Director, Officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of the Corporation or of another enterprise at the request of such predecessor corporation;

6.1.2
References to "proceeding" mean any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

6.1.3
References to "expenses" include without limitation attorneys' fees and any expenses of establishing a right to indemnification under Sections 6.5 or 6.6.2.

SECTION 6.2. INDEMNIFICATION IN ACTIONS BY THIRD PARTIES.
The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The Corporation shall, to the maximum extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an Officer or Director of the Corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

SECTION 6.3. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE CORPORATION.
The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Corporation, or brought under Section 5233 of the Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would

use under similar circumstances. The Corporation shall, to the maximum extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Corporation, or brought under Section 5233 of the Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an Officer or Director of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 6.3:

6.3.1
In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the Corporation in the performance of such person's duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

6.3.2
Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

6.3.3
Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

SECTION 6.4. LIMITATION ON INDEMNIFICATION.
Notwithstanding the foregoing Sections 6.2 and 6.3, at any time during which Section 4941 of the Code applies to the Corporation, no indemnification shall be made nor indemnification reimbursement insurance purchased where it would constitute an act of self-dealing under Section 4941 of the Code.

SECTION 6.5. INDEMNIFICATION AGAINST EXPENSES.
To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Sections 6.2 and 6.3, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

SECTION 6.6. REQUIRED DETERMINATIONS.
Except as provided in Section 6.5, any indemnification under this ARTICLE VI shall be made by the Corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 6.2 and 6.3, by:

6.6.1
A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or

6.6.2
The court in which such proceeding is or was pending upon application made by the Corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Corporation.

SECTION 6.7 ADVANCE OF EXPENSES.
Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this ARTICLE VI.

SECTION 6.8 OTHER INDEMNIFICATION.
No provision made by the Corporation to indemnify its or its subsidiary's Directors or Officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of Directors, an agreement, or otherwise, shall be valid unless consistent with this ARTICLE VI. Nothing contained in this ARTICLE VI shall affect any right to indemnification to which persons other than such Directors and Officers may be entitled by contract or otherwise.

SECTION 6.9 FORMS OF INDEMNIFICATION NOT PERMITTED.
No indemnification or advance shall be made under this ARTICLE VI, except as provided in Sections 6.5 or 6.6.2, in any circumstances where it appears:

6.9.1
That it would be inconsistent with a provision of the Articles, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

6.9.2
That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

SECTION 6.10 INSURANCE.
The Corporation shall have power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of this ARTICLE VI; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the Corporation for a violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law.

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Public Attitudes Toward Music

Conducted for:
National Association of Music Merchants

April, 2009

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NAMM-000458

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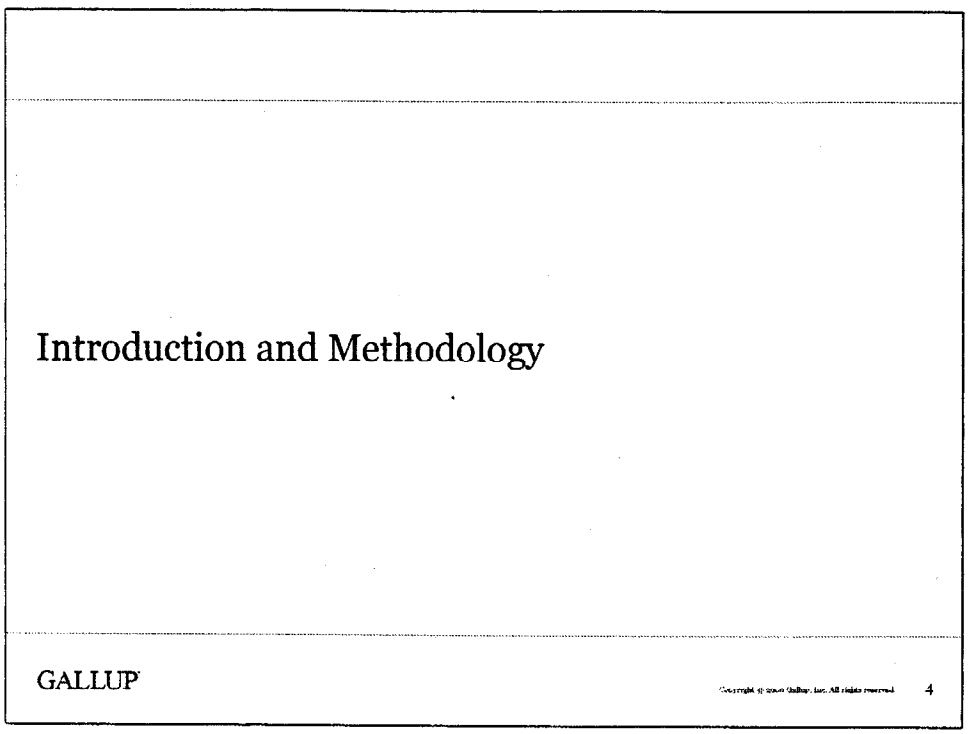

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Introduction and Methodology

- The current 2009 study represents the ninth in a series of studies designed for the National Association of Music Merchants to measure public attitudes toward playing musical instruments. The first study was conducted in 1978. The findings are based on 1000 telephone interviews conducted by Gallup with consumers, age 12 and older, residing in the continental United States. Interviewing was conducted during February and March, 2009. Consistent with previous years, a three-call design was used; that is, if an eligible respondent was not available at the time of the initial call, up to two additional calls were made in order to reach the respondent.
- For results based on the sample of 1000 respondents, one can say with 95% confidence that the error attributable to sampling and other random effects would be plus or minus 3 percentage points. In addition to sampling error, question wording and practical difficulties in conducting surveys can introduce error or bias into the survey findings.

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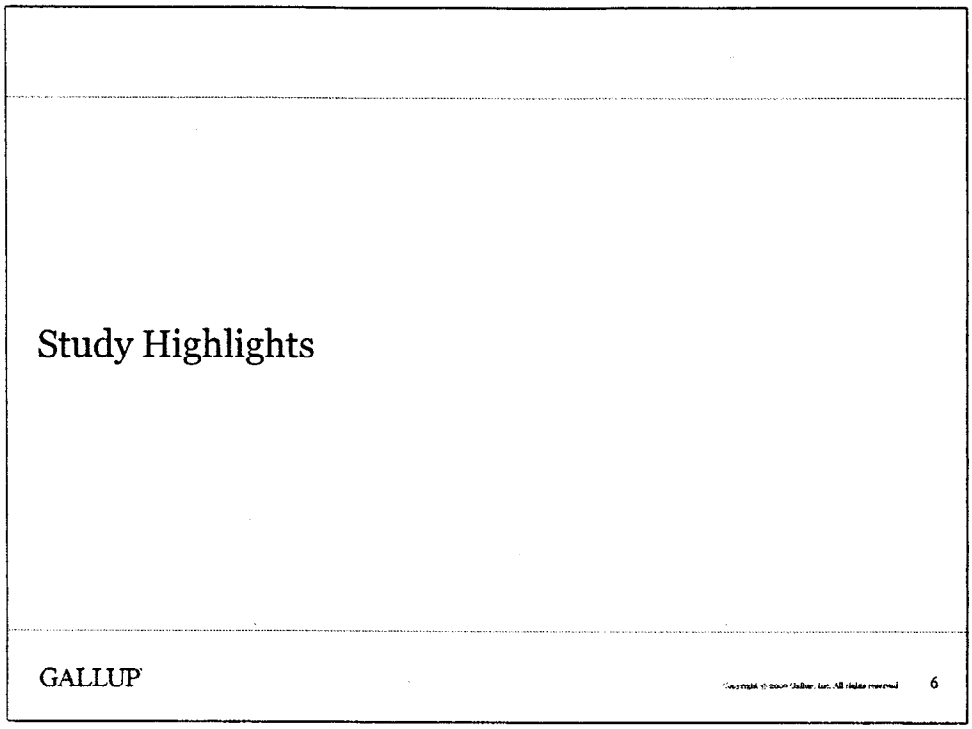

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Musical Instrument Players

- In 2009, approximately three in five (58%) respondents report having at least one household member who plays a musical instrument. This percentage represent an increase over the 52% in 2006.
- Two in every five (40%) survey respondents report that they, themselves, play a musical instrument. Nearly as many (38%) say that other members of their household play a musical instrument. In 2006, fewer than one-third (32%) reported having another member of the household who played a musical instrument.
- Forty-three percent who report that there is at least one player in the household say that there is more than one player of a musical instrument in their household.
- Consistent with previous findings for NAAM, most (75%) musical instrument players decided for themselves what instrument they would play. Eleven percent report someone else made the decision, and 14% said it was a joint decision.

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Musical Instrument Players

- One in five (20%) players take private lessons. Forty percent are reported to participate in a school instrumental program, and 12% take other types of instrumental music lessons. These findings closely mirror responses in the 2006 survey.
- Three in five (58%) persons report there is someone in their household who owns a musical instrument. This represents an increase in the percentage of respondents who say there is a person in their household who owns a musical instrument.
- Music retailers continue to be the preferred source for purchasing an instrument, mentioned by one in every two (51%) respondents. More than one in five (23%) say they would shop for an instrument on the Internet, while 15% would consider a mainstream retailer such as Costco, Toys R Us, and Wal-Mart for a musical instrument purchase. There has been in increase since 2006 in the percentage who report they would most likely consider the Internet as a place to shop for a musical instrument.

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Personal Experiences of Respondents Who Play a Musical Instrument

- Approximately half (45%) of respondents who played a musical instrument report getting started in instrumental music due to the encouragement of their parents. Roughly one in four (24%) report that they became interested on their own. Three in ten (31%) say they got started by someone including a teacher (16%) or some other individual (15%) who motivated them.
- Roughly three quarters of respondents who play a musical instrument say they started to play before the age of 12 including 72% who report starting to play between the ages of 5-11.
- When asked how they first learned to play a musical instrument, four in every ten (40%) cite their school either through taking lessons at school (22%) or by taking band or orchestra at school (18%). One-third (34%) report taking private lessons, and 20% said they taught themselves. As reported previously, male respondents are more likely than females to say they first taught themselves (24% vs.15%).

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Attitudes Toward Musical Instrument Playing

- Thirty-eight percent of respondents say they have read, seen, or heard about the educational benefits of playing a musical instrument. Among this aware group, television (24%) and schools and teachers (20%) top the list of sources for this information.
- Seventy-three percent of respondents say they believe that children should be exposed to music before age 5, including 51% who feel this should happen before the child is one year old and 22% who believe it should be between the ages of one to four years. Women are more likely than men to believe children should be exposed to music prior to one year (57% vs. 44%). Among college graduates the percentages rises to 64% (vs. 46% among non-college graduates.
- Three in five (61%) strongly agree that music plays a significant role in preschool development. As many (63%) strongly agree that it's important for children to engage in musical activities in a daycare or preschool setting.

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Attitudes Toward Playing a Musical Instrument

- Most (87%) respondents completely (47%) or mostly agree (40%) that music is a very important part of their life. Virtually all report that playing an instrument is relaxing. Ninety-seven percent feel that playing a musical instrument is a good means of expression. These findings are very similar to those reported in 2006.
- Eighty-five percent who do not play a musical instrument say they wish they had learned to play a musical instrument. Seven in ten (69%) report they would like to learn to play a musical instrument. In 2006, two-thirds (66%) of non-players said they would like to play a musical instrument.
- Consistent with previous years' findings, more than eight in ten (83%) completely (37%) or mostly agree (46%) that making music makes you smarter.

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Attitudes Toward Playing a Musical Instrument

- The vast majority of all respondents agree that there are social and academic benefits to music education. More than nine in ten completely or mostly agree that: playing in a school band is a good way for young people to develop teamwork skills (96%); music is part of a well-rounded education (94%); schools should offer music as part of the regular curriculum (92%); helps children make friends (93%).
- Eight in ten or more agree that participating in school music often yields better grades (88%); that music education should be mandated by states (80%); and that music helps teach children discipline (88%).
- Roughly nine in ten (88%) believe music education motivates young people to stay in school and 91% agree that participation in music helps prepare young people to be creative and innovative in the workforce. Similarly, 97% agree that playing a musical instrument helps a child develop creativity, and 94% agree that it can help a child's overall intellectual development.

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Attitudes Toward Playing a Musical Instrument

- Forty-five percent of all respondents strongly agree, and an additional 19% mostly agree that they would be more likely to participate in music- making if scientific research found that it improved their health. Among those who don't play a musical instrument, nearly four in ten (38%) say they would be more likely.
- The vast majority (87%) of respondents who play music say they know where to find their local musical instrument retailer, and 83% report they know where they can get lessons. Fewer who do not play a musical instrument are aware of a retailer (77%) or where to get lessons (68%).
- Not having enough time appears to be the greatest barrier to playing a musical instrument, mentioned by 40% of respondents who do not play a musical instrument. Too many other activities (26%) is the second most frequently mentioned reason for not playing a musical instrument.
- Seventeen percent who do not play a musical instrument feel they don't have the ability to read music.

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Attitudes Toward Playing a Musical Instrument (cont.)

- Three in five (61%) respondents consider themselves "musical."
- Forty-one percent who do not consider themselves musical say they would consider learning to play music.
- The encouragement of friends and/or a supportive network would be an enticement for one in five (20%) who do not play a musical instrument to start playing music.
- Those who would not consider playing a musical instrument give reasons such as time, other interests, lack of interest and age as reasons for why they would not consider to play music.
- Lack of interest, other activities and a child's age are the most common reasons cited by respondents for why a child/one of their children does not play a musical instrument.

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Attitudes Toward Playing a Musical Instrument (cont.)

- Sports and other extracurricular activities, video games, the parents' attitudes, lack of interest and availability of an instrument and/or lessons leads the list of reasons respondents believe might contribute to children not learning to play music.
- Stress reduction, "fun," "keeps the mind active" are the most frequently mentioned benefits of playing music cited by respondents who play a musical instrument.
- Virtually all (96%) respondents in the survey believe musical skills can be learned at any age.

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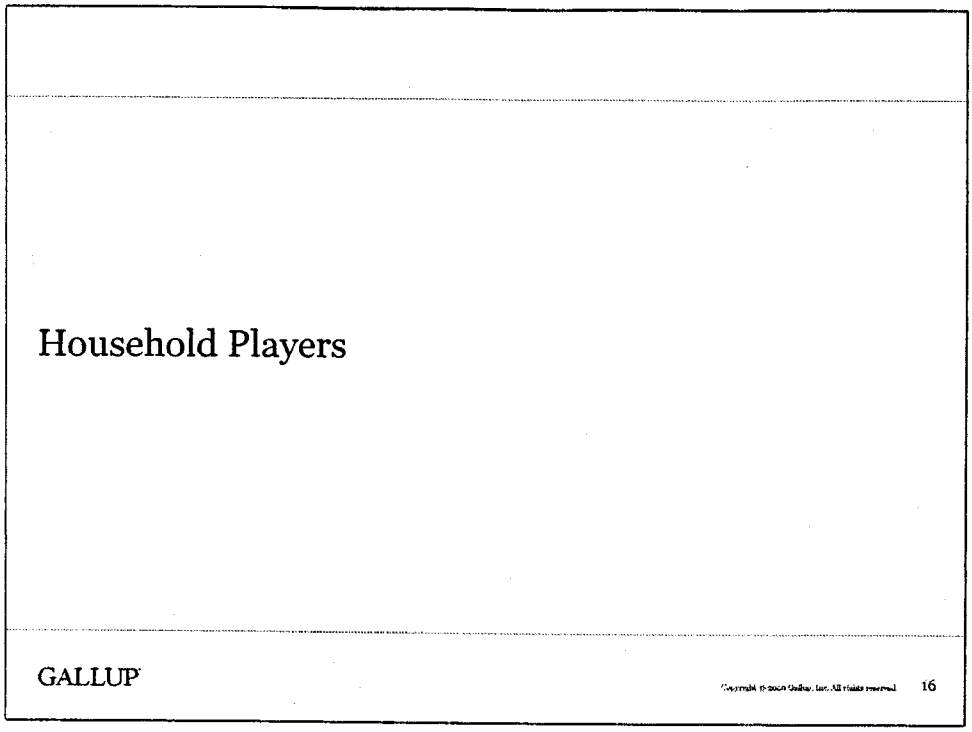

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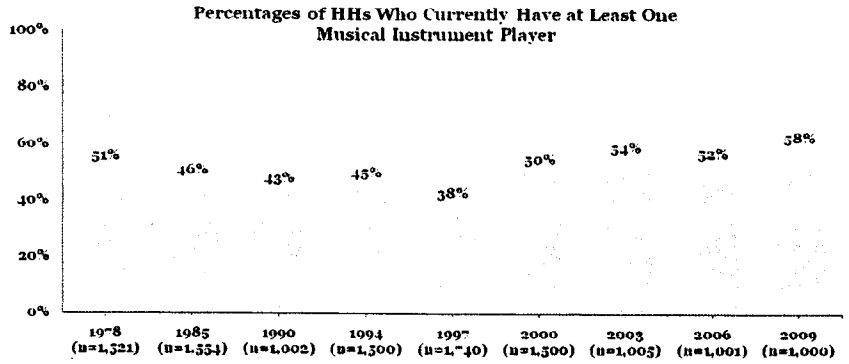
Incidence of Music Participation by Study Year



Questions 5 and 6, respectively: "Do you, yourself, play a musical instrument of any kind? Please consider all instruments that may be played, even if they are not owned?" AND "Do any other members of this household, five years of age and older, play a musical instrument of any kind? Again, please consider all instruments that may be played, even if they are not owned."

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes. Those who answered "yes" to either question were classified as a household with at least one member who currently plays an instrument.

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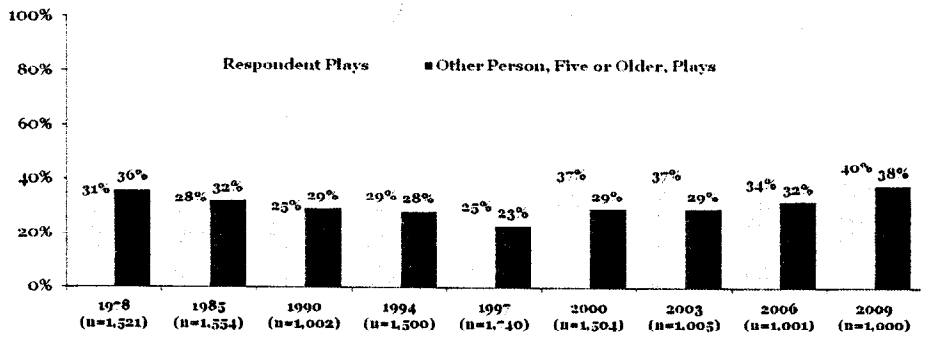
Incidence of Music Participation by Survey Year

Percentage of Respondents and Other HH Members Who Play a Musical Instrument



Questions 5 and 6, respectively. See earlier graph in this section for wording of question. "Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

Compared to previous years, the respondent in 2003 as well as 2000 was significantly more likely at the 90% level of confidence to play a musical instrument than were other family members.

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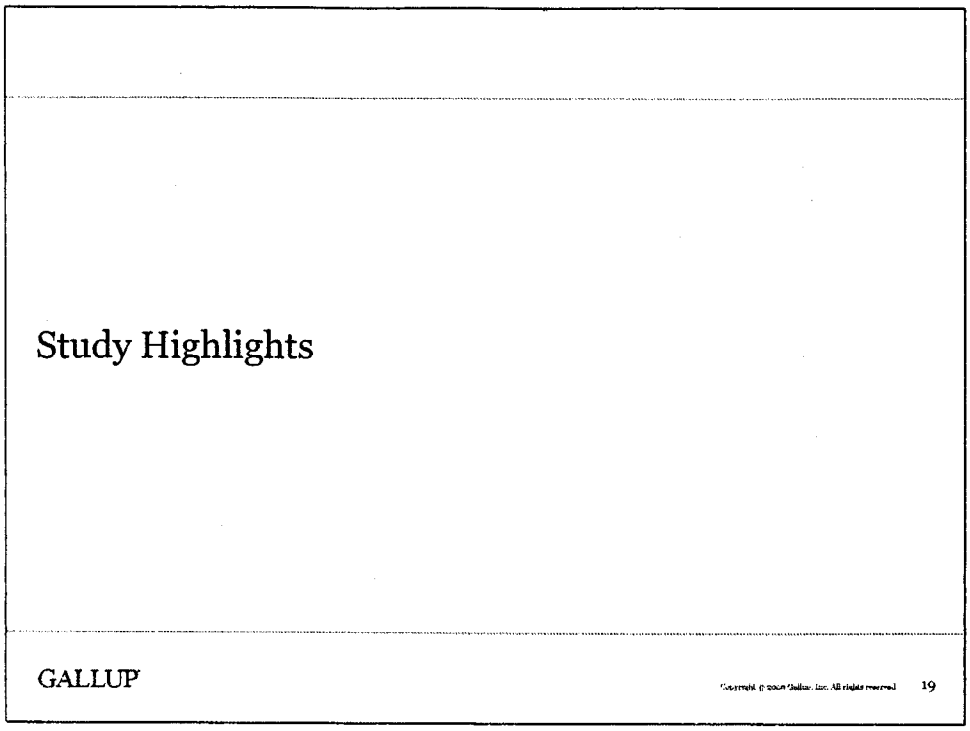

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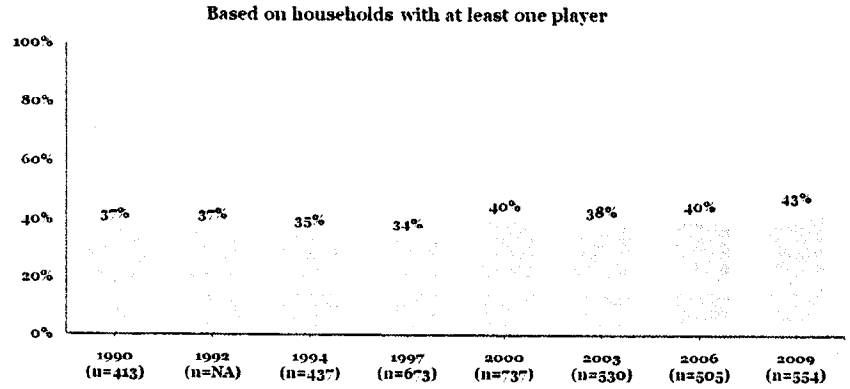
Percentage Reporting Multiple Persons in Household Play a Musical Instrument (1990-2009)



Question 7: "How many household members, including yourself, aged five years or older, play a musical instrument of any kind."

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes. Only households with one or more persons aged five or older who play a musical instrument were asked this question. NA=Not Available.

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Musical Instrument Played Most Frequently

	By Respondent (n=388)	By Other Players (n=334)
Piano	30	25
Grand	9	8
Upright	21	17
Drums/Percussion	9	8
Guitar	25	28
Acoustic	15	16
Electric	8	9
Bass	2	3
Woodwind instrument (clarinet, flute, bassoon)	12	10
Orchestral brass (saxophone, trumpet, clarinet, flute, horn)	8	12
Stringed instrument (cello, violin, viola)	5	7
Keyboard	4	5
Other instruments	7	5
Total	100	100

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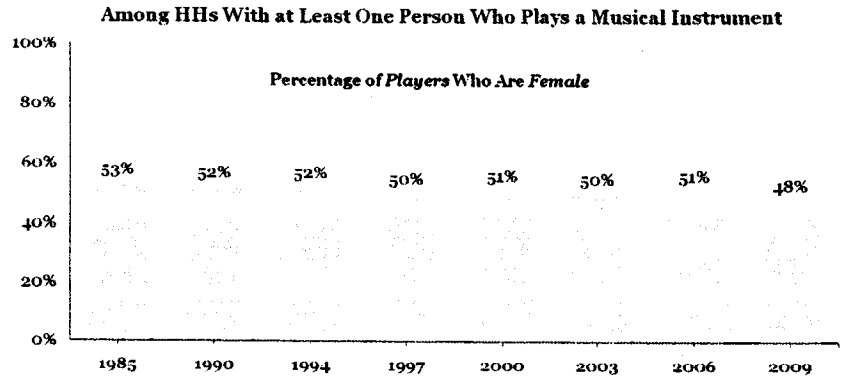
Gender of Persons Who Currently Play a Musical Instrument – All Players (1985-2009)



Question 8: "What is the age and gender of each person in the household, age five or older, who currently plays a musical instrument?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes. Only households with one or more persons aged five or older who play a musical instrument were asked this question.

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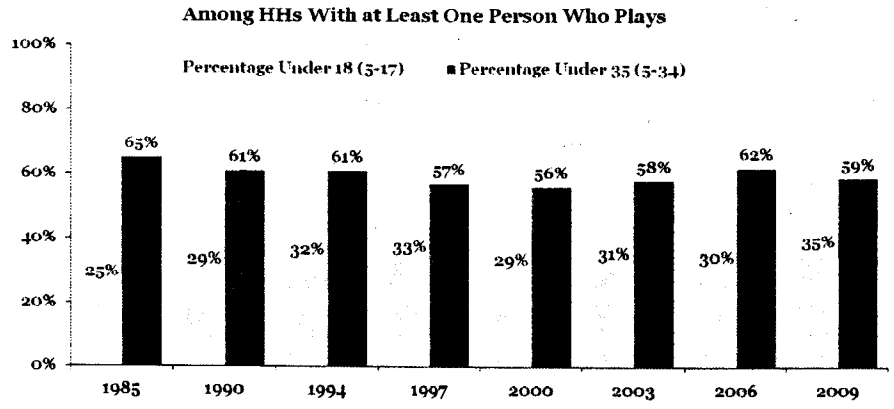
Ages of Players Under Age 35 Who Currently Play a Musical Instrument – All Players (1985-2009)



Question 8a-d: "What is the age and gender of each person in the household, age five or older, who currently plays a musical instrument?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes. Only households with one or more persons aged five or older who play a musical instrument were asked this question.

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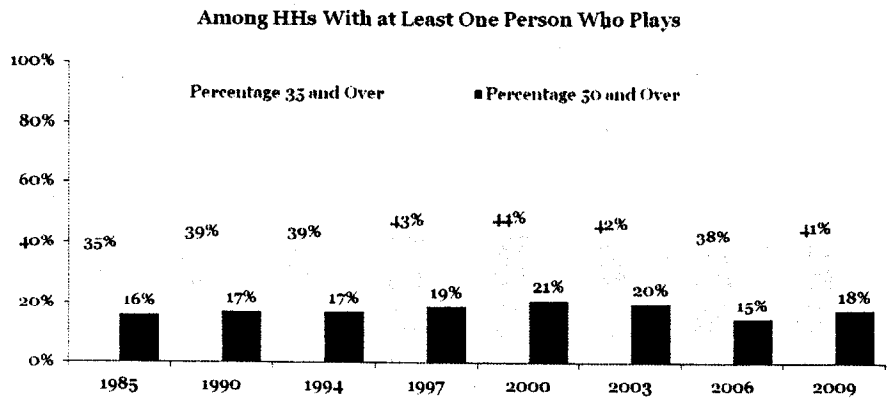
Ages of Players, Age 35 and Over Who Currently Play a Musical Instrument – All Players (1985-2009)



Question 8a-d: See earlier graph in this section for wording of question.

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes. Only households with one or more persons aged five or older who play a musical instrument were asked this question.

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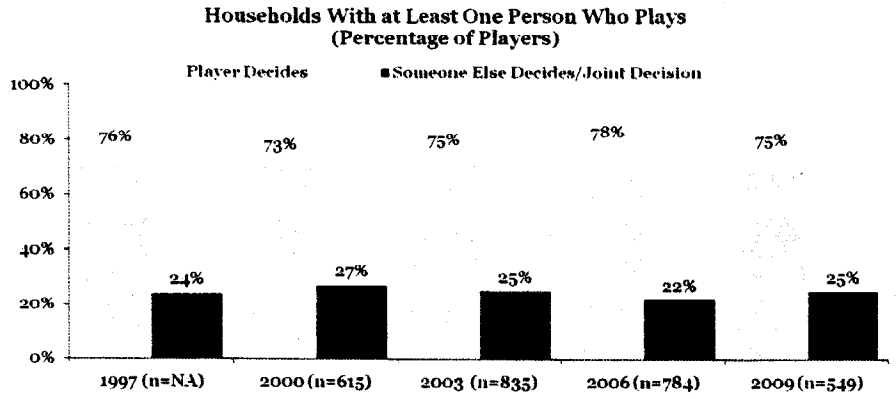
Person in Household Who Decides What Instrument Should Be Played – All Players



Question 10: "Who decided what instrument (other members of household who plays) would play?"

Only households with one or more persons aged five or older who play a musical instrument were asked this question. NA=Not Available. Respondent was not asked this question about themselves.

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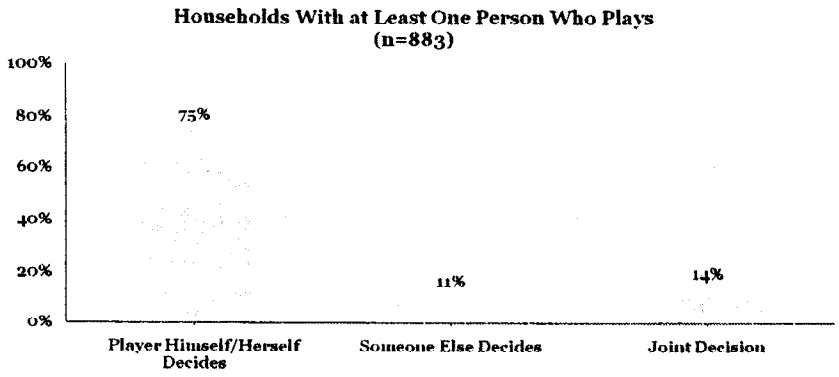
Person Who Decides What Instrument Should Be Played – All Players



Question 10: See earlier graph in this section for wording of question.

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes. Only households with one or more persons aged five or older who play a musical instrument were asked this question.

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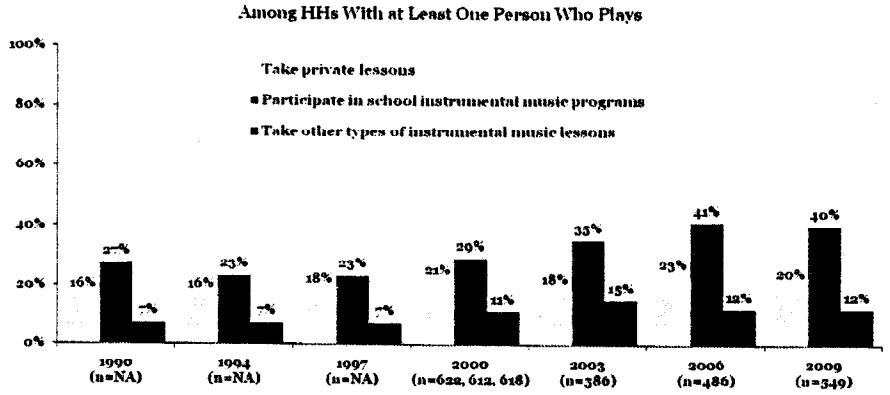
Participation in Formal Music Activities Among Persons Who Currently Play a Musical Instrument (1990-2009) – All Players



Question 9: "And does (each person in the household who plays) take private lessons, participate in school instrumental music programs, OR take other types of instrumental music lessons?"

Each formal music activity was read separately. Only households with one or more persons aged five or older who play a musical instrument were asked this question. NA=Not available.

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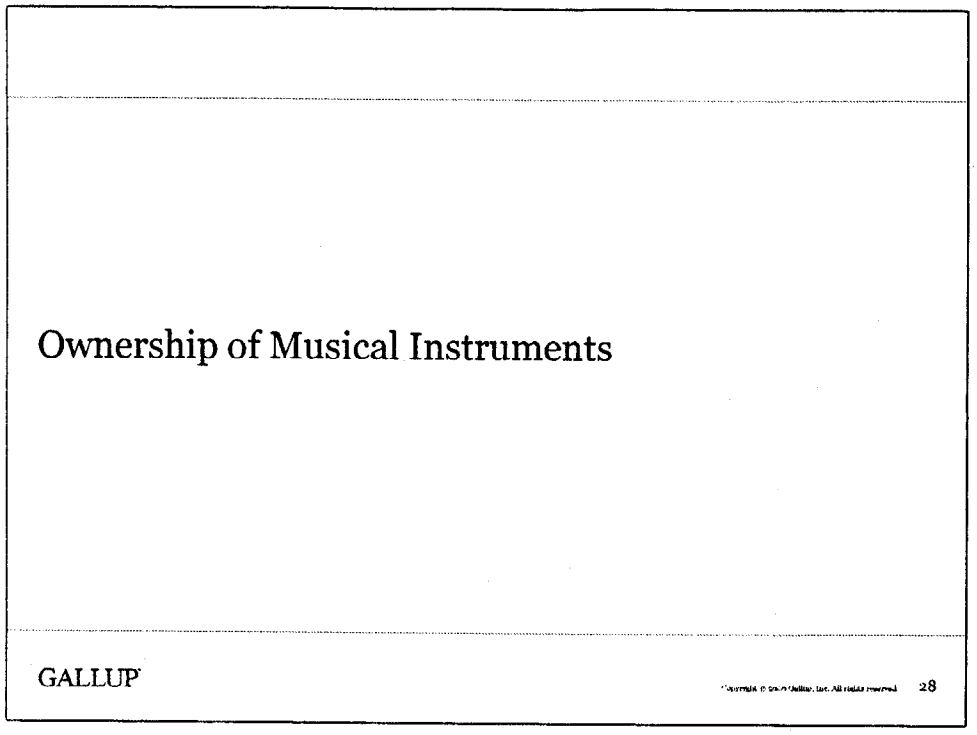

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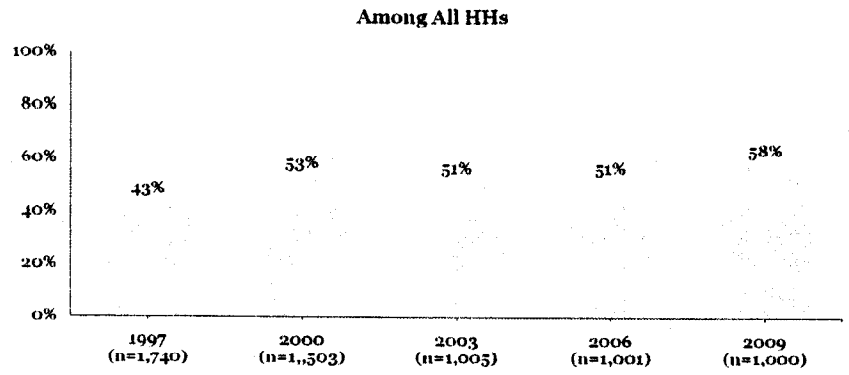
Someone in HH Owns a Musical Instrument (1997-2009)



Question 17: "Do you, or does anyone in this household, own a musical instrument of any kind?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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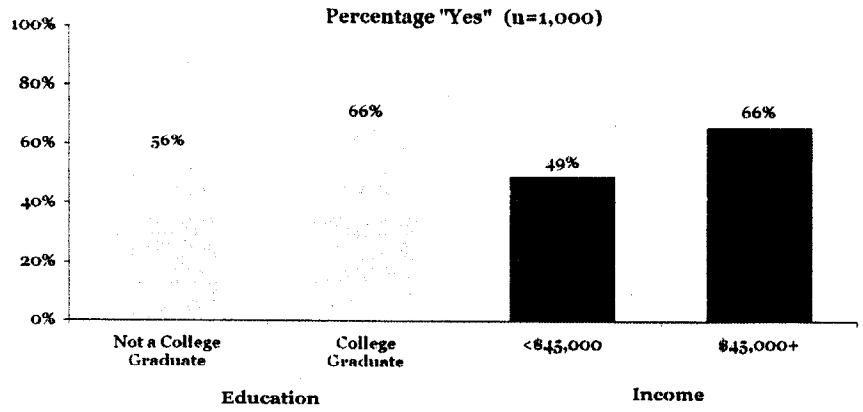
Someone in HH Owns a Musical Instrument by Respondent's Education and Income[1] (2009)



Question 17: See earlier graph in this section for wording of question.

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

[1]Income question not asked of respondents under age 18. NOTE: Not a college graduate includes those age 12-17.

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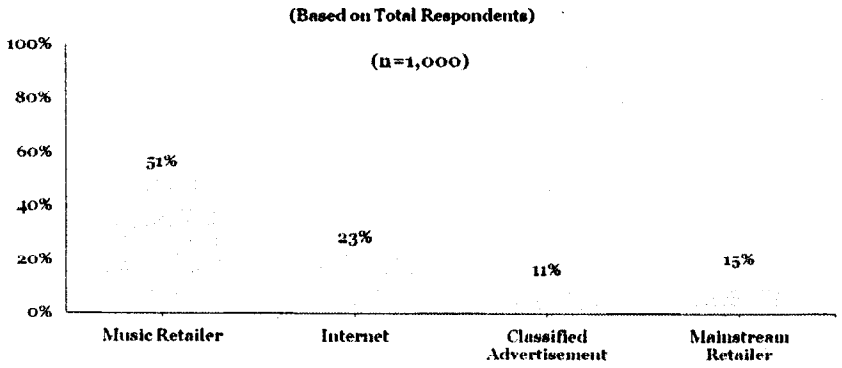
Sources Respondents Would Most Likely Consider If Shopping For or Buying a Musical Instrument (2009)



Question 18: "If you were going to shop for or buy a musical instrument, which of the following sources would you be the most likely to consider?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base size. Percentages may not add to 100% due to rounding. The examples mentioned for mainstream retailer were Costco, Toys R Us, and Sears.

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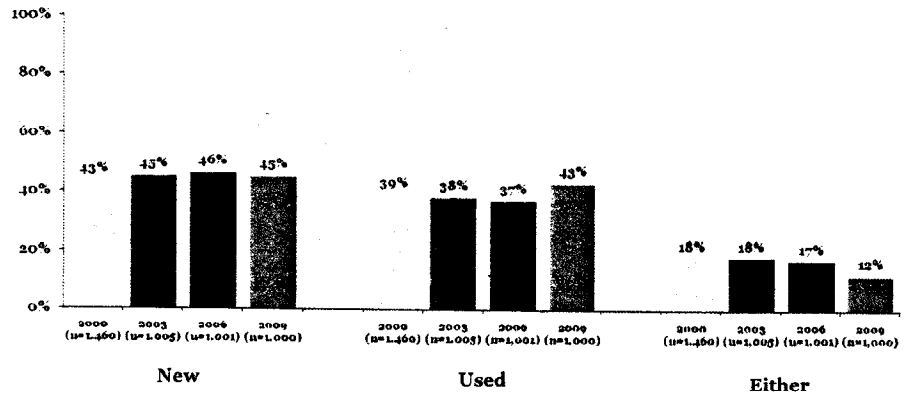
Preference For a New or Used Musical Instrument When Shopping (Based on total respondents)



Question 19: *"Would you look to purchase an instrument that is new or used?"*

"Don't Know," "Refused," "Other," and "Not Applicable" responses are not included in the base size. Percentages may not add to 100% due to rounding.

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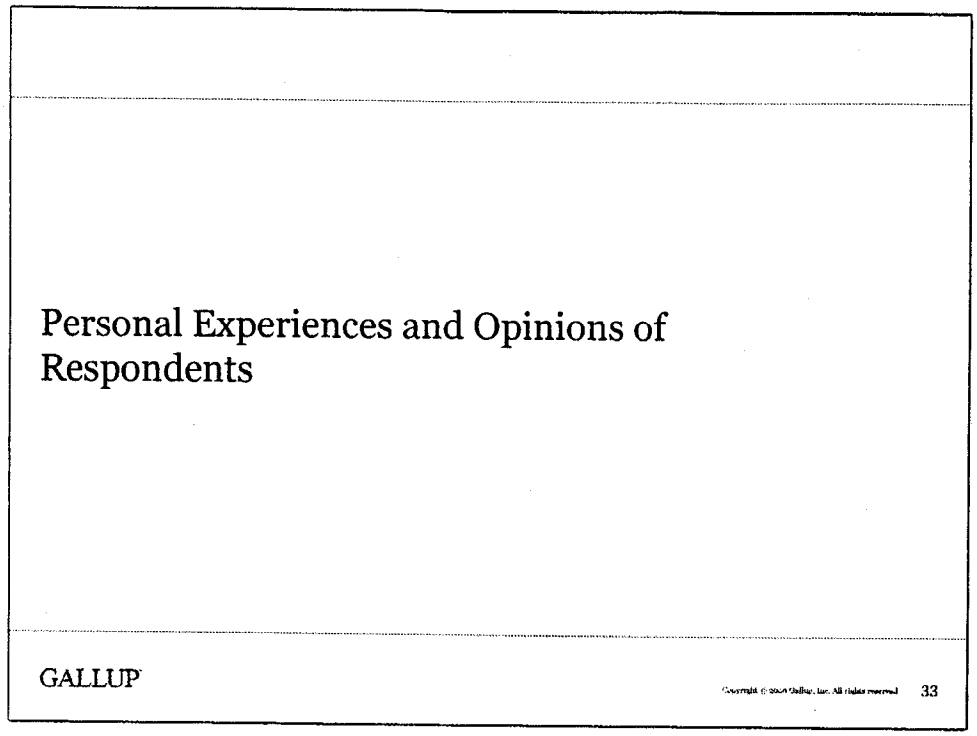

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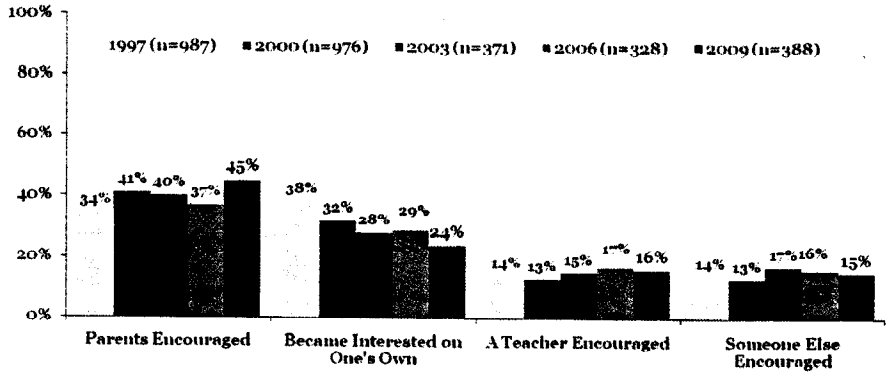
How Initially Got Motivated to Start Playing a Musical Instrument by Study Year

Based on Respondents Who Play a Musical Instrument



Question 5B: "Who originally motivated you to start playing a musical instrument? Did (responses read)?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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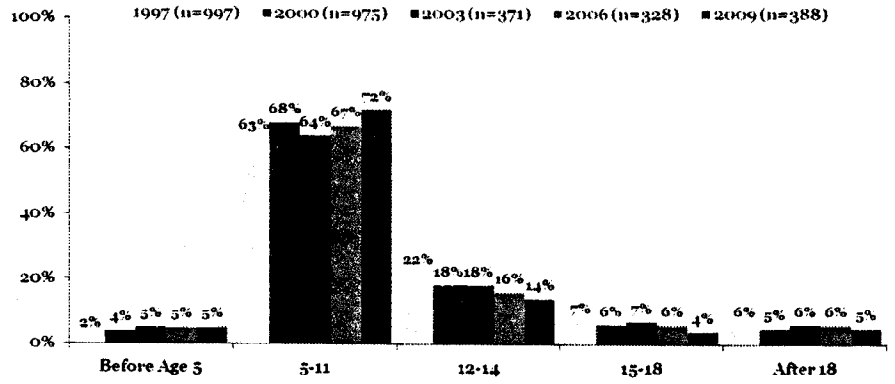
Age at Which First Learned to Play a Musical Instrument

Based on Respondents Who Play a Musical Instrument



Question 5A: "At what age did you first learn to play a musical instrument?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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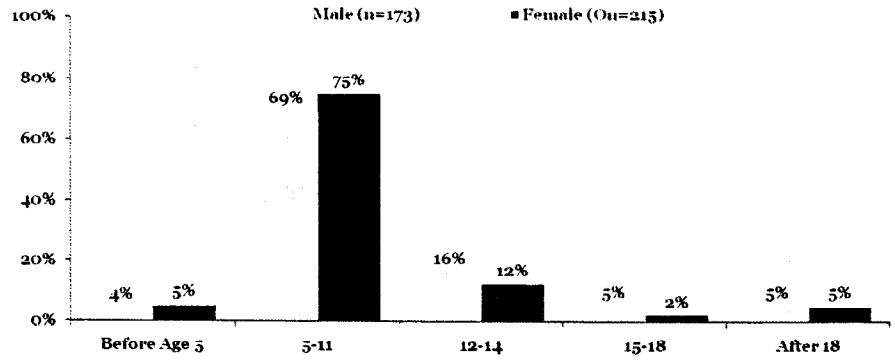
Age at Which First Learned to Play a Musical Instrument by Gender

Respondents Who Play a Musical Instrument (2009)



Question 5A. See earlier graph in this section for wording of question.

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes. Only households where the respondent currently or formerly played a musical instrument were asked this question.

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Musical Instrument Played Most Often (2009)
(Based on Respondents Who Play a Musical Instrument)

		GENDER	
	Total %	Male %	Female %
Piano	30	15	44
Grand	9	4	13
Upright	21	11	31
Guitar/Bass	25	40	11
Acoustic	15	22	9
Electric	8	14	1
Bass	2	4	*
Orchestral brass	8	12	3
Drums/Percussion	9	13	4
Woodwind instrument	12	4	21
Stringed instrument	5	3	8
Other instrument	7	8	6
Keyboard	4	5	3
Total	100	100	100
Number of Interviews	(388)	(173)	(215)

*Less than 0.5%

**Instrument categories revised in 2009.

Question 5D: Which musical instrument do you play most often?

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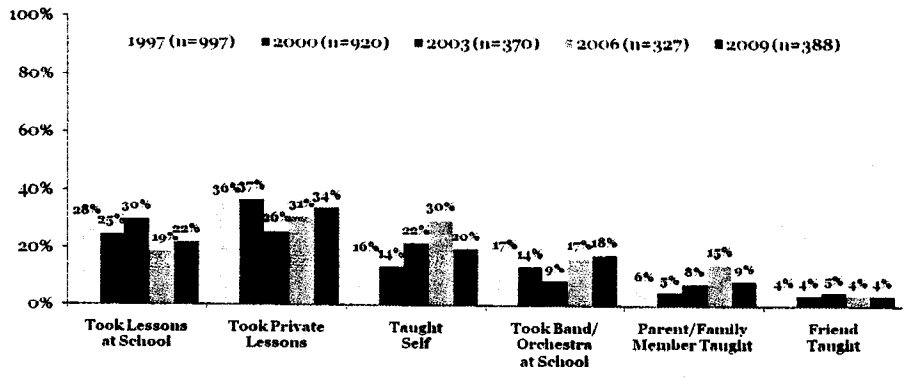
How First Learned to Play a Musical Instrument (Based on respondents who play a musical instrument)



Question 5C: "There are a number of ways to learn to play a musical instrument. How did you FIRST learn to play a musical instrument? You (responses read)?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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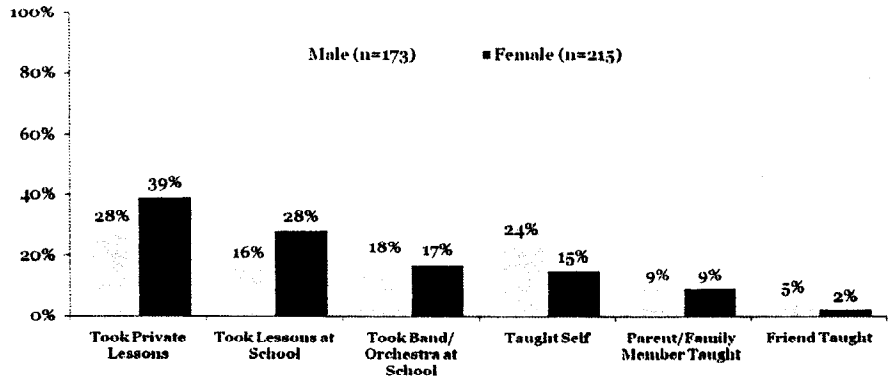
How First Learned to Play a Musical Instrument by Gender (2009) (Based on respondents who play a musical instrument)



Question 5C: "There are a number of ways to learn to play a musical instrument. How did you FIRST learn to play a musical instrument? You (responses read)?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes. Only households where the respondent currently or formerly played a musical instrument were asked this question. *"Taught Self" and "Friend Taught" were significantly higher at the 90% level of confidence for males than for females, while "Took Private Lessons" was significantly higher for females. This same pattern was observed in the 1997 study.*

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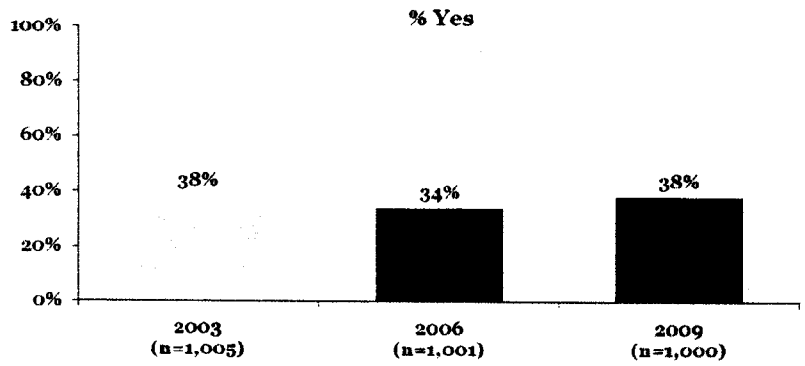
Have Read, Seen, or Heard About the Benefits on Education of Playing a Musical Instrument (2003-2009)



Questions 1 and 2, as follows: Q1: "In the last year, have you read, seen or heard anything about the benefits of playing a musical instrument and the health, wellness and positive effect on education?" Q2: "Where did you read, see or hear this information?"

Only those who answered "yes" under Q1 were asked Q2. "Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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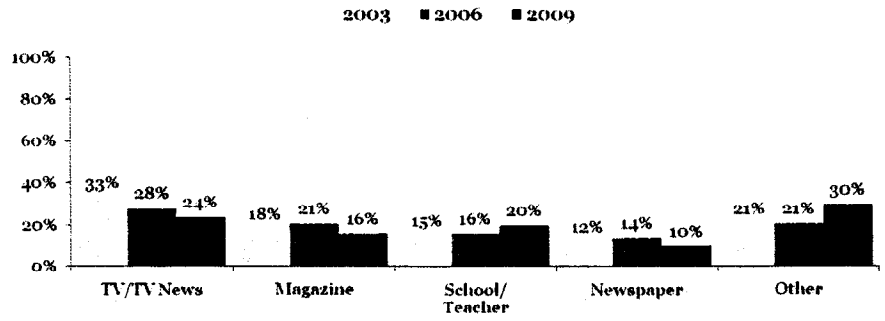
Have Read, Seen, or Heard About the Benefits on Education of Playing a Musical Instrument (2003-2009)

Main Source for Reading, Seeing, or Hearing This



Questions 1 and 2, as follows: Q1: "In the last year, have you read, seen or heard anything about the benefits of playing a musical instrument and the health, wellness and positive effect on education?" Q2: "Where did you read, see or hear this information?"

Only those who answered "yes" under Q1 were asked Q2. "Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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Age Believe Children Should be Exposed to Music

Question 3: "At what age should children be exposed to music?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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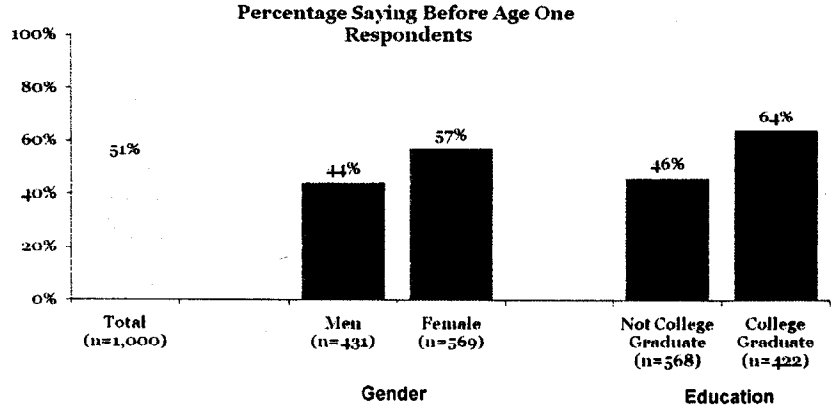
Age Believe Children Should be Exposed to Music by Gender and Education (2009)



Question 3: "At what age should children be exposed to music?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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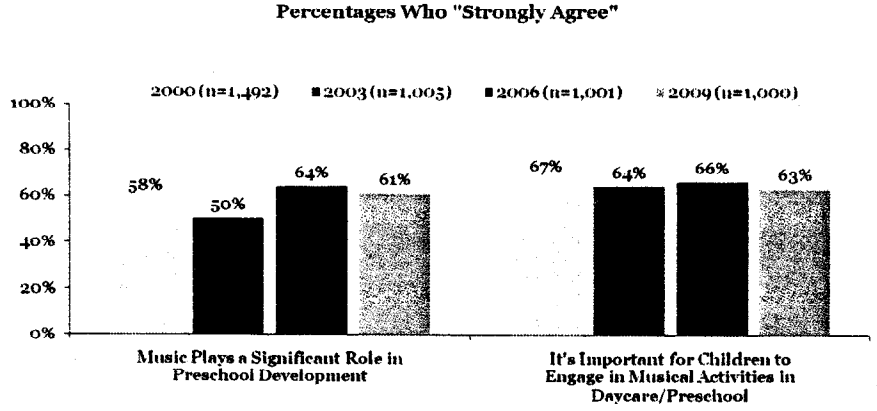
Agreement With Attitudes About Music at the Preschool Level



Questions 4A-B. Using a scale of one to five, where '5' means strongly agree and '1' means strongly disagree, how would you rate . . . A. Music plays a significant role in preschool development. B. It is important for children to engage in musical activities in daycare and/or preschool.

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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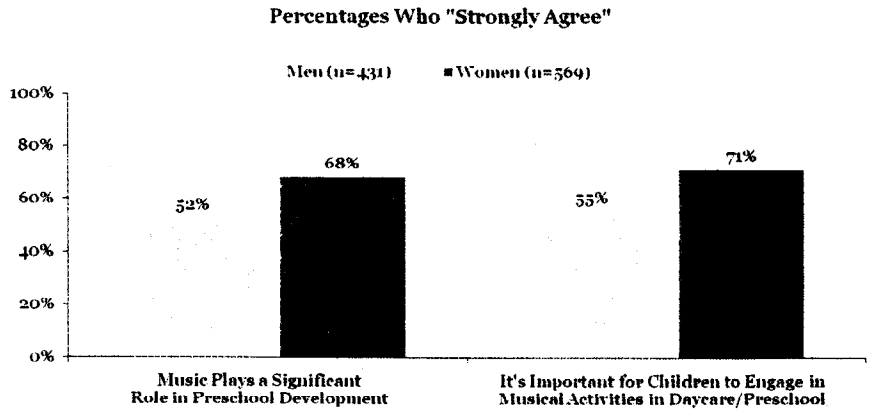
Agreement With Attitudes About Music at the Preschool Level by Gender (2009)



Questions 4A-B. See earlier graph in this section for wording of question.

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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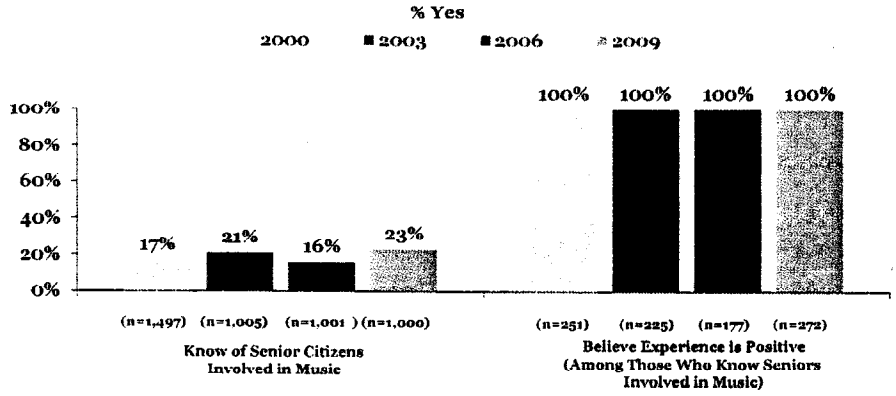
Knowledge and Opinion About Senior Citizens Being Involved in Music



Questions 4A and 4B, as follows: Q4A: "Some recent studies have shown that being involved with music is a very positive experience for senior citizens. Do you know of any senior citizens that have recently become involved or re-involved with music and playing an instrument?" Q4B: "Do you believe this is a positive experience?"

Only those who answered "yes" for Q4A were asked Q4B. "Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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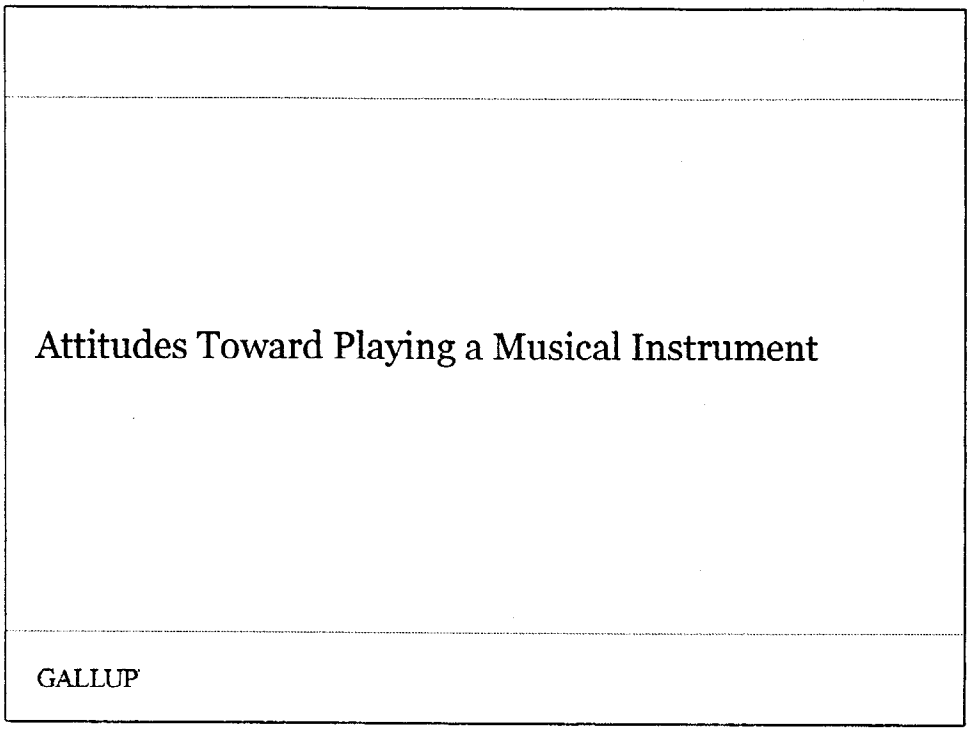

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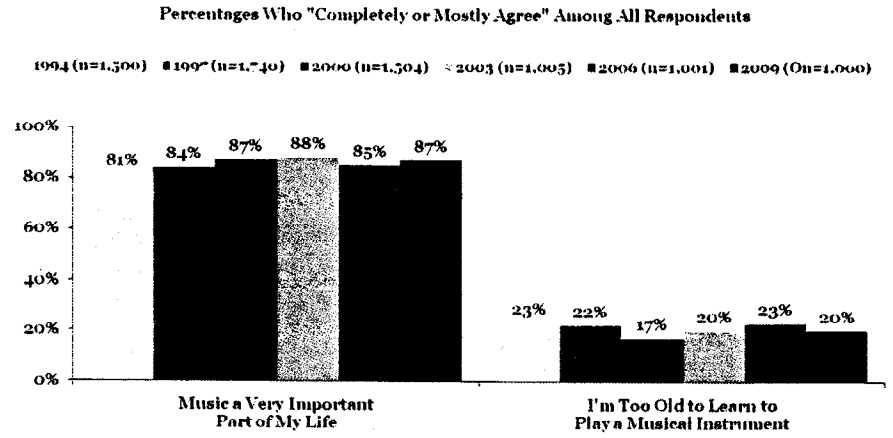
Agreement With Social Attitudes About Music and Playing Musical Instruments



Question 23: "I am going to read you some statements about music and playing musical instruments. For each, please tell me whether you completely agree, mostly agree, mostly disagree, or completely disagree? How about (each item read and rotated)?"

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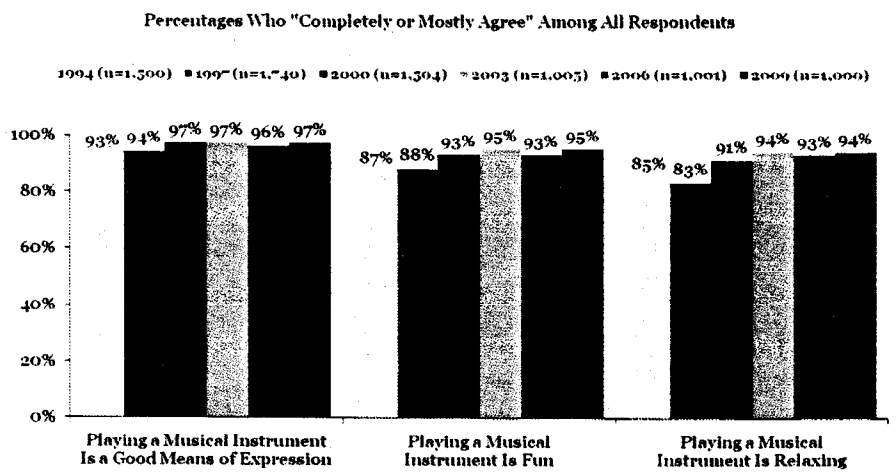
Agreement With Attitudes About Personal Benefits Associated With Playing Musical Instruments



Question 23. See earlier graph in this section for wording of question.

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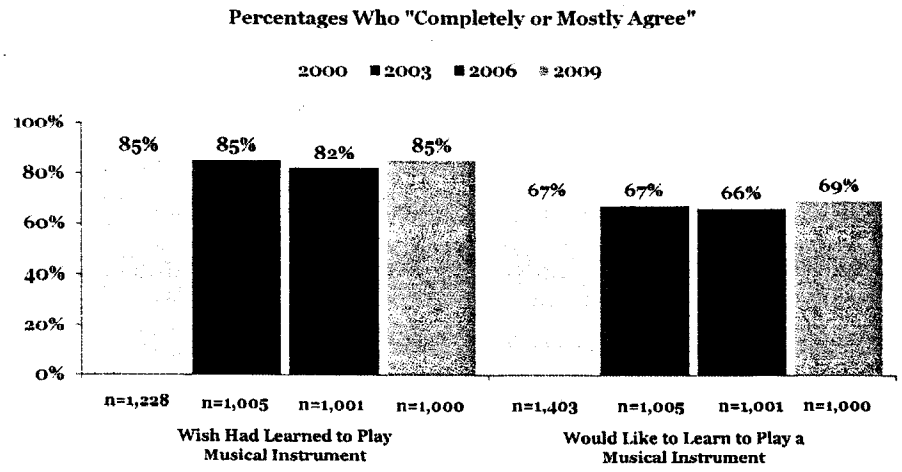
Agreement With Attitudes About Learning to Play Musical Instruments



Question 23. See earlier graph in this section for wording of question. "Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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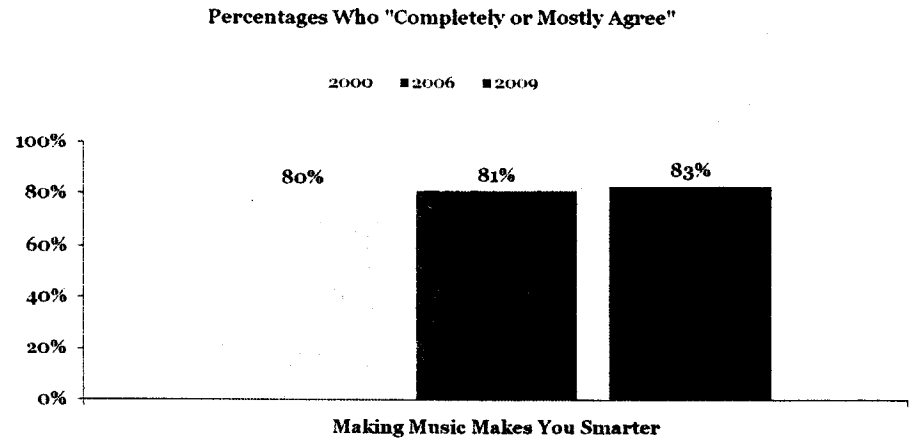
Agreement With Attitudes About Learning to Play Musical Instruments



Question 23. See earlier graph in this section for wording of question.

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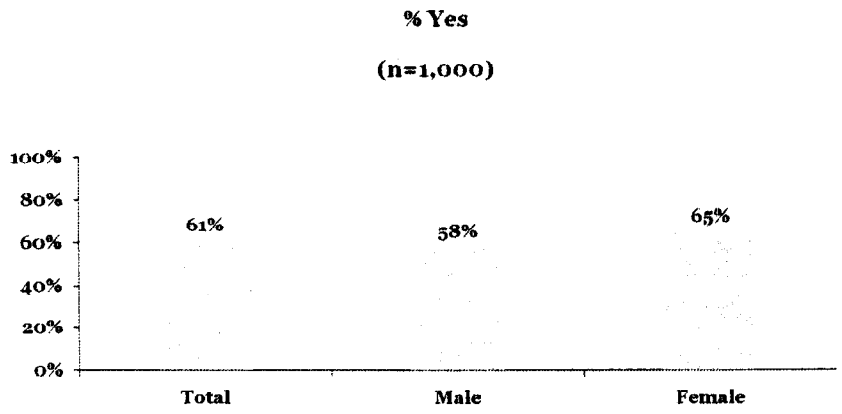
Consider Self Musical? (2009)



Question 5-1. Do you consider yourself musical?

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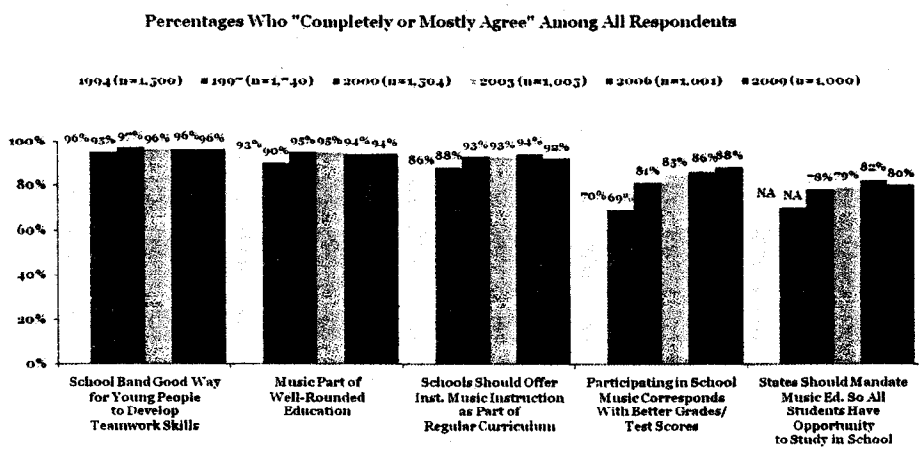
Agreement With Attitudes About Music Education in Schools (1994-2009)



Question 24: "Now, I will read you some statements about children and teenagers and playing musical instruments. For each, please tell me whether you completely agree, mostly agree, mostly disagree, or completely disagree. How about (each item read and rotated)?"

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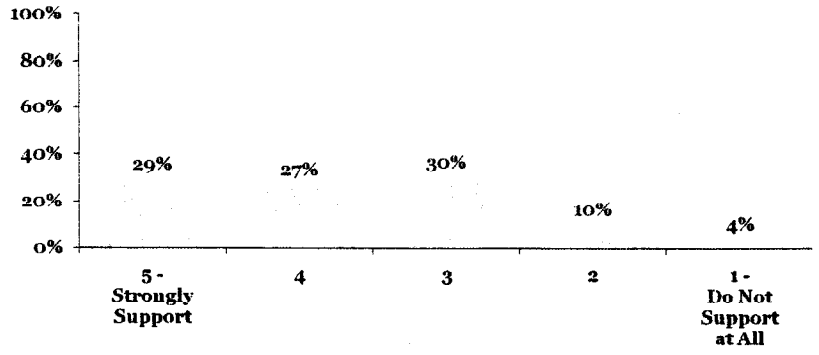
Extent to Which Respondent's Community/Schools Support Music Education (2009)



Question 4-1: Using a scale of one-to-five where "5" means your community or schools strongly support music education, and "1" means they do not support music education at all, to what extent would you say your community or schools support music education?

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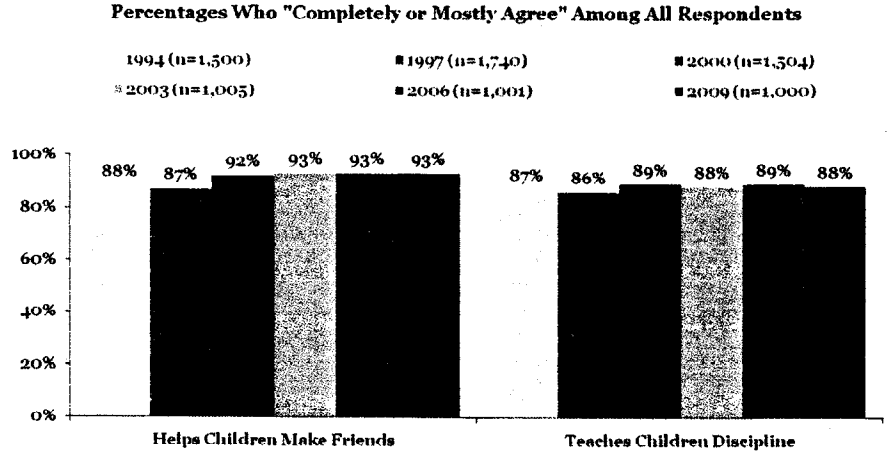
Agreement With Attitudes About Reasons a Child Should Learn to Play Musical Instruments



Question 24: See earlier graph in this section for wording of question.

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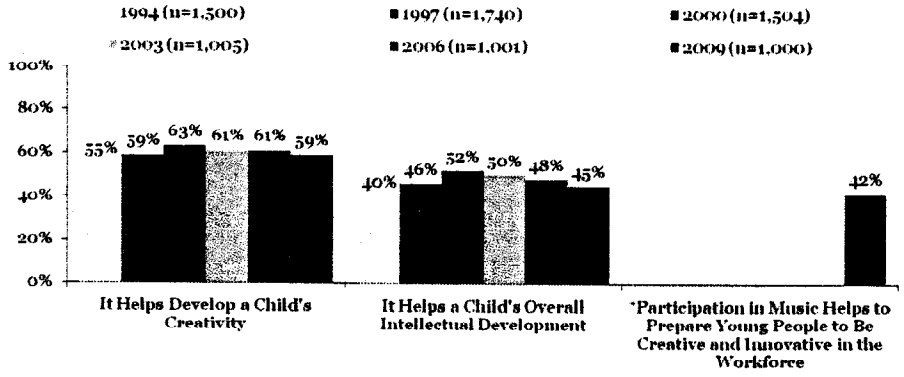
Agreement With Attitudes About Reasons a Child Should Learn to Play Musical Instruments

Percentages Who "Completely Agree" Among All Respondents



Question 24: See earlier graph in this section for wording of question.

**Asked for the first time in 2009*

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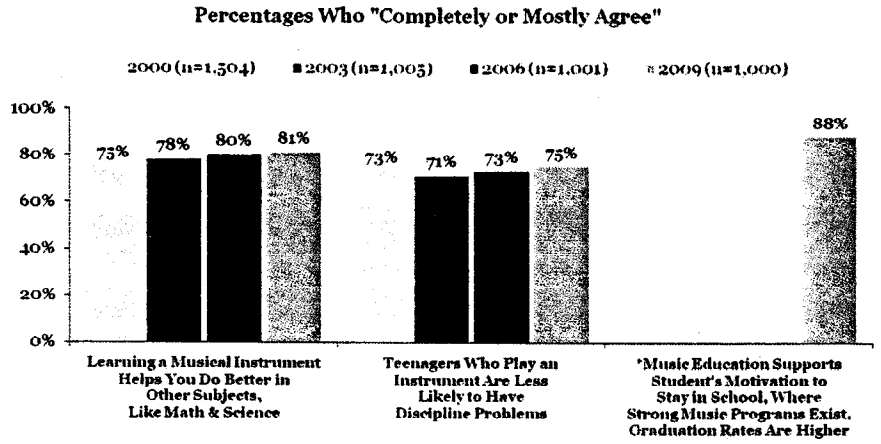
NAMM-000512

Agreement With Attitudes About Reasons a Child Should Learn to Play an Instrument



Question 24: See earlier graph in this section for wording of question.

**Asked for the first time in 2009*

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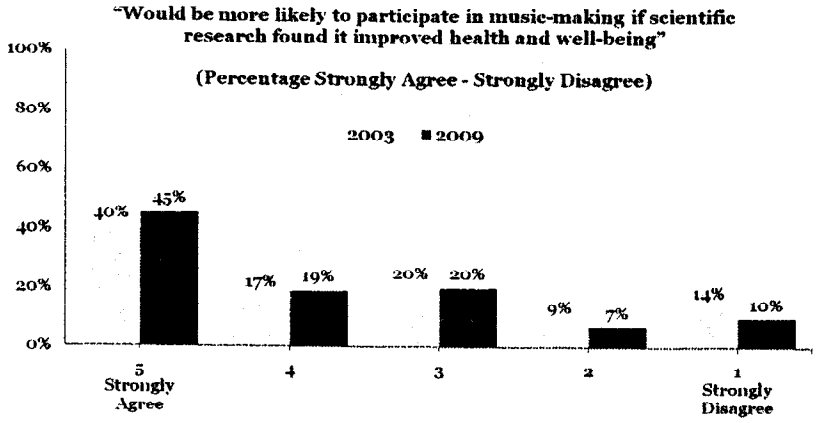
Attitudes About Music-Making



Question 22B: "Using a 5-point scale where 5 means strongly agree and 1 means strongly disagree, please tell me how much you agree or disagree that you would be more likely to actively participate in music making if scientific research found that recreational music making improved your health and well-being.

*Asked for the first time in 2003

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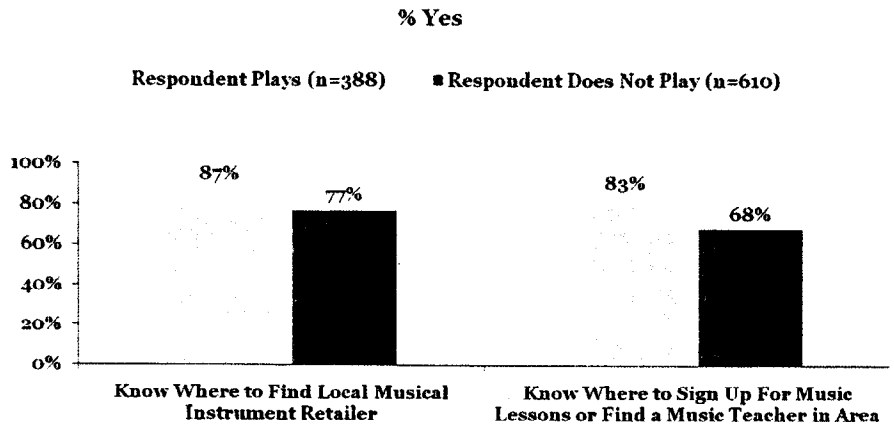
Knowledge of Local Musical Instrument Retailer and Music Lessons/Teacher (2009)



Question 25: Do you know where to find your local music instrument retailer?

Question 26: Do you know where to sign up for music lessons or find a music teacher in your area?

*Asked for the first time in 2009

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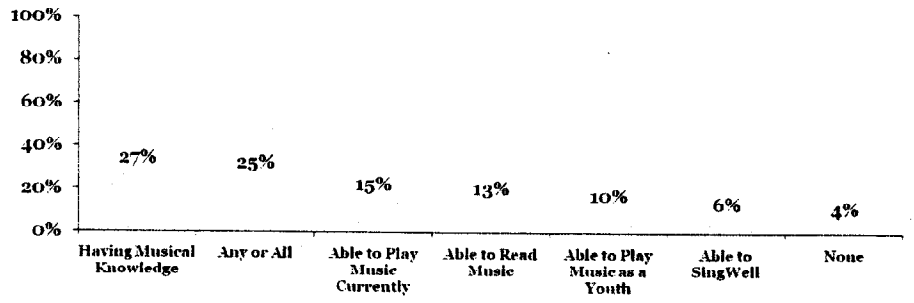
Definition of "Being Musical" or Having "Musical Ability or Skill" (2009) (Based on all respondents)

(n=1,000)



Question 27: How do you define "being musical" or having "musical ability or skill?"

*Asked for the first time in 2009

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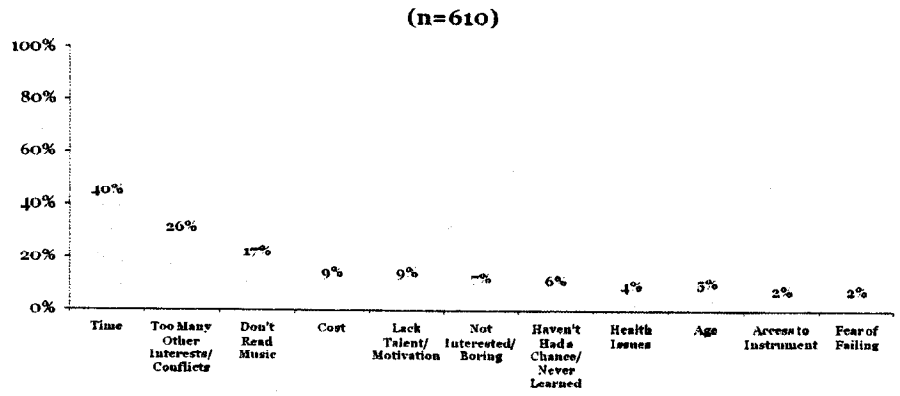
Primary Barriers For Not Playing Music (2009)
(Based on respondents who do not play musical instrument)



Question 28: If you don't currently play music, what are your primary barriers for not playing?

*Asked for the first time in 2009

**Chart lists mentions of 2% or more.

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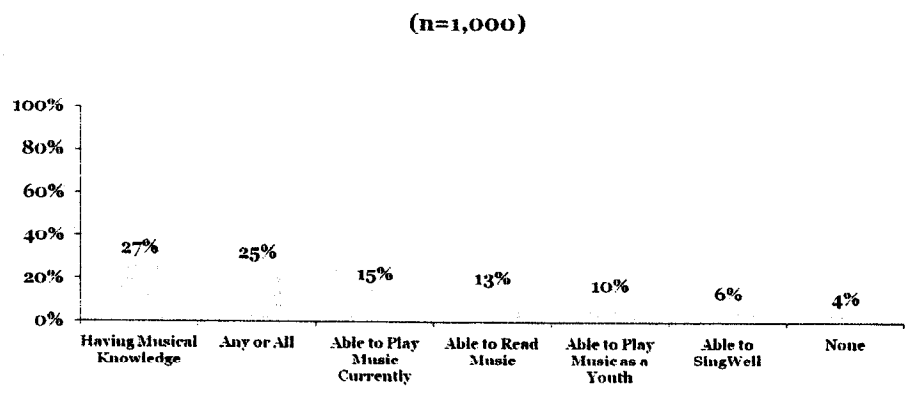
Definition of "Being Musical" or Having "Musical Ability or Skill" (2009) (Based on all respondents)



Question 27: How do you define "being musical" or having "musical ability or skill?"

*Asked for the first time in 2009

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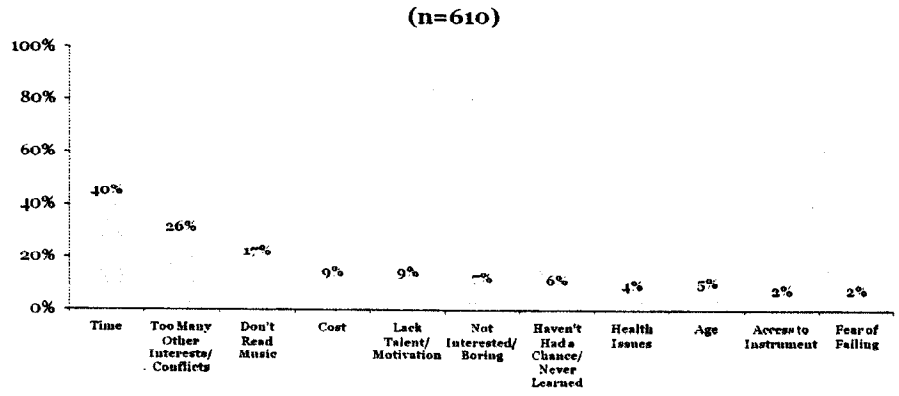
Primary Barriers For Not Playing Music (2009)
(Based on respondents who do not play musical instrument)



Question 28: If you don't currently play music, what are your primary barriers for not playing?

*Asked for the first time in 2009

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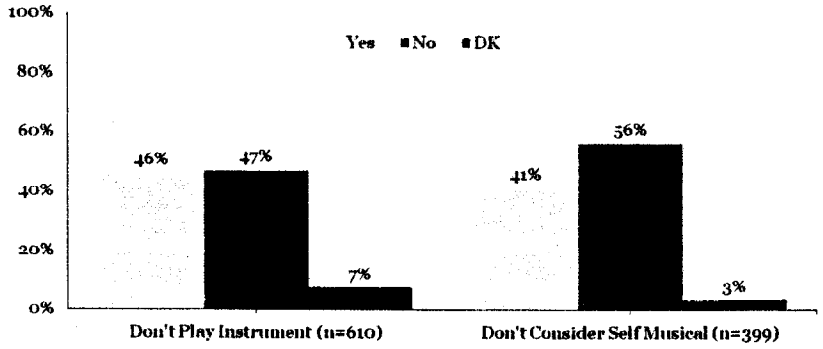
Would Consider Learning to Play Music
(Based on all respondents who do not play a musical instrument) (2009)



Question 29: If you don't consider yourself musical, would you consider learning to play music?

*Asked for the first time in 2009

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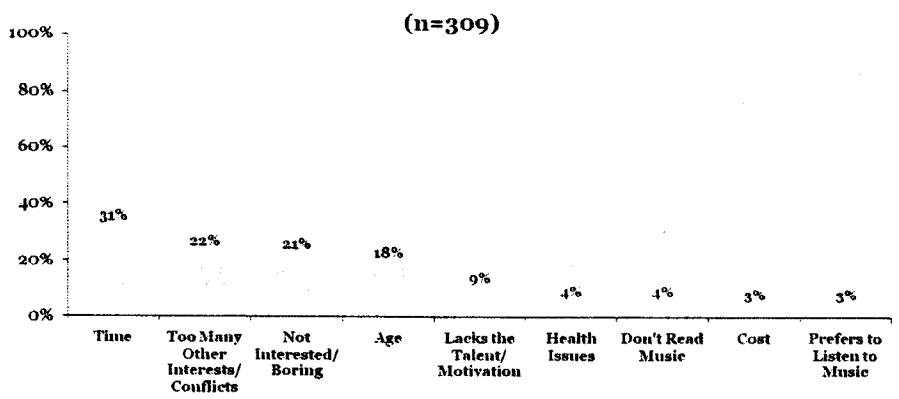
Reasons Would Not Consider Learning to Play Music
(Non-players who would *not* consider learning to play music) (2009)



Question 31: Why not?

*Asked for the first time in 2009
**Chart lists mentions of 2% or more.

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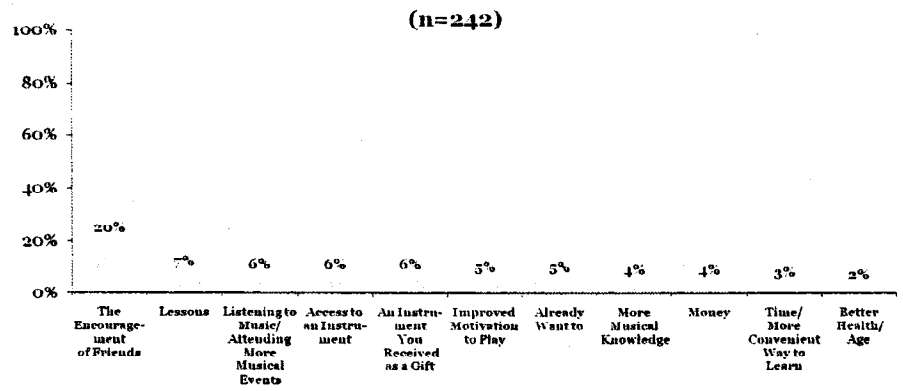
What Would Entice Non-Players to Start Playing Music
(Non-players who would consider learning to play) (2009)



Question 30: What would entice you to start playing music?

*Asked for the first time in 2009

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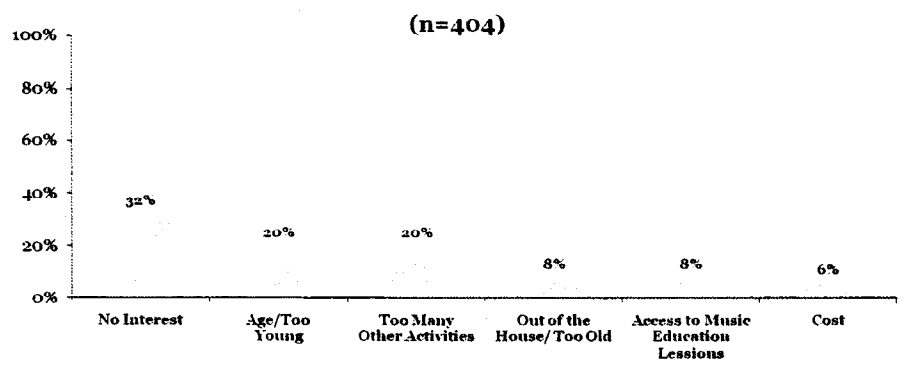
Reason Child/Children Don't Currently Play Music (2009) (Based on those reported they have children)



Question 32: If you are a parent and your child or children don't currently play music, please tell me why that is.

*Asked for the first time in 2009

**Chart lists mentions of 2% or more.

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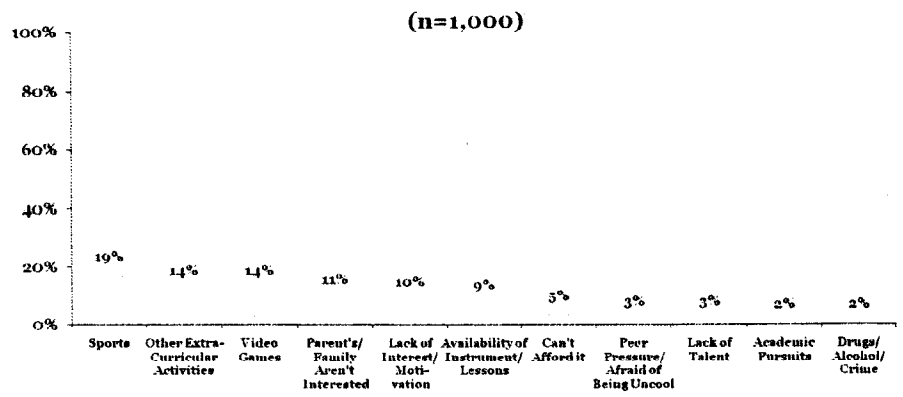
Respondents' Perceptions of Interests That Contribute to Children Not Learning to Play Music (2009)



Question 33: What interests contribute to kids not learning to play music?

*Asked for the first time in 2009

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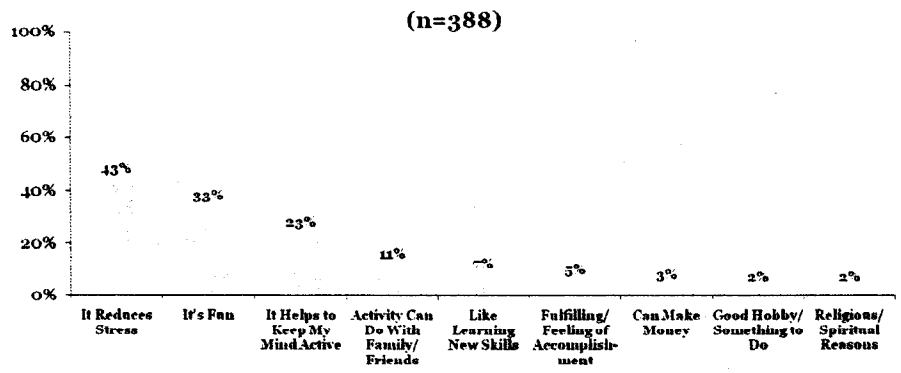
Primary Benefits to Respondent of Playing Music (2009) (Based on respondents who play a musical instrument)



Question 34: If you currently play music, what are the primary benefits for you?

*Asked for the first time in 2009

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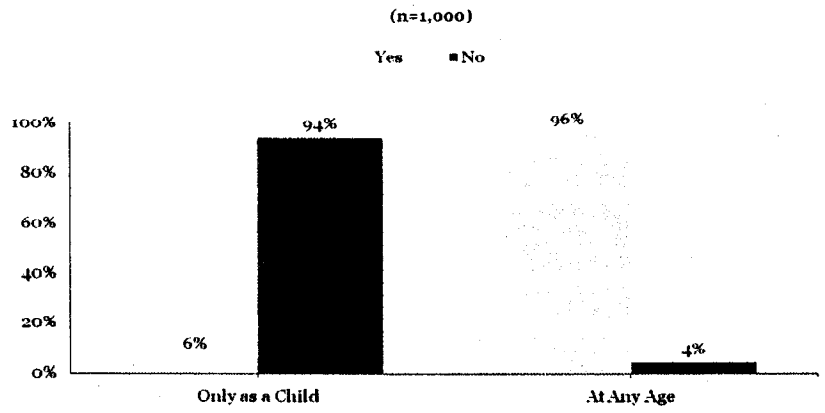
Belief That Musical Skill Can be Learned Only in Childhood/At Any Age (2009)



Question 35: Do you believe that musical skill can be learned?

*Asked for the first time in 2009

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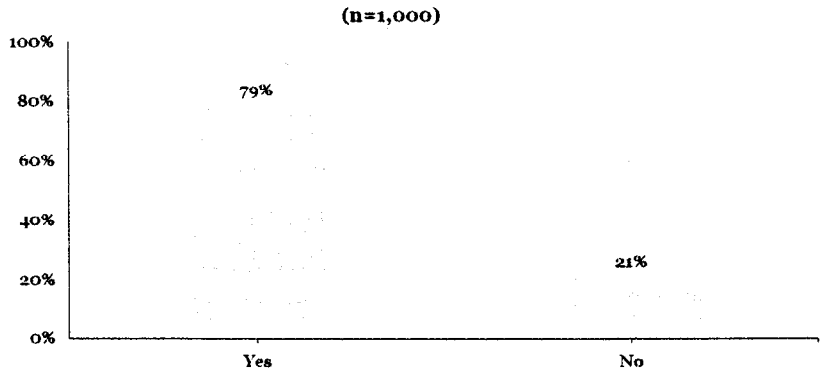
Belief That Current Economic Climate Will Impact Music-Making Related Purchases in 2009



Question 36: Do you believe the current challenging economic climate will impact music-making related purchases in 2009?

*Asked for the first time in 2009

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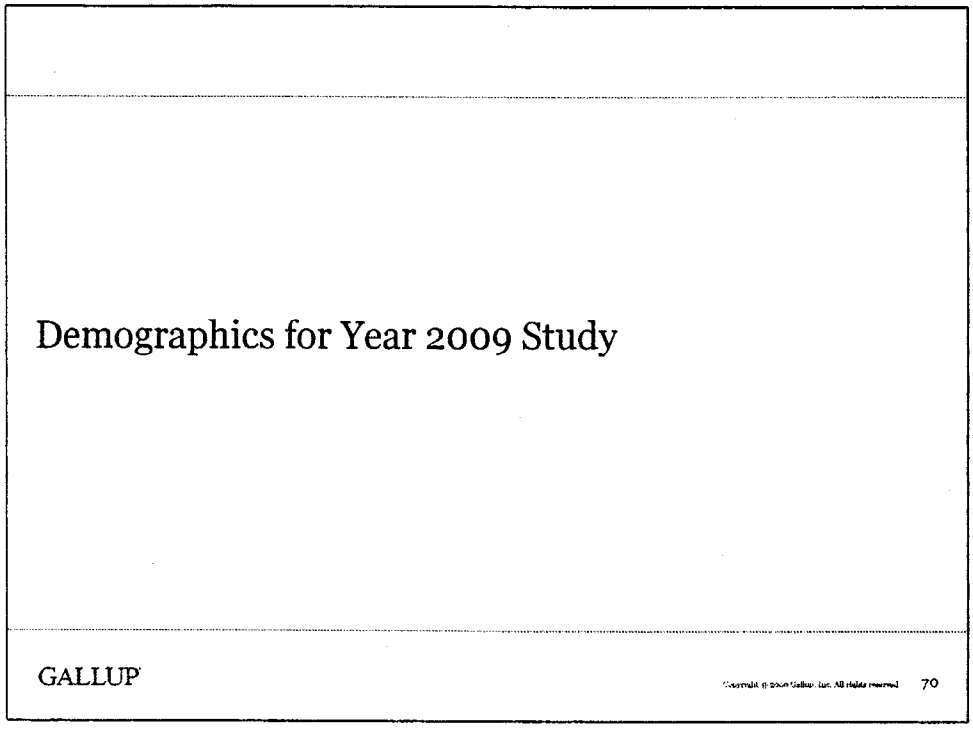

Title Slide

Main Title

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Sub Title

Times New Roman

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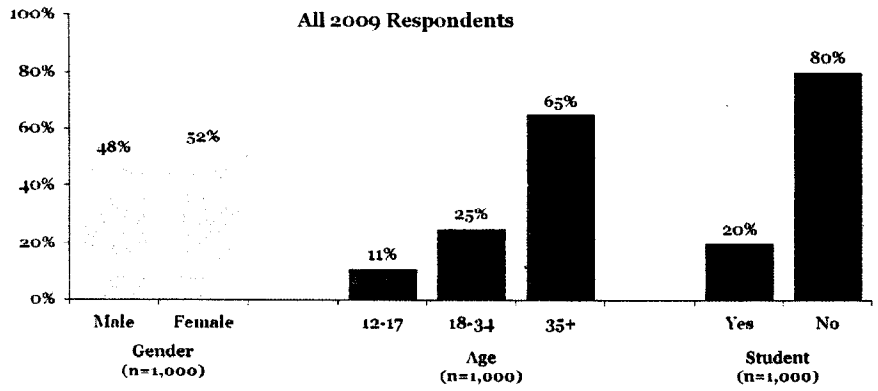
Centered

Respondent Gender, Age, Student



Questions D1. D2. and D4, as follows: D1: Gender–recorded. not asked. D2: "Please tell me how old you are?" D4: "Are you currently a student?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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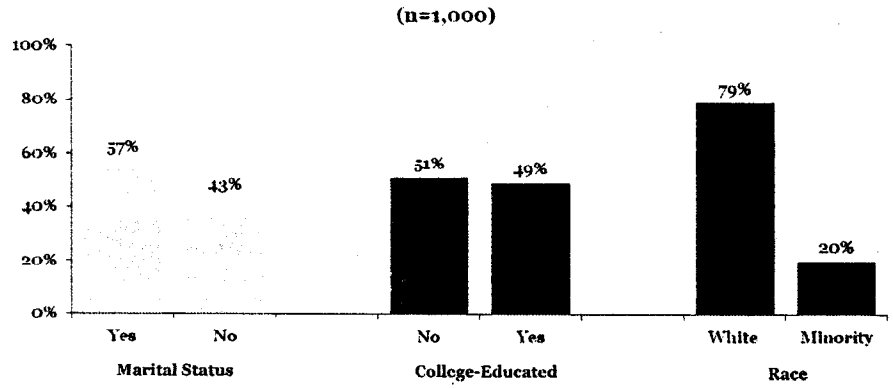
Marital Status, Education, and Race (2009)



Questions D10, D3, and D6/D7, as follows: D10: "What is your marital status?" D3: "What is the highest level of education you have completed?" D6/D7: "Are you, yourself, of Hispanic origin or descent, such as Mexican, Puerto Rican, Cuban, or other Spanish background?" "What is your race? Are you white, African-American, or some other race?"

"Don't Know," "Refused," and "Not Applicable" responses are not included in the base sizes.

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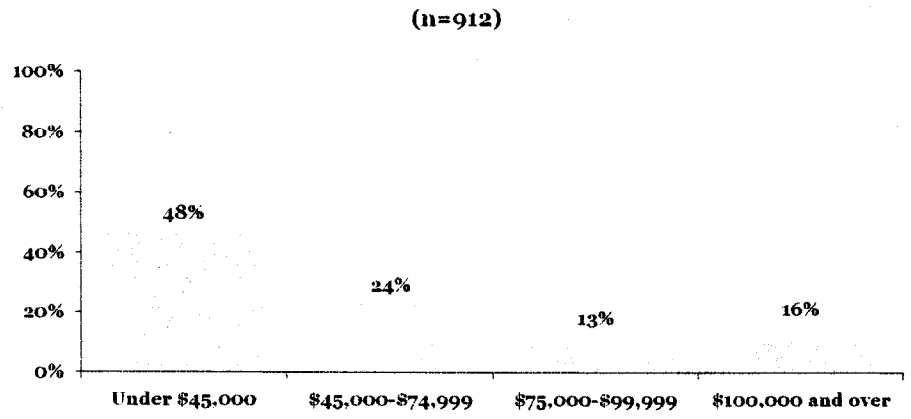
Annual Household Income (2009)



Question D11: What is your annual household income before taxes?

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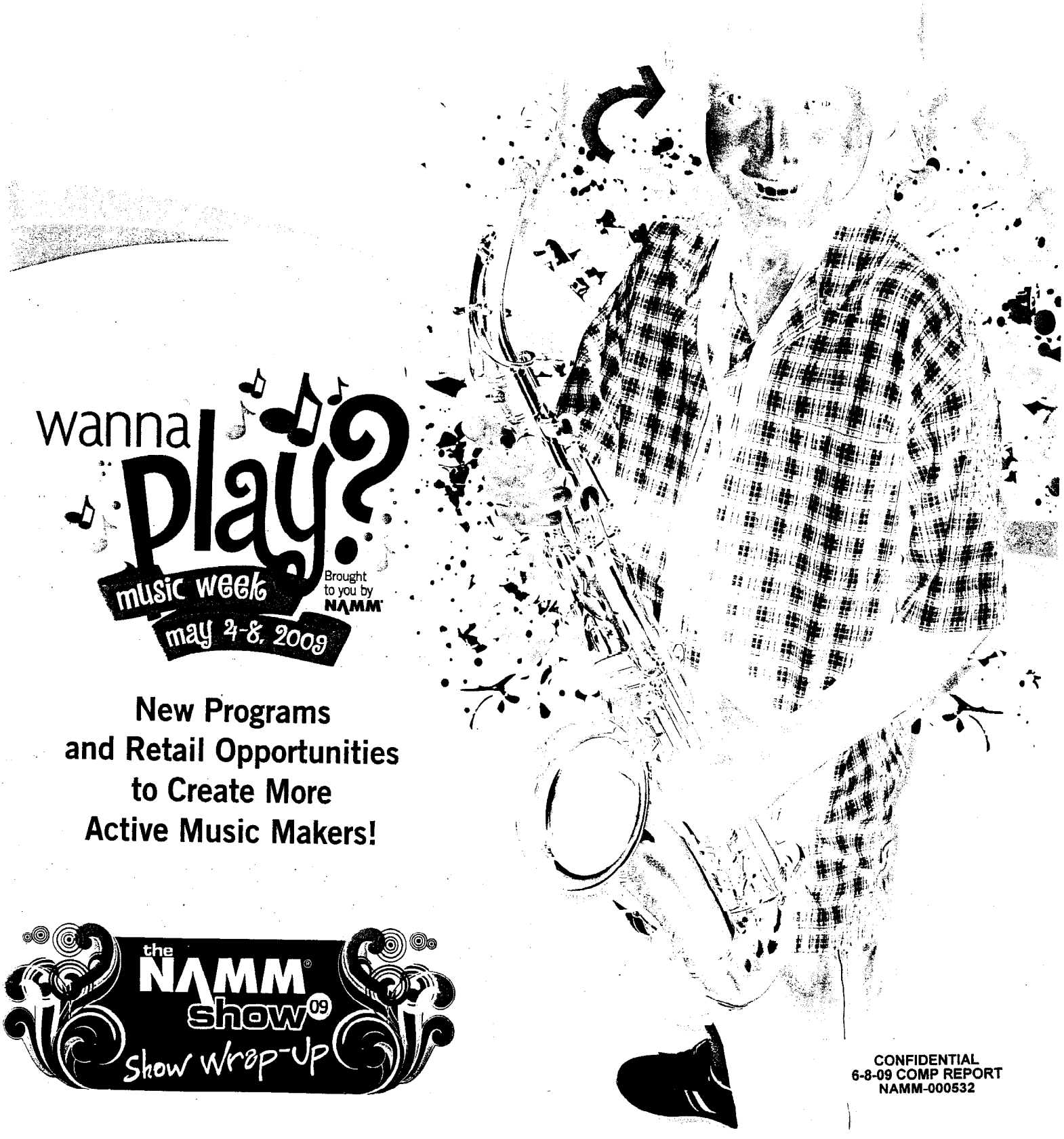

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Show Wrap-Up

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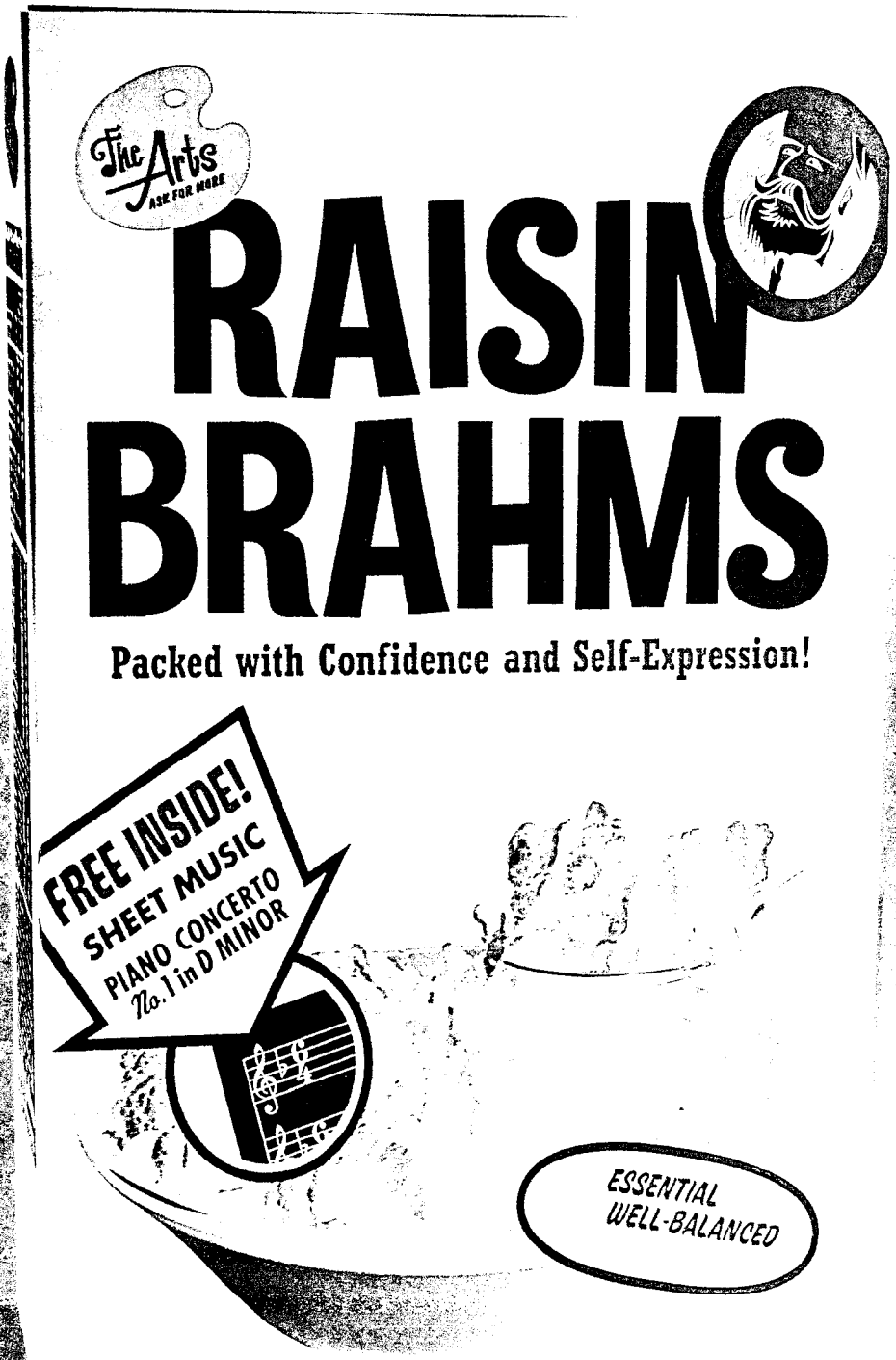

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Feed your kids the Arts. Studies have show [illegible] involvement in the arts helps kids increase test scores and promotes ac[illegible]mic achievement. For 10 Simple Ways to get more art into your child's [illegible] e[illegible]sit AmericansForTheArts.org.

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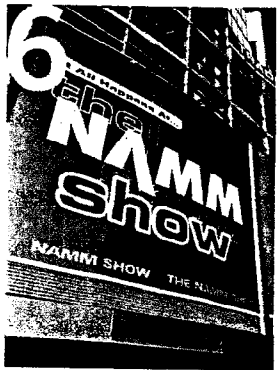

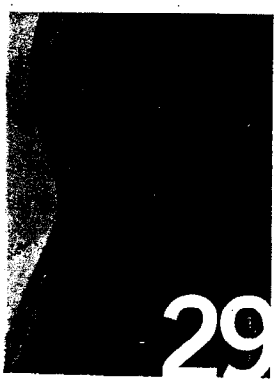

14 Ring in May with Wanna Play Music Week

NAMM continues to "go after the freeway" to create more active music makers with new programs and opportunities as we celebrate the second annual national Wanna Play Music Week, May 4–8.

4 From the President
NAMM President/CEO Joe Lamond looks at how the association can help Members through this challenging time.

6 NAMM Events
NAMM Members from around the world came together at the 2009 NAMM Show in Anaheim, Calif., January 15–18, for a magical mystery tour of the best our industry has to offer. • Opportunity Rocks at 2009 Summer NAMM!

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A full listing of NAMM resources that can benefit your business.

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Overheard at NAMM U Breakfast Sessions: NAMM U speakers share their perspectives on ways that Members can expand their reach and grow their customer base.

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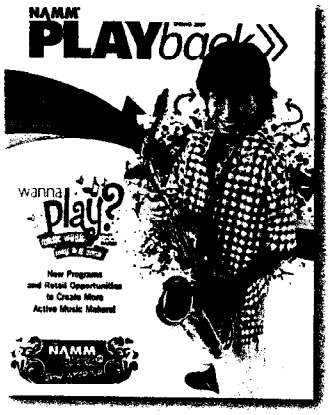

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NAMM PLAY*back* is published quarterly by NAMM, the International Music Products Association®
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Our industry's real future lies in getting more people to make music, and our 'economic stimulus package,' of sorts, is NAMM's *Wanna Play?* consumer campaign.

A Note from Joe

Economic Stimulus for the Music Products Industry

Business guru Peter Drucker once said, "Leadership is a foul weather job." Boy, he wasn't kidding. As you lead your stores and businesses through these turbulent times, you may wonder how you will hold your own against the waves that keep pounding our economy. Hopefully, we can each find strength in knowing that our industry has already dealt with this and more—from the rise and fall of entire instrument categories to wars and economic recessions—and come back even stronger.

For the past 108 years, NAMM has worked side-by-side in the trenches with our Members through good times and bad. In studying the challenges our industry has faced over this time, we see that there are no quick fixes, no easy answers. No one is going to bail us out or take charge of our future except for us—and that is exactly what we're doing. At the NAMM Show in January, record numbers attended NAMM U Breakfast Sessions and Idea Center classes, as industry professionals from around the globe armed themselves with ideas, answers and solutions for staying viable.

One of this year's most successful sessions was Saturday morning's "25 Ideas to Improve Your Business—Now." In fact, we were so impressed with the creative tips our Members shared with hosts Alan Friedman and Danny Rocks that we're going to publish them in a four-part series, starting with this issue's "7 Sales Promotion Ideas to Improve Your Business—Now." Turn to page 20 for a variety of ways to increase sales and bring more customers in your store.

Our industry's future lies in getting more people to make music, and NAMM's "economic stimulus package," of sorts, is its *Wanna Play?* consumer campaign. This exciting initiative and all the activities planned around our upcoming Wanna Play Music Week, May 4–8, are designed to help drive traffic into your store by creating more music makers and drawing attention to our industry's great story. You can read more about it on page 14.

And while Peter Drucker may have been right about leadership being a foul weather job, it need not be a lonely one. You have friends at NAMM ready to serve you and be a part of your team. We invite you to take advantage of all the resources you have available to you as a NAMM Member, including a personalized analysis of which programs, opt-ins and discounted business services can help you save money and reach more customers. Call us at 800-767-6266 and our Contact Center staff will be happy to assist you.

Joe Lamond

Joe Lamond
President and CEO, NAMM
joe@namm.org

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The 2009 NAMM Show in Anaheim, Calif., January 15-18, was a magical mystery tour of the best our industry has to offer.

Despite an uncertain global economy, the NAMM Show in Anaheim provided a productive backdrop for choosing new inventory, networking with peers and gaining momentum for the year ahead. A pilgrimage of nearly 86,000 people from around the world gathered in beautiful (and unseasonably warm) Southern California. Despite the current economic crisis, attendees showed courage, fortitude and optimism as they took the future into their own hands.

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...for Great Business

You can always count on the NAMM Show to find the hottest new innovations and an expansive inventory of the world's greatest musical products.

"I think it's better than we expected. When it comes to our products, I think we'll actually benefit from the current economic climate because people are focusing on accessories right now since it doesn't require a huge investment."

RICH MACKY
Guistar Picks, LLC
Pittsburgh, Pa.

"NAMM is always one of the best shows for us to go to. This year especially—with the number of dealers, the number of artists—and the drummers that have come through who have recognized what kind of things we're doing. So this year's NAMM Show, as always, has proven to be a success and we're really excited about what this year has to bring."

GRANT HENRY
Ludwig/Musse, Div. of Conn-Selmer
Elkhart, Ind.

"It's been a fantastic show. Not a huge number of people, but the people we've seen have been at the high end of the market, which is what we're after, and our prospects are expanding."

ROGER KELLY
Active Audio
Brisbane, Australia

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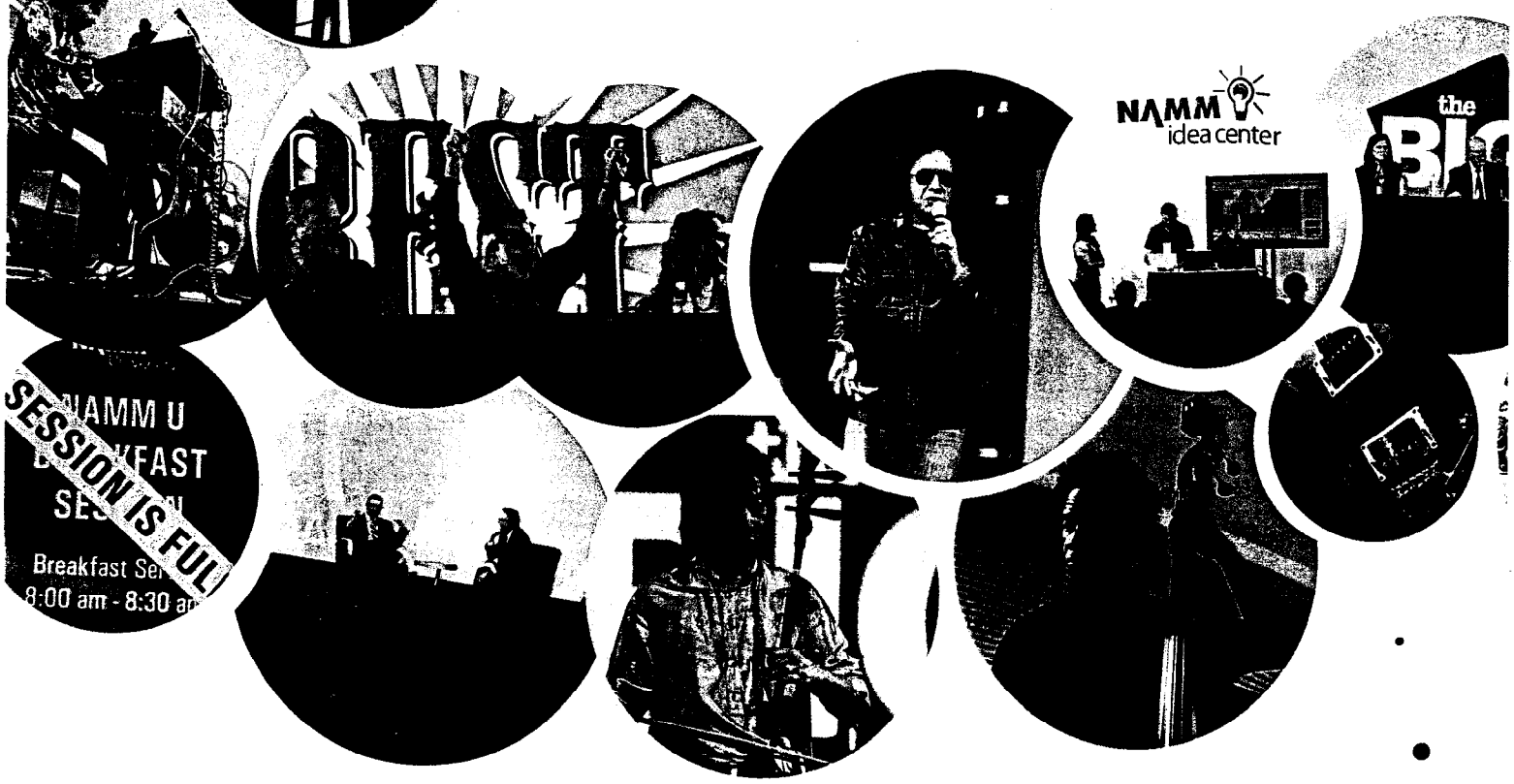
NAMM idea center

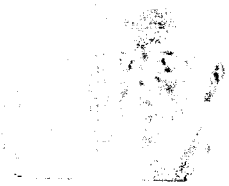
Come Together for New Ideas

From the standing-room only NAMM University Breakfast Sessions to the quick, focused sessions taking place throughout the day in the Idea Center, attendees were able to gain new ideas, find answers to challenges and learn about how to use new media to maximize their company's marketing efforts.



"I came away from this morning's session with the realization that the status quo just doesn't work anymore. We, in this industry, have become complacent and just expect our customers to walk in the door like they did 20 to 30 years ago. We need an infusion of energy and new ideas into the business."

JOEL ROSS
Randy's Music
Rockford, Ill.



"We learned we can do a lot with our Web site. Whether it's YouTube or one of the other social networking sites, you can use them to direct people to your site. It's a window into the store. These guys also suggested letting them know who our staff are with little bios because people like to buy from people."

CASE BOSKERS
Note-able Music
Lethbridge, Alberta, Canada

"Honestly, I think we're going to implement almost everything we heard today. On the inventory side and the financial side, I think there's a lot of things that I hadn't thought of trying or implementing, but I will for sure now."

RICHARD FIRMAN
KYR Music
Chino, Calif.

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"Especially in times of trouble, you have to come together. It's more important to be here now than at any time, really, to get inspired and get the support we need from each other to get out of this situation."

ERIC WINBUSH
Dadd's Production
Savannah, Ga.

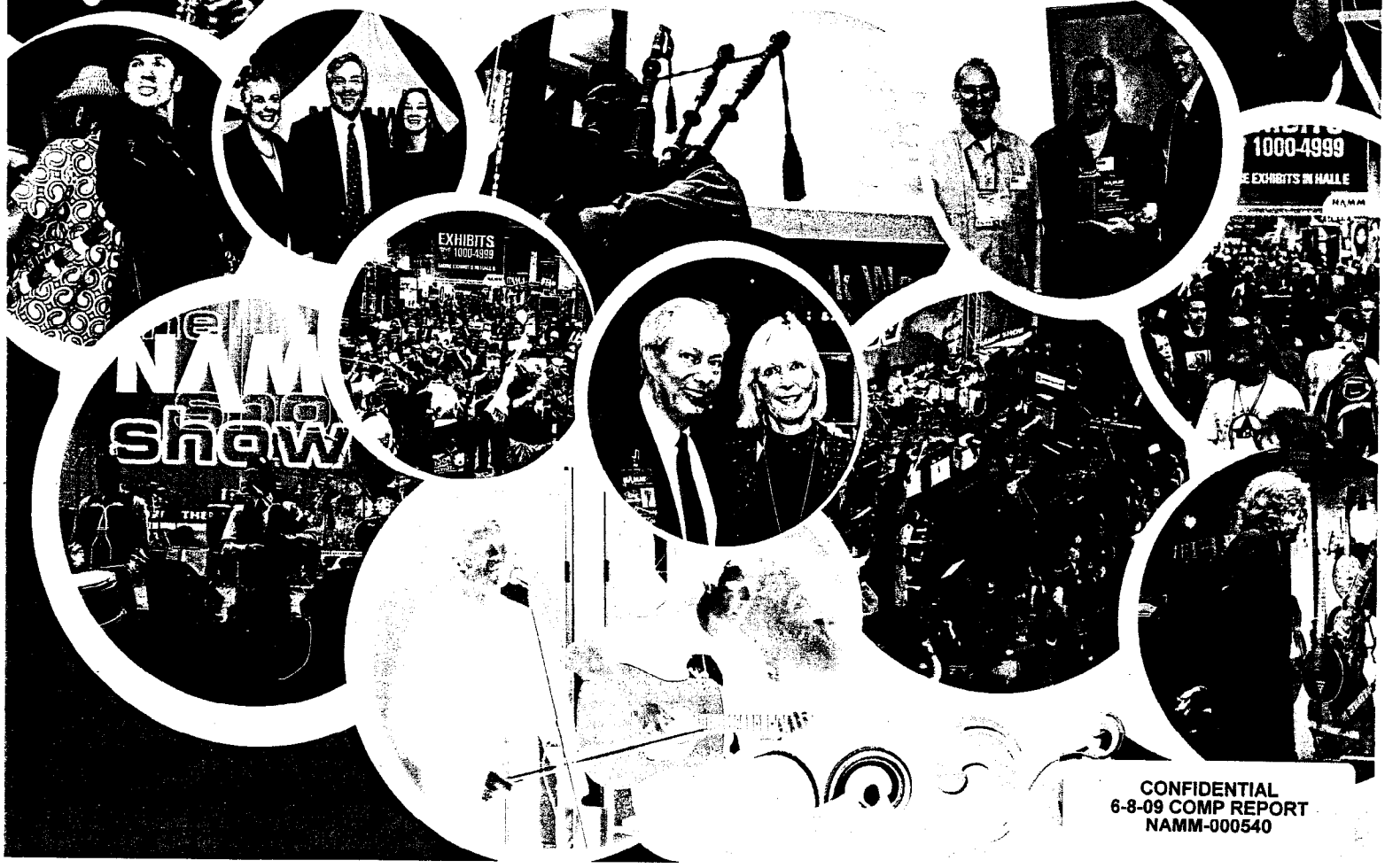
"There are so many new technologies with e-mail, fax, all these things, but there is nothing like personal contact to explain your product, talk with your customers and understand what their problems are. It's much better than all the electronics you have."

ANDREAS GAFKE
Schreiber and Keilwerth
Musik Instrumente
Nauheim, Germany

Chip Averwater and Joe Lamond are pictured with the new slate of the NAMM Board of Directors: Dick Boak, Jeff Falgien, Gary Forkum, Kurt Listug, Phil Rich, Ray van Straten, Christopher White and Rick Young

...for Community

In uncertain times, it's crucial for the industry to pull together. Attendees found strength and support as they united with their peers to network, pay homage to the industry legends we lost and celebrate their successes from the past year.



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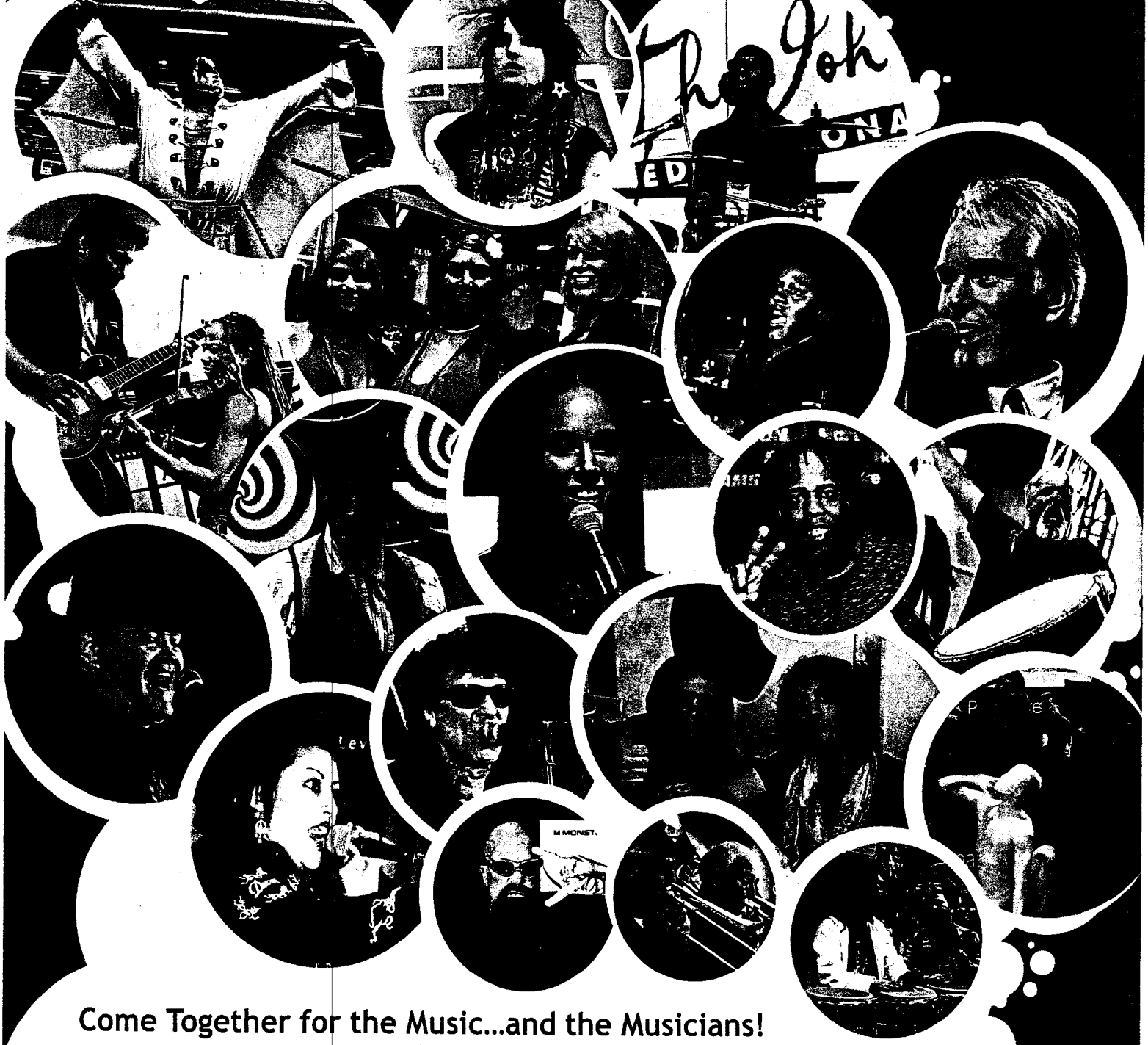

Come Together for the Music...and the Musicians!

As always, music took center stage at the NAMM Show, from the amazing performances that opened each NAMM U Breakfast Session to the annual march of the Petiot Band and the numerous live performances scheduled throughout the Anaheim Convention Center. And everywhere you looked you saw familiar faces, as a parade of music legends stopped by to endorse NAMM Member products—and take it to 11!

...for Life

It's not unusual for people to fall in love with products on display at the NAMM Show. But last year, when Mark Allee met a young woman named Winnie Jow, they instantly fell for one another. At this year's NAMM Show, Mark surprised Winnie, when he proposed to her in Hall D—at the very spot where the two had met.

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Join Us July 17-19 in Nashville for New Gear, Ideas and Networking

There are many ways to make the most of 2009 Summer NAMM, July 17–19, in Nashville, Tenn. It's a great opportunity to see unique companies and check out product launches, meet with NAMM Members from every business segment, gather new tips from innovators and network with peers.

NAMM is focused on highlighting opportunities for industry growth and success. Although we're in the midst of uncertain economic times, we can be proactive in the setting of Summer NAMM as we adapt to the changing market. This event is perfect for conducting business and making plans for the fall and holiday selling seasons—all while enjoying live music and fun on the town.

Plan Ahead for All the Opportunities!

Arrive early: The show starts before the halls open with the annual Pre-Show Party at The Hang on Thursday, July 16, at 7 p.m. Join your peers for live music, free food and good times, as Weekend Warrior company bands perform.

Book your room: Housing is open and there are fantastic hotels with rooms available for you and your co-workers. If you haven't received an e-mail with information to make online reservations, please contact us.

Set your schedule: NAMM U is offering sessions throughout each day that deliver ideas for both coping and growing in this unprecedented economy. Unlike printed materials that don't address the current climate, these solutions are presented in real time and relate to your needs, with sales, staffing, marketing, technology tips—and more!

Map the exhibitors: We're again offering a variety of options so that all sizes of companies can be part of this experience and show their latest gear—the interactive floor plan will be posted on NAMM's Web site before the show to help you schedule your time.

Save cash in Nashville: Get discounts on travel, dining and other activities around Music City USA using your Summer NAMM badge or NAMM Member code.

Make your plans now to take advantage of the benefits of being part of this community with a common goal. At Summer NAMM, Opportunity Rocks!

...amm.org/summer to learn more about show housing, schedules and discounts.

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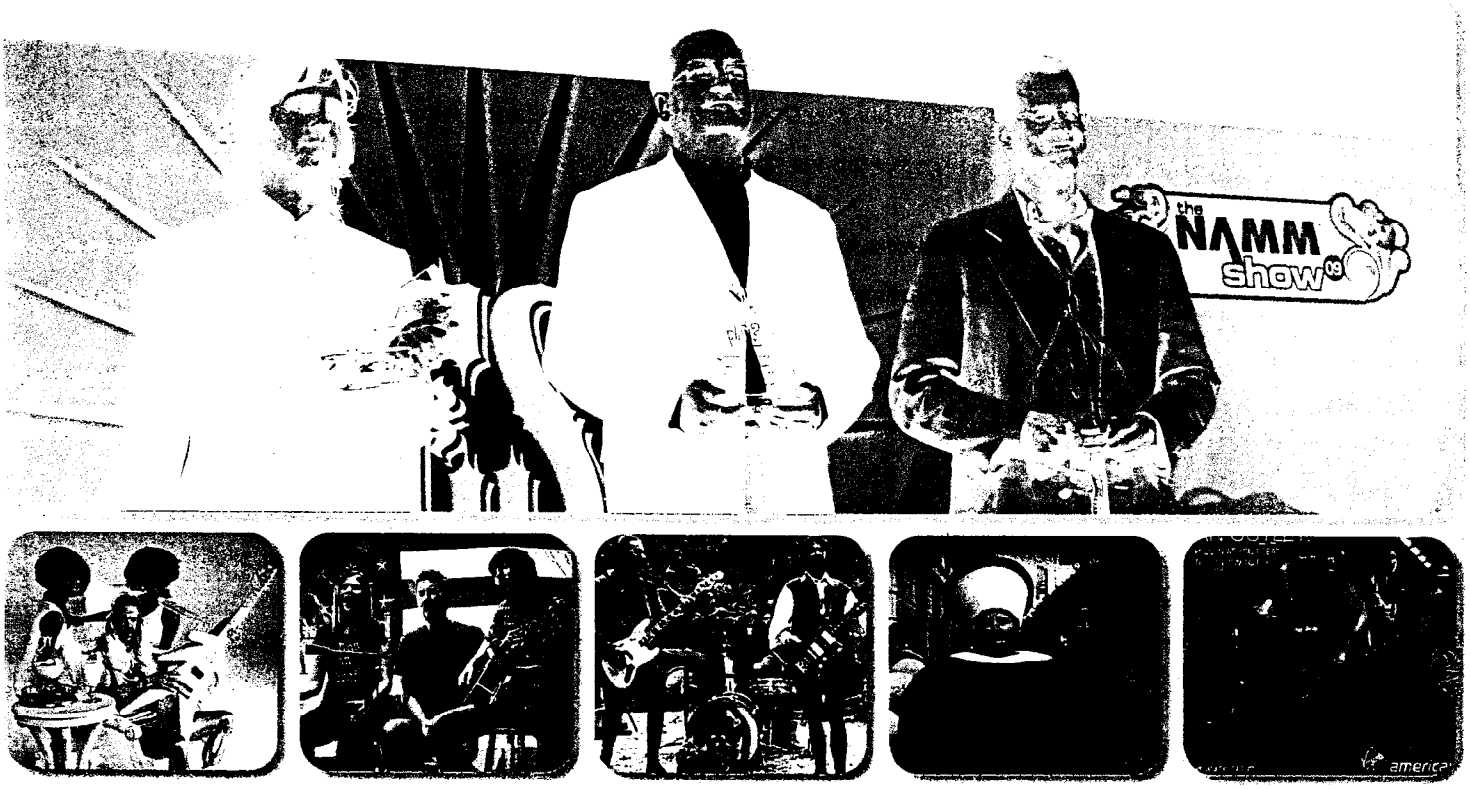
NAMM Celebrates Music Making in Advertising with *Wanna Play?* Awards

FIVE COMPANIES HONORED AT THE NAMM SHOW FOR INSPIRING MORE PEOPLE TO PLAY MUSICAL INSTRUMENTS



Playing a musical instrument is not only cool, it's a cool way to market your products—whatever they are. From milk to underwear and air travel, many companies are depicting music making in their advertising campaigns to convey messages of hope, excitement and desirability.

During Sunday morning's NAMM U Breakfast Session at the 2009 NAMM Show in Anaheim, five companies outside the music products industry were honored with *Wanna Play?* Awards for their part in encouraging people to pursue—or perhaps revisit—their passion for playing an instrument through their promotion of products or initiatives.

The winners of the third annual *Wanna Play?* Awards were the California Milk Processor Board for its "White Gold" television ad campaign (featuring a rock star character playing a tricked-out electric guitar while promoting the perks of drinking milk); AT&T for its "Team USA Soundtrack" print ad campaign; freecreditreport.com for its "New Job" TV ad (depicting a pirate-clad waiter strumming a tune on an acoustic guitar while lamenting about his stolen identity); Fruit of the Loom for its "Daddy Was the Apple of My Eye" TV ad featuring Vince Gill; and Virgin America for its "Everyone Needs an Outlet" print ad campaign.

The Wanna Play? Awards are an extension of NAMM's *Wanna Play?* campaign, a public awareness initiative designed to inspire people of all ages to become active music makers, from taking lessons to purchasing their first instrument.

"It's refreshing to see that companies in many industries use music making as a universal communication tool to convey all types of messaging," says NAMM President and CEO Joe Lamond. "We commend those companies that have tapped into this energetic and positive form of expression to help spread the word about their products."

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Play. Shoot. Win.

NAMM'S *WANNA PLAY?* FILM CONTEST

To create awareness about NAMM's *Wanna Play?* consumer campaign, the association is inviting aspiring filmmakers to help us spread the word about the joys of making music.

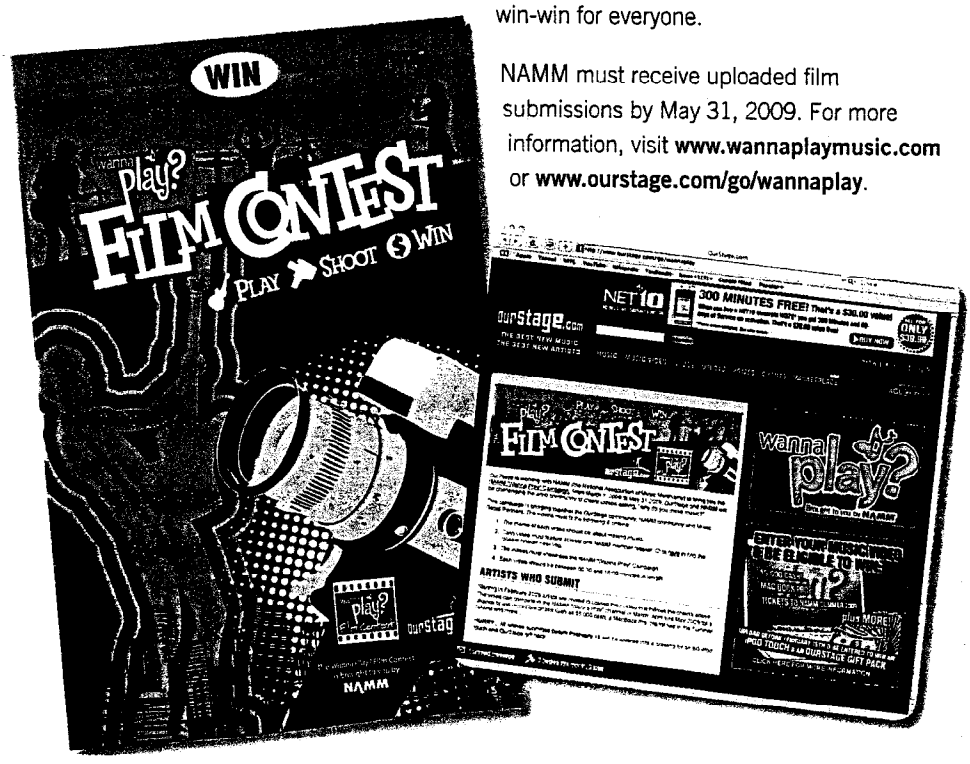
As your association, NAMM is constantly looking for ways to support and grow your business. That's why we launched an exciting new component to its *Wanna Play?* public awareness effort in February: the *Wanna Play?* Film Contest. Tapping into the popular social networking Web sites like Facebook and MySpace, the association is inviting amateur filmmakers to capture the joys and benefits of playing music while competing for valuable prizes, including $5,000 cash, a MacBook Pro, video and audio editing software and a trip to Summer NAMM in Nashville for the debut of the winning film at the Pre-Show Party at The Hang.

To judge the submissions, NAMM is working with OurStage.com, an online community site for filmmakers. Competitors must:

- Produce a 30-second to 10-minute short film focusing on a theme about making music
- Include important information about NAMM's *Wanna Play?* campaign and the benefits of making music
- Incorporate footage of a NAMM Member music products retail store

While NAMM Members, their employees and family members can't compete, if your business is featured in the grand prize winner's film, your store's image and brand will receive widespread exposure and be seen by the industry at Summer NAMM for the film's debut. In addition, the *Wanna Play?* Film Contest provides you with a cool way to get involved in your community, embrace the arts and benefit from free exposure. Talk to the kids who take lessons at your store—and their friends—and encourage them to enter! It's a win-win for everyone.

NAMM must receive uploaded film submissions by May 31, 2009. For more information, visit **www.wannaplaymusic.com** or **www.ourstage.com/go/wannaplay**.



Singer Sara Bareilles on Making Music

"Across the board, from being a little kid to an adult now, it has always offered me a sort of release and a type of expression and self-exploration and all of these really rich layers through my life. Music is inextricably linked to who I am and I am forever grateful to have been introduced to it at a young age.

"Kids who get exposed to music have the opportunity to find out something they might be really good at...and even if you happen to be talented at something or not so talented, music is always fun, it's an expression of yourself. It's a way to play, a way to be creative and get those creative juices flowing in your brain. It's different than anything else."

A gifted singer, songwriter and pianist, Sara Bareilles captured the world's attention with her No. 1 single, "Love Song," which earned her GRAMMY nominations for "Best Female Pop Vocal Performance" and "Song of the Year." Learn more about Sara and other celebrities who love making music at www.wannaplaymusic.com.

wanna play? Brought to you by NAMM

Ring in May with Wanna Play Music Week

NAMM CONTINUES TO "GO AFTER THE FREEWAY" TO CREATE MORE ACTIVE MUSIC MAKERS WITH NEW PROGRAMS AND OPPORTUNITIES!

NAMM is preparing for the second annual national Wanna Play Music Week, May 4–8, to launch some exciting, creative new initiatives. The weeklong promotion of music is one branch of NAMM's *Wanna Play?* national public awareness campaign, designed to convince non-players that they are indeed musical, and to help them discover how making music can improve their lives—and the lives of their family members.

Taking advantage of the current economic situation and the trend toward "nesting," NAMM's consumer marketing efforts are focused on growing the market by supporting programs that get more people playing and becoming lifelong music makers. Our industry wants those people who are part of the 82 percent of the population who don't play a musical instrument, but wish they did, to get on "the freeway." Right now, they're on the roads, but not yet in their community music stores. This is where *Wanna Play?* comes in.

This year's event features the Music Monday performance throughout North America, as well as some new elements: the *Wanna Play?* Film Contest, the So You Wanna Play Music Hotline, an iPhone application and a new Lesson Locator on **www.wannaplaymusic.com** to help prospective music students find you. And of course we'll continue with media efforts—on the Web, on TV and radio, in print and by word of mouth—to broadcast the benefits of making music. The message is clear: **Everyone can make music!**

Music Monday Kicks Off a Week of Events

On May 4, music will be performed simultaneously all across North America, as Americans and Canadians join together to celebrate Music Monday. Following that, we will highlight a different "NAMM band" (such as bands with children, Weekend Warriors, grandparents and grandchildren performing together, seniors and corporate rockers) each day of the week. These segments have the potential to appear on national morning news and in local media, generating a significant amount of consumer attention.

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NAMM's *Wanna Play?* Film Contest

NAMM has launched the first installment of its *Wanna Play?* Film Contest—reaching out to more than 500,000 music and film enthusiasts and asking them to create short films that highlight the positive aspects of making music. The contest will run through May 2009. The winner will fly to Nashville for an industry world film premiere at the 2009 Summer NAMM Pre-Show Party at The Hang.

So You Wanna Play Music Hotline

During Wanna Play Music Week, NAMM's special music hotline will connect celebrity musicians and music store representatives with consumers to talk about how to select the best instrument and overcome the most common challenges. This effort will encourage people to take the next step in learning to play, and callers will be directed to get in touch with their local NAMM Retail Member music store (which can be found on **www.wannaplaymusic.com** in the NAMM Dealer Locator).

Wanna Play? Consumers Can. with This Free Musical iPhone Application

NAMM's new iPhone application and program gives consumers a taste for playing music while inspiring them to learn to play a real instrument. Known musicians will give an audio tutorial to consumers via iPhone on how to play one of their hit songs, while reinforcing the benefits of making music that are important to them. The application will also feature a dealer locator function to help them take the next step—to your store.

Promote Free Lessons for New Students: Let NAMM's Lesson Locator Lead the Way

We encourage NAMM Members to take advantage of this publicity opportunity by offering free music lessons to new students during Wanna Play Music Week. NAMM will be seeking reporters, columnists and bloggers who've never played music and hook them up with a free, 15-minute "get started" music lesson.

We're also launching a new Lesson Locator featuring the most comprehensive database of music educators on the Web from NAMM Member stores, MTNA (Music Teachers National Association), **www.takelessons.com** and **www.lookingforlessons.com**. This tool will connect prospective players with a teacher.

Ongoing Media Relations

NAMM will promote Wanna Play Music Week in a series of Webcam broadcasts on **www.wannaplaymusic.com** from schools across the country and from a national event based at a New York City school. We're also working to coordinate print and broadcast interviews with participating celebrities discussing how learning to play music impacted their lives.

Get Your FREE *Wanna Play?* Resources!

NAMM's *Wanna Play?* program features collateral materials for Members to use as in-store merchandising—including posters, window decals, brochures and buttons—to raise awareness that music making is for everyone. Send an e-mail to **info@namm.org** to request these materials. Also, the *Wanna Play?* Web site features information on the campaign with regular updates on news, local events, musician spotlights and the NAMM Dealer Locator and new Lesson Locator. Find out how you can bring *Wanna Play?* to your store during Wanna Play Music Week—and throughout the year! Call NAMM at **760-438-8001** or check **www.wannaplaymusic.com** and stay tuned for more details.

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Industry Innovator

A Classical Approach with a Modern Emphasis

MANUEL RODRIGUEZ, JR., GUITARRAS MANUEL RODRIGUEZ AND SONS

Creating new music makers is our industry's common mission. Many companies follow suit, recognizing the importance of this goal and pursuing programs to grow the market. However, one business leader stands out in his support for music education and passing his culture to leaders—and future generations. Manuel Rodriguez, Jr., was raised in the family business of creating classical Spanish guitars. He learned the trade from his grandfather and father, who were classical luthiers devoted to using only the finest woods and hand-forming each guitar to precise tolerances. These distinctive guitars were created by hand for the world's preeminent artists.

As Rodriguez focuses on the changing marketplace and moving his business forward, he revolves the promotion of his company, Rodriguez Guitars, and its product around history, education and ecology. "People have less credit and they're buying cheaper instruments," he explains. "That's happening in the United States and worldwide, so we have to do new things—look at innovations and adapt our industry with the economic situation right now."

One way Rodriguez reaches out is by presenting the leaders of other countries with a classical guitar. He travels with the King of Spain to meet these leaders, one by one, and to share the Spanish culture with them. Rodriguez educates those he meets by explaining the history of the classical guitar—dating back 400 years—and of his family business over the last 104 years. By sharing his story, he hopes that the leaders of these countries learn to value their music trade and history.

> **The most important thing here is music for children and music education. Please give students these programs because learning music makes them more intelligent.**

"I say to these leaders, 'The most important thing here is music for children and music education. Please give students these programs because learning music makes them more intelligent.' I've met with about 15 leaders, and I think it's very interesting. Musical instruments are very important

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for education in these countries. Some of these leaders play guitar and it's very impressive. They value what you're doing and they love musical instruments."

Rodriguez is working with Jimmy Carter and the Carter Foundation to provide guitars to children in Africa and helping to prevent river blindness. In the United States, he is working with the Guitar Center Foundation to give 100 free guitars each year to the foundation's children's programs for those who otherwise wouldn't have access to them.

From an environmental perspective, Rodriguez Guitars is working with the FSC World Organization to protect tropical forests and presenting innovation in woods to create ecological guitars that are shown worldwide. Historically, the company has focused on the conservation of woods by using a system that controls the cutting of trees and the planting of new trees. Rodriguez is concerned about the future of tropical forests and endangered woods like Brazilian rosewood; his company is trying to find other woods with the same sound and is promoting this cause to the industry. "We need to do this with all the instruments and all the guitars in the world," he says.

Rodriguez continues to plan for future travels to promote music education, tell of the classical guitar's history and encourage responsible use of the world's natural resources. His commitment to promoting three generations of family craftsmanship and preserving the future with innovative ideas are the true marks of an industry leader.

Rich in Sound, Rich in History, Rich in Beauty: The Legacy of Manuel Rodriguez, Sr. (1926–2008)

Manuel Rodriguez, Sr. and the King of Estonia

When Manuel Rodriguez, Sr., passed away on December 25, 2008, he left a legacy of quality and craftsmanship to the future generations of his company. Manuel was the grandson of flamenco guitarist Manuel Rodriguez Marequi and son of classical luthier Manuel Rodriguez Perez. He learned the art of constructing a guitar firsthand as a 13-year-old boy in Madrid and operated his own shop in Spain before emigrating to Los Angeles in 1959.

He spent 14 years in the United States building instruments for professionals, actors, teachers and students. Here he learned English, married and had two sons. He also conducted research with engineers at UCLA to improve design. Manuel returned to Madrid in 1973 and developed a dual approach, constructing both fully handmade concert guitars in the workshop and using machines and a specialized workforce to produce student guitars in greater numbers.

In recent years, Manuel became increasingly concerned about humanitarian issues around the world, including the destruction of the environment, endangered woods and global competition. He continued working in the workshop and remained involved in the day-to-day activities of the family company until the very end.

Manuel Rodriguez, Jr., reflects on his father: "He was a very open person with all the industry, always smiling and showing all the things he has learned. He was trying to make the guitar rich in sound, rich in history, rich in beauty—that was his main legacy. I was so fortunate because he was a friend and a father, and I always went around the world with him. He left very peacefully with all of our family around him."

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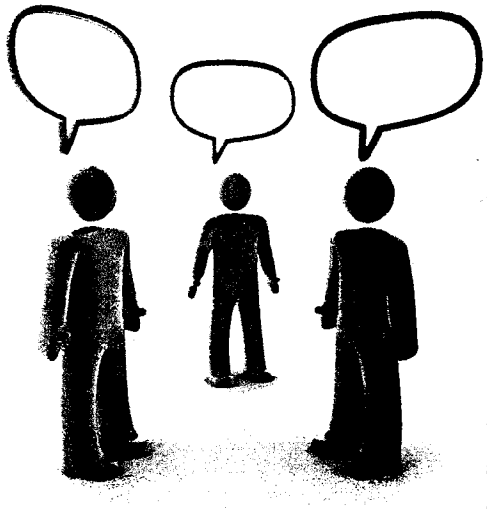

3 Ways to Effectively Use a Blog to Promote Your Brand and Product

BY NIAL MCGAUGHEY, SOLID CABLES

The power of blogging, where an individual regularly posts entries about particular topics on a personal Web site, has grown immensely over the past few years. What originally began as a means of venting individual opinions and posting personal diary entries has blossomed into a source for people seeking better information relating to their purchasing decisions and product education. Companies are now seeing the positive opportunities of using this tool, not only to increase brand awareness and their sales potential, but also to maintain a line of direct communication with their customers.

1. When promoting your product, make a point that will resonate with your audience.

For example: "If you are going to plug your $2,000+ guitar into your $1,000+ amplifier, it only makes sense that the cable connecting the two be the best quality you can obtain."

2. Create a more personable interaction with fellow Web surfers and tone chasers.

Writing a blog has given me the chance to clarify and condense ideas that have been bouncing around in my head for ages. It has been a honey pot for other like-minded individuals out there who I might not ever come in contact with at NAMM shows or in person. In doing this, Solid Cables is quickly growing a buzz among players. The blog introduces them to a product they may need and also serves as way for them to connect with the person behind the brand. Creating a personable relationship with readers has built a bond between the consumer, the product and me.

3. Don't start writing until you have something to say.

It is important to keep the blog relevant, vital and interesting. Sometimes I go for weeks without posting anything, until the whole thread of writing has worked its way out and I reach "that moment" when I'm ready to write again.

Whether you are a manufacturer, distributor or retailer, a blog is an excellent opportunity for you to communicate your message to your customer.

Nial McGaughey is the president of Solid Cables, a manufacturer of high-end instrument cables.

Writing a blog has given me the chance to clarify and condense ideas that have been bouncing around in my head for ages. It has been a honey pot for other like-minded individuals out there who I might not ever come in contact with...

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DCI Opt-in Program for NAMM Member Retailers

This summer, more than 365,000 Drum Corps International (DCI) fans of every age and demographic will attend 100+ action-packed events across the United States. To help NAMM retailers take advantage of this momentum and reach out to their local communities, NAMM and DCI have once again teamed up to create an exciting promotional opportunity.

By opting-in, we'll send you, at no cost:

- Four DCI event tickets for you to hold an in-store promotional raffle or giveaway
- Marketing materials to help you promote your DCI ticket giveaway to the community, including entry form cards, counter POS materials, press release templates and digital materials
- Copies of *Drum Corps International Magazine* to distribute free to your customers
- *Wanna Play?* promotional materials for your store, including brochures, buttons, decals, temporary tattoos and other *Wanna Play?* promotional materials
- Community outreach packs featuring the DCI *Commitment to Excellence* DVD, copies of *Drum Corps International Magazine*, DCI info and music educator resources from **www.supportmusic.com**—a perfect giveaway for local band directors and school music groups
- For Members in DCI Premium Markets: Additional invitations for school and youth music programs, valid for up to 20 complimentary tickets to the event

To learn more about participating markets and how you can opt-in, visit **www.namm.org/initiatives**.

"Supplying *Sesame Street* materials to the schools in this area has paid off big time with impressed parents. Rentals went up 235 percent! Thanks, *Sesame Street* and NAMM!"

GEORGE HAUER • MADISON MUSIC
MADISON, CONN.

FREE *Sesame Street Music Works* Materials!

Want to reach families? Try tapping into the popularity of the world's most respected children's show! Parents signing rental agreements for school music programs often have younger siblings ready to explore music too. NAMM's *Sesame Street Music Works* initiative can help you reach these budding music makers, their parents and caregivers—and create a kid-friendly environment in your store.

NAMM offers FREE *Sesame Street Music Works* materials, including:

- **The *Music Works Wonders* DVD** featuring interactive musical activities for 2–6 year olds led by the popular *Sesame Street* characters
- **"Share the Joy of Making Music with Your Child" brochures** (50-pack) to display in your store at the sales counter or lesson waiting room (with space to customize with your store's information)
- ***Sesame Street Music Works* Character Posters** (4-pack) to liven up any store and captivate young customers and their parents
- **Colorful 3' x 5' Big Bird Poster** with a "Children Learn and Grow with Music" message

Libraries, daycare centers, YMCAs, churches—wherever families go, that's where you'll want to be with this information! To order your FREE *Sesame Street* promotional materials, contact **info@namm.org**.

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BEST

Sales Promotion Ideas to Improve Your Business—NOW!

WANT TO JUMPSTART YOUR SALES? TRY INFUSING YOUR BUSINESS WITH NEW IDEAS, EVENTS AND PROMOTIONS.

For their NAMM University Breakfast Session, "25 Ideas to Improve Your Business—Now!" moderators Alan Friedman and Danny Rocks queried more than 200 music industry innovators for their best tips. The result was an impressive array of proven promotions, events and programs for improving your business. In fact, we were so impressed that we thought we'd share them with you, just in case you missed this record-breaking NAMM U session at the January NAMM Show in Anaheim. In part one of this four-part feature, we will focus on ways to drive sales and create traffic in your store, despite today's challenging economy.

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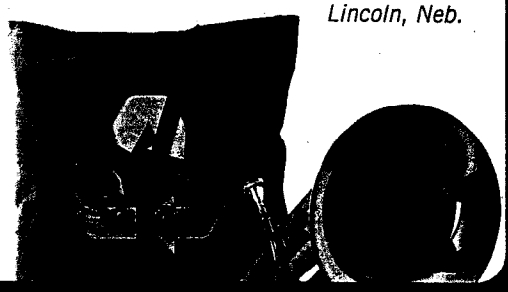
NAMM-000551

#1 Make It Exclusive!

TED ESCHLIMAN
Dietze Music
Lincoln, Neb.

Last year, Ted Eschliman came up with an idea for a marketing campaign that was both "experiential" and "resonant." Combining the call to recycle with his customer's desire to save money, Ted devised his "Green Bag" promotion. During August, his customers could purchase a limited-quantity green linen bag with his store's logo on it. The pouch could be used not only as an eco-friendly shopping bag, it also signified that the carrier was part of the store's exclusive buyers club and would receive an extra discount on purchases over the next 12 months. It was also a constant reminder to the customer to return to the store.

The bags were purchased at $5.50 each and sold at $15, so Ted and his staff needed to sell only 367 of them to recoup his costs. The bag created goodwill with their customers, helped the sales staff close more deals on big-ticket items and increased their chances of having these customers return to the store during the next year.



#2 Offer Recital DVDs

MYRNA SISLEN
Middle C Music Corporation
Washington, D.C.

One way that Myrna Sislen creates community involvement and support is by holding music recitals. She schedules them after hours, allowing her to use the center of her store for the recital. And this year, for the first time, she videotaped each event and gave every student a copy of the DVD. This took an initial outlay of cash to purchase a camcorder, video-editing software and a computer tower that made seven copies at a time. Myrna then designed the DVD labels with her store logo and address on each disc.

"This investment has come back to me tenfold in the goodwill we created among our 300-plus students and their families," she says. "Could I have charged for the DVDs? Sure, but I got back way more by giving one to each family."

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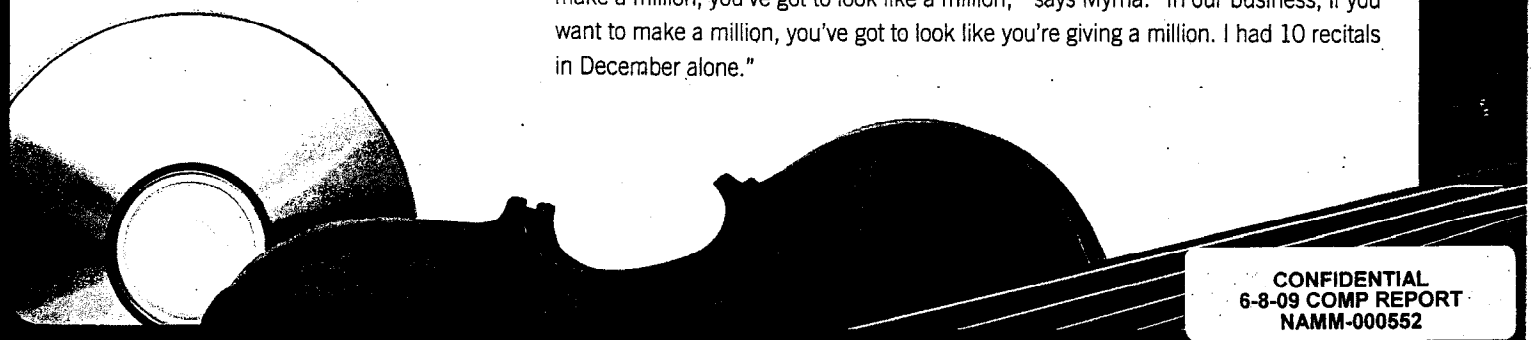
So far, the response has been overwhelming, as people were more likely to frequent her store during the holidays instead of going elsewhere, as well as telling their friends and neighbors about the great things going on at her store. "Edith Head, one of Hollywood's greatest Oscar-winning costume designers, once said, 'If you want to make a million, you've got to look like a million,'" says Myrna. "In our business, if you want to make a million, you've got to look like you're giving a million. I had 10 recitals in December alone."



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#3 Don't Just Host a Clinic—Make it an Event

RAVI
Musician/Clinician
Charlottesville, Va.

To reach more local musicians, Ravi suggests turning your clinics into entertaining and inspiring "events" that showcase your store's inventory and services—and appeal to a community hungry for entertainment during tough times. Like anything of value, results require investment. Your manufacturers might pitch in for the clinician and promotional materials, or you could ask your clinicians for a deal—after all, they need to work too!

Look for someone who will focus on the store, its inventory and the needs of the attendees—not just his/her own chops and favorite gear. A good clinician can both captivate the audience and generate goodwill for the store by educating customers on what to ask when shopping for music products. He or she should also be able to train and inspire your store's sales staff, as well as your teachers.

To promote your event, distribute press releases to local media and ask the clinician to be available for interviews. Community events, especially those with a charitable angle, are often worthy of free press. Consider a low-cost raffle with 100 percent of proceeds benefiting a local charity, or charge a small cover and waive it for anyone who brings canned goods. Neighboring restaurants might provide complimentary hors d'oeuvres in exchange for cross-promotion. Musicians are always eager to check out gear, and nothing beckons louder than free food!

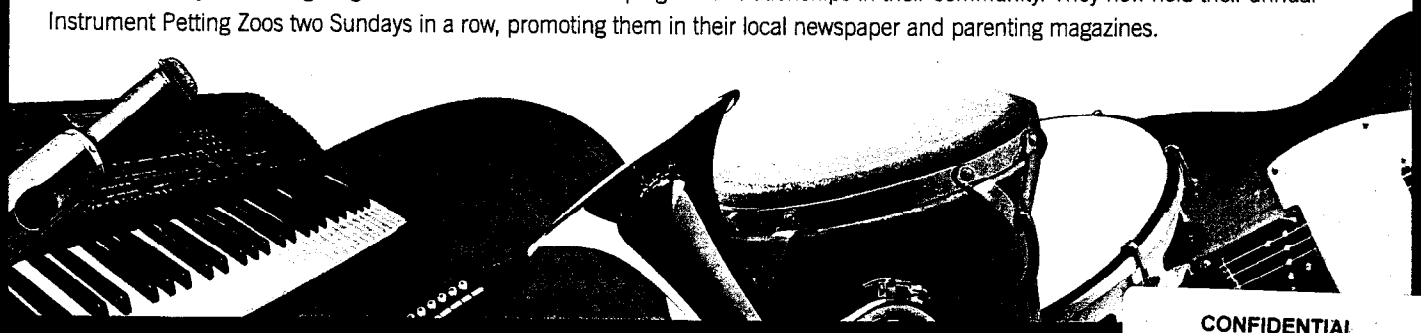
#4 Hold an Instrument Petting Zoo

JOHN & NEDRA PEDERSEN
Pedersen's Band & Orchestra
Burbank, Calif.

This is a great way to reach parents of school-age kids who have an interest in instrumental music. Three years ago, John and Nedra Pedersen held their first "Back-to-School Musical Instrument Petting Zoo," dividing their store into three exotic territories: Woodwindland, Brassland and Stringland. When the parents and kids arrived, the Pedersens greeted them with a passport to the world of instrumental music, which featured pictures and histories of all the instruments in each grouping. Their passports were stamped at every land they visited.

"At each station, one of our teachers would demonstrate the instruments and then let the kids play any instrument they were interested in," says Nedra. "Each kid got a mini lesson and most were playing a tune before they left; the excitement this generated was incredible."

Upon reaching the end of their tour, each child was asked to write about which instrument they found most exciting, giving the Pedersens the opportunity to tell the parents about their products, rent-to-own plans and private lessons, as well as music folders containing brochures for all their products and services. John and Nedra say this has been their most successful promotion to date, not only increasing long-term business but also helping build relationships in their community. They now hold their annual Instrument Petting Zoos two Sundays in a row, promoting them in their local newspaper and parenting magazines.



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#5 Host a Thank You Party

TRISTANN RIECK
Brass Bell Music
Milwaukee, Wis.

At the end of each school year, the folks at Brass Bell Music hold a "Thank You Banquet" for their local band & orchestra, choir and music directors.They also invite new prospects to attend.

"I can't even begin to express how much 'public relations' value this event generated for our business," says Tristann Rieck, owner of Brass Bell Music. "The first year we held this event we had 39 people attend. This past year we had 78 people attend. So far, it looks like we'll have over 125 attend this year's Thank You Banquet. And, oh yeah, it was really fun!"

#6 Launch a New Horizons Band Program

NICK RAIL
Nick Rail Music
Santa Barbara, Calif.

Want to tap into the affluent senior and baby boomer markets? Nick Rail suggests starting a New Horizons Band program or "NHB." Nick has run his own NHB since October of 1995—with great success! "We had 33 people turn out for our initial band meeting, and today it's a mature group of about 85 people. A majority of the original members still belong."

There have been two marriages in the band, as well as several offshoot groups, including a brass quartet, a clarinet choir and a Dixieland band. "Best of all, we have received enormous recognition in the community for supporting this venture, not to mention rentals, sheet music and accessory sales, and oodles of pro instrument purchases," says Nick. "It never ceases to amaze me how many dealers don't take advantage of this program. Aside from the income it generates, it's one of the best feel-good promotions you could be part of. Add in the income, and it's a home run."

#7 Get Free Press!

ZACH PHILLIPS
Music Inc. Magazine
Elmhurst, Ill.

Zach Phillips's advice is simple: Use the press. In his opinion, this is by far one of the best—and most effective—ways to get more for less. "Music retailers talk a lot about stretching their advertising budget, but don't talk enough about public relations," says Zach. "An article in a community newspaper about a music store's charitable activities, youth outreach or music education programs can generate a lot more interest, goodwill and foot traffic than any paid advertisement. And, not least of all, it's free."

Zach suggests taking 20 minutes to write a compelling, newsworthy press release before and/or after you host an event or donate an instrument to a worthy cause. Keep the press release to one or two pages, and include all the vital information (the "who," "what," "when," "where" and "why"). Follow up with a call to the reporter/editor to see if there's any other information they need.

In the next PLAY*back*, look for the "7 Best Financial Ideas to Improve Your Business—Now!"

The Daily News
THURSDAY OCTOBER 13, 2009
HOLDS PETTING ZOO

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NAMM Welcomes Its New U.S.-Based Members!

3220 Publishing, Inc.
Sausalito, Calif.

4G Private Equity, LLC
Dallas, Texas

A Cavallo Violins
Omaha, Neb.

Aero Instrument
Hilo, Hawaii

Albert Augustine Strings, LLC
New York, N.Y.

Alden Guitar USA, Inc.
Milton, Mass.

Allied Music Of Ohio, Inc.
Toledo, Ohio

Alphadog Studios Rentals, Inc.
Los Angeles, Calif.

Alpine Group, Inc.
Santa Ana, Calif.

Alturas Music
Brea, Calif.

AM Productions
Oxnard, Calif.

American Disc Jockey Association, Inc.
Glendale, Ariz.

Anaba Group, Inc.
Paramount, Calif.

Andrew's Fine Violins, LLC
Chandler, Ariz.

Area 22 Guitars
Brevard, N.C.

Atomic Amplifiers, LLC
Orange, Conn.

Atomix Productions
Miami, Fla.

Audio Acoustics, Inc.
Springfield, Mo.

Audio Connections
Brookings, S.D.

Audio Video Business Resources of California, Inc.
Oceanside, Calif.

Audio Video Equipment Rentals
Woodland Hills, Calif.

Audiolight&music
Norfolk, Va.

Audioworks, Inc.
Milford, Conn.

Avnera Corporation
Beaverton, Ore.

AZ Custom Drums
Scottsdale, Ariz.

Backline Pro Rentals
Garden Grove, Calif.

Backstage Music
Glasgow, Ky.

Baez Group, LLC
San Antonio, Texas

Ball Brothers, LLC
Pocatello, Idaho

BC Music, Inc.
Lake Wales, Fla.

Beach Dynamics, Inc.
Cincinnati, Ohio

Beckline, LLC
Pittsburgh, Pa.

Benchmark Audio Sales
Norwalk, Conn.

Benning Violins
Studio City, Calif.

Bentley Guitar Studios
Parkville, Mo.

Best Bass Gear, LLC
Campton, N.H.

Between The Notes Music and More
Truckee, Calif.

Big Apple Concepts
New York, N.Y.

Big Ear, Inc.
Colorado Springs, Colo.

Bill's Guitar & String Shop
Abington, Pa.

Carpenter's Music World
Reno, Nev.

Cary's of Maui
Kula, Hawaii

Cedar Education Center
Santa Ana, Calif.

Cherijons Music
Harlingen, Texas

Chicago Diamonds, Inc.
Chicago, Ill.

Chiques Music
Oxnard, Calif.

Chord Studios, Inc.
Dallas, Texas

Christopher Elliot, LLC
Jacksonville, Fla.

Cinesys, Inc.
Houston, Texas

Claire Givens Violins, Inc.
Minneapolis, Minn.

Clark Wire & Cable
Mundelein, Ill.

CTS Electrocomponents
Elkhart, Ind.

Dimonguitars, Inc.
Brooklyn, N.Y.

Diplomat Trading, Inc.
Miami, Fla.

Drumtalk39 Entertainment
Kensington, Md.

Dynamic Solutions
Saint Charles, Mo.

Earvana, LLC
Paso Robles, Calif.

East Coast Karaoke & Entertainment Corp.
Deer Park, N.Y.

Eastern Musical Service
Taunton, Mass.

Eastside Guitars and More, Inc.
Greenville, S.C.

Focal Press
Burlington, Mass.

Guitar West
Pahrump, Nev.

House of Worship
Lake Stevens, Wash.

Jai Bird Sound
Milwaukee, Wis.

Jambetta Music, Inc.
New York, N.Y.

Jesus Sevillano Music Studio
San Ysidro, Calif.

JNB Records, LLC
Boston, Mass.

Jon Paul Bows, Inc.
Salt Lake City, Utah

JX3 Hardwoods, LLC
Tillamook, Ore.

KAM Instruments Corporation
Roselle, Ill.

Kaminsky Marketing Service, LLC
Orlando, Fla.

Kiernan Services Group, Inc.
Kealakekua, Hawaii

Luthiers Access Group
Palos Hills, Ill.

M.E. Sound
Bayamon, P.R.

Mid Atlantic Drum, LLC
Baltimore, Md.

Midwest Music Center, Inc.
Norfolk, Neb.

Miles Music
Wichita, Kan.

Millar Electronics, Inc.
Cary, N.C.

Motion Laboratories, Inc.
Cortlandt Manor, N.Y.

MountainSong Music, Inc.
Estes Park, Colo.

Mr G's Guitar
Pearland, Texas

Music Academy of Chelmsford
North Chelmsford, Mass.

Percussion Kinetics, Inc.
Flagstaff, Ariz.

Percussion Services, Ltd.
Oak Creek, Wis.

R N D Enterprises
Lancaster, Calif.

REM Vacuum Casting Co.
Suwanee, Ga.

Resistance Tech, Inc.
Arden Hills, Minn.

Richards Music
Lawrence, Kan.

Richard's Music
Toledo, Ohio

Rich's Music Exchange
Hamburg, N.Y.

Summatech Solutions, LLC
Wanaque, N.J.

Sun Pickz, LLC
Grosse Pointe, Mich.

Tenn's Electronic Service
Wentzville, Mo.

The Band Shop
Laredo, Texas

The Rock 'N' Roll Academy
Salt Lake City, Utah

The School of Music, LLC
Rockville, Md.

The Septien Group
Carrollton, Texas

The String Emporium, LLC
Chandler, Ariz.

TR Professional
Lynnwood, Wash.

Tramway Veneers, Inc.
Sanford, N.C.

Tri-Media Publications, Inc.
Fort Worth, Texas

Valley Music
Avon, Conn.

Vanguard Marketing, Inc.
Lehi, Utah

Wally's Music Shop, Inc.
Oregon City, Ore.

Wasson Music Center
Centerville, Ohio

WeAreTeachers
Austin, Texas

Weaseltrap Records
Greenwood, S.C.

West Valley Music
West Valley, Utah

Westchester Music
Los Angeles, Calif.

Westside Mechanical Contractors Corporation
Brighton, Mich.

Wise Group, LLC
Jefferson City, Mo.

World Class Pianos
Burlingame, Calif.

World Famous Music Co.
Torrance, Calif.

Xchange Distribution International
Long Beach, Calif.

Young Rak Instrument America, Inc.
Los Angeles, Calif.

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NAMM Welcomes Its New Members from Around the Globe!

Abemusica Brazilian Association of Music
São Paulo, Brazil

Active Musical Products, Ltd.
Waterdown, Canada

Adore
Istanbul, Turkey

Al Chark-Import-Export
Cairo, Egypt

Amber Technology Pty. Ltd.
French Forest, Australia

Amfisound avoin yhtio
Haukipudas, Finland

Arise Instruments
Bilbao, Spain

Armen Guitars, LLC
Yerevan, Armenia

Audio Daz
Bogota, Colombia

Audiopolis
Prague, Czech Republic

Bang & Olufsen ICEPower a/s
Lyngby, Denmark

Bazaar Traders PTE, Ltd.
Singapore

BBM Company
Barcelona, Spain

Be Music SA DE CV
Mexico City, Mexico

Bedimpex Holding
Casablanca, Morocco

Birdland Co., Ltd.
Tokyo, Japan

Calimex B.V.
Mijdrecht, Netherlands

Canarias Hipermusic
Las Palmas, Spain

Casa Brasil
Quito, Ecuador

Casas Robles & Asociados
Col. Del Valle, Mexico

Charis Co., Ltd.
Tokyo, Japan

Ciampi S.R.L.
Rome, Italy

Cinetekk Electronics & Engineers PVT. LTD.
Chengai, India

CMI Melodia a.s.
Hradec Kra'love, Czech Republic

Consorcio Musical Parts SAC
Lima, Perú

Coop Zenart Societa' Cooperativa
Genoa, Italy

Cooperativa Sacerdotal Ltda "ARS" (Coopesa)
San Salvador, El Salvador

Cympad Hirschi Reto
Biel/Bienne, Switzerland

Czech Republic Distributor s.r.o.
Prague, Czech Republic

Deep Forest
Budapest, Hungary

Deluxe Audio
Melbourne, Australia

De-Saints View Int'l. Co., Ltd.
Surulere, Nigeria

Diapason Di Garzino Luisa E Cariello Fabio Snc.
Manta, Italy

Dick GmbH
Metten, Germany

DINSA
Mixco, Guatemala

Distribuidora Audioson CA.
Chacao, Venezuela

DJ Depot, Inc.
Brampton, Canada

Do Re Mi Sound & Light
Kuala Lumpur, Malaysia

EKS
Espoo, Finland

El Redoblante
Bogota, Colombia

Eliosound
Saint Martin D'Heres, France

Eliote
Boulogne Billiancourt, France

EMI Records Limited
London, U.K.

Equipos Profesionales S A
Colonia Mariscal, Guatemala

Fenixlab
Queretaro, Mexico

French Geeks
Lyon/Rhone, France

FX-Music Group
Zamoso, Poland

Gabriela Balducci
Buenos Aires, Argentina

Ganter Corporation Pty. Ltd.
Balwyn North, Australia

Garibaldi ANS
Orsta, Norway

Gitarhuset Norge AS
Kristiansand, Norway

GKM - Maximilian Gastaler
Plauen, Germany

GM Enterprises
S-Hertogenbosch, Netherlands

Gnu Gear Di Galeso Anton
Reggio Calabria, Italy

ID Electronic
Reykjavik, Iceland

Import Dimas Music
Lima, Peru

Kilim Electronics
Haifa, Israel

King Music
Santo Domingo, Dominican Republic

Kitahara Gakki, Inc.
Tokyo, Japan

Legacy of Sound
Constantia, South Africa

Letphone Percussion
Beijing, China

LindenstreetMusic
Vilvoorde, Belgium

Live 'N' Loud Music Technology, Ltd.
Valsayn, Trinidad and Tobago

Mazzocchitti Dino
Teramo, Italy

Media Musique Enr
Montreal, Canada

Media Satellite
Rotterdam, Netherlands

Mega Scene
Rimouski, Canada

Midi Music
Toulouse, France

Midilandia Corporation
Mexico City, Mexico

Milgreta
Siauliai, Lithuania

Mitech 2000 KFT
Budapest, Hungary

Mojo Music, Inc.
Oakville, Canada

Monaco Corporation, Ltd.
Albany, New Zealand

Mozart Chahine S.A.R.L.
Beirut, Lebanon

Music Lane
Novosibirsk, Russian Federation

Music Leader International
Pontcharra, France

Music World International
Alphen aan den Rijn, Netherlands

Musik Center Scharte
Salzkotten, Germany

Musik Produktiv
Niederlenz, Switzerland

Omnimusic
San Jose, Costa Rica

Prestige Woodwind & Brass Musical Instruments
Woollahra, Australia

Prominy/Zoom Inc.
Hokkaido, Japan

Rainbow Music International d.o.o.
Jastrebarsko, Croatia (Hrvatska)

Re-Compose GmbH
Vienna, Austria

S.D.K. Technology Innovation
Bangkok, Thailand

Saltarelle
Chenove, France

Shock Producciones
Bogota, Colombia

Slagverkskompaniet i Torsby Aktiebolag
Karlstad, Sweden

Sonora Spot
Bogota, Colombia

Stone Pick Producciones Ltda.
Santiago, Chile

Stratus Musical
Centro, Mexico

Studio Forte
Tokyo, Japan

The Anderson Guitar Company
Victoria, Canada

The Guitar World
Mississauga, Canada

The Tube Store, Inc.
Hamilton, Canada

Tianjin Long Xing (Group) Import & Export Co., Ltd.
Tianjin, China

Vento Ltda.
Cali, Colombia

Visound Acustica LDA
Charneca da Caparica, Portugal

Well Join Industry Co., Ltd.
Taipei, Taiwan

Whotune Pty., Ltd.
Balcatta, Australia

Whyte Ridge Music Centre Ltd.
Winnipeg, Canada

Wondertone, Ltd.
Nagano, Japan

XMOS Inc.
Bristol, U.K.

X-Treme Investments SCRL
San Isidro, Peru

Zifreind OEG
Oberhof, Austria

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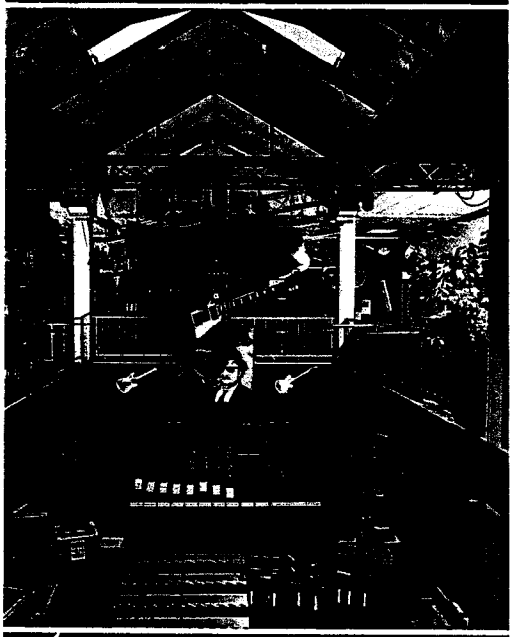

Spotlight on Local Community Music Stores around the Globe

ROCK SHOP
KARLSRUHE, GERMANY

RUDI METZLER OF ROCK SHOP EXPLAINS THE STORE'S SUCCESS IN CREATING A FOLLOWING OF MUSIC MAKERS OF ALL AGES.

How do you think a music store can best establish itself in the community?

"A good image is very important! We try our best to promote the 'best' image at our company, to transport all the special things we do and to let the people know that we are a special company with a great, hard-working team. We want Rock Shop (and Crystal Sound Ballroom, where musical events take place) to become a well-known and respected brand!"

What steps have you taken to build a loyal customer base in your area?

"We appeal to a wide variety of customers, music lovers and those in the music establishment because we are not only a store, we are a meeting point of the music scene. And we try to help with all questions concerning music, from advising a customer on how to book a band for an event, helping a student find a good teacher or giving advice to someone on how to play his favourite song with a new guitar. We try to find an answer to all questions! Our customers—local, regional, national or global—identify with our store and our team."

Do you have any programs or events that have worked successfully to draw in new customers of all ages?

"We have lots of events throughout the year: classes, clinics and mixtures of workshops and concerts. Sometimes the teachers are really famous stars (for example, Dennis Chambers, drummer for Santana, and Simon Phillips, drummer for Toto) or product specialists. Sometimes our own staff members take over the role of a teacher for our customers.

"Our biggest event is the yearly Rock Shop Party, with more than 3,000 attendees. It's a festival with lots of bands and a programme for the whole family—for our customers and the public (people who may come just for the concert, but later could be a new customer!). Meanwhile, we get applications from bands from all over Germany to play at the party; it's established as an important event in the musical scene of the region—and Germany as a whole."

Do you work with local schools/educators to build a network with students?

"We have built relationships with some of the music schools in our region, and we partner with the music academy in our town. We also work with the Pop Akademie in Mannheim (the University of Popular Music and Music Business) and the Popbüro Stuttgart (the Office for the Promotion of Popular Music). Of course, we are also integrated into to the local culture and music establishment."

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Latin American Music Program Receives National Award

NAMM MEMBERS BANSBACH MUSICAL INSTRUMENTS AND YAMAHA CORPORATION FIND SUCCESS WITH THEIR "COSTA RICA IN HARMONY" PROGRAM, GROWING THE MARKET WHILE IMPROVING NATIONAL EDUCATION AND CREATING RESPONSIBLE CITIZENS

In 2002, the Bansbach family and Yamaha Music Latin America S.A. implemented a program in Costa Rica with the goal of giving every student access to music in the country's public education system. The program, called Costa Rica in Harmony, grew into a widely supported initiative with help from the country's Minister of Education and has reached an estimated 135,000 students so far.

Costa Rica in Harmony works in two ways: to give all students lessons on the recorder (selected because of its accessibility) and to improve public school music teachers' abilities for a better educational system overall. The benefits trickle down from there—students who are accomplished on the recorder can transition to other instruments, and the teachers who have received specialized training can share what they've learned with their colleagues.

CostaRicaenArmonía

Este proyecto tiene corazón verde®

"Our aim is not to necessarily create professional musicians; it's to create a better country through all of music's power," explains Werner Bansbach. "Music can help in the general development of a human being. We're trying to show that music can bring harmony into the homes where music is played."

The program, which is organized by Ginnette Solana from Bansbach, recently received a national honor for "contributions to an improvement of a better quality of life for the Costa Rican people" and for "contributions in the development of a better musical culture in Costa Rica." The committee that assigns this yearly prize is organized by the country's four major government-owned universities and the Government Human Rights Organization of Costa Rica.

Costa Rica in Harmony is also said to have a "green heart": a portion of the program is financed by recycling efforts. Students are required to collect empty cans in order to participate in the annual Green Heart National Band Competition, and the money from that event is recycled back into the program to finance more seminars for the teachers.

"We promote that the students recycle in their schools, which shows them that through recycling they can actually achieve things," Bansbach says.

Our aim is not to necessarily create professional musicians; it's to create a better country through all of music's power.

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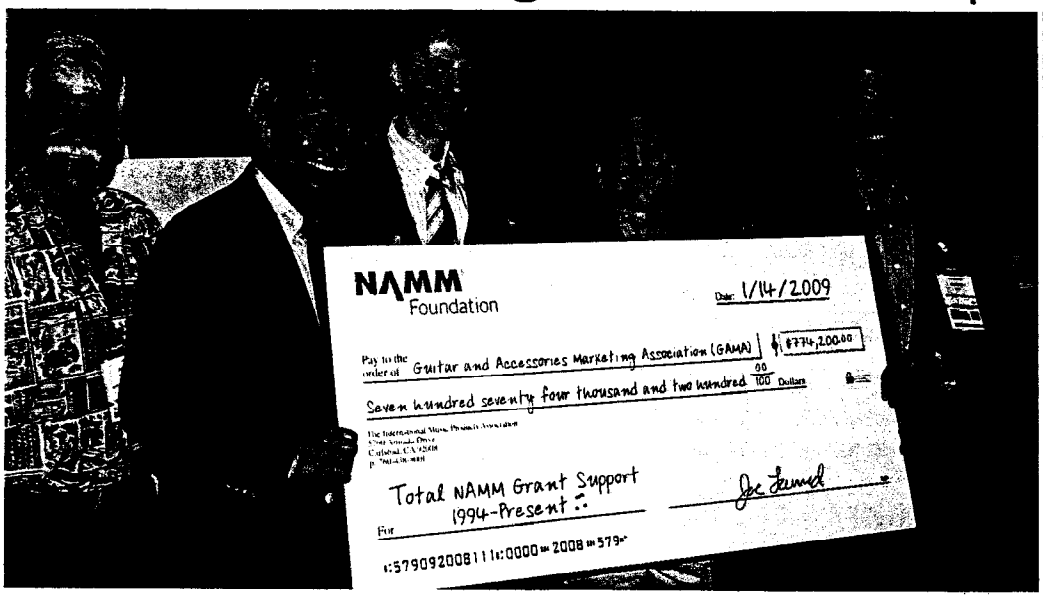
Grantee Spotlight

GAMA Teaching Guitar Workshops



In 1995, the Guitar and Accessories Marketing Association (GAMA), NAMM and the National Association for Music Education (MENC) launched a joint initiative training educators how to start guitar programs in their schools. The program has trained approximately 2,000 middle and high school teachers from the United States and Canada. Teachers have traveled from as far as France and the Philippines to attend the weeklong, intensive workshops. Since the program's inception, teachers who've attended the summer sessions have introduced the guitar to more than half a million students, many of whom have gone on to buy their own guitars.

Upon confirmation of a school's commitment to add guitar to its curriculum, GAMA provides tuition for teachers to attend a summer guitar workshop, for which they'll earn three graduate-level credits at Duquesne University, as well as a guitar, accessories and a publications package of significant financial value. Participants range from accomplished musicians with many years of guitar under their belts to individuals who are picking up the instrument for the very first time.

The success of these workshops demonstrates that, through cooperation and partnership, we can achieve growth in our industry and bring music making to hundreds of thousands of people.

By creating this popular program, GAMA has helped to grow the market by increasing the number of people who play guitar. Seeing the potential of the workshops to benefit the industry, NAMM got on board as a supporter in 1994. A number of music retailers and organizations have also recognized the value of the workshop program and have sponsored seminars.

A current NAMM Foundation grantee, the GAMA Teaching Guitar Workshops are a win-win for everyone involved. Schools benefit by having instructors who are well-trained and excited about what they're teaching. By reaching more students and diversifying their skill-set, teachers gain job security, students have the opportunity to learn a new instrument, and the music products industry benefits as the program helps grow the number of active music makers.

"The Teaching Guitar Workshops have given GAMA the opportunity to create a very relevant social impact while building the guitar industry," says GAMA Executive Director Rob Sulkow. "The success of these workshops demonstrates that, through cooperation and partnership, we can achieve growth in our industry and bring music making to hundreds of thousands of people."

For more information on the GAMA Teaching Guitar Workshops and how your business or local schools can get involved, visit **www.guitaredunet.org** and **www.discoverguitar.com**.

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Museum Moment

"ON!" The Beginnings of the Electric Sound Generation

THIS MONTH THE MUSEUM OF MAKING MUSIC LAUNCHES "ON!", A NEW EXHIBIT EXPLORING THE EFFECTS OF ELECTRICITY IN SOUND AND MUSIC MAKING.

It's hard now to imagine a time before electricity. Today it affects every aspect of our daily lives, from washing clothes to directing traffic. Yet it's been a scant 80 years since electricity wound its way into music. The first commercially viable electric instruments, including guitars, violins, banjos and basses, were introduced in the late 1920s and early 1930s. Although it took a while to catch on, this new technology—this new sound—opened an entirely new line of sales, creating a bright spot for both manufacturers and retailers during the tumultuous early years of the Great Depression.

Amplifying stringed instruments for the purpose of being heard in band settings was the main impetus for inventors. But a secondary cause, the manipulation of sound and the shaping of tone, soon joined amplification and opened up new possibilities for music makers.

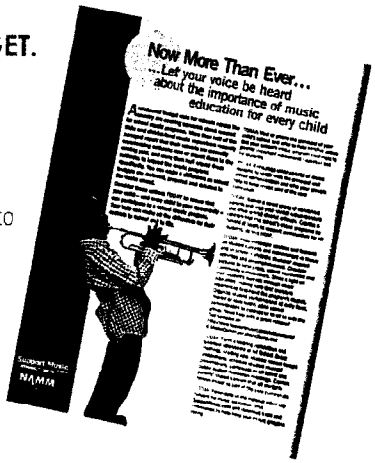
"ON!" tells the story of how early industry manufacturers—the innovators of sound and instrument technology—gave people a new way to create and listen to music. The exhibit features early electrified instruments from some of the world's great collections. Visit the Museum of Making Music or join its growing global online community (**www.museumofmakingmusic.org**) to learn more about the roots of electric sound and gain a greater understanding of the technology and innovation behind the music.

"In this project, the museum reveals the vision, challenges and ultimate triumph of the electronic revolution—which burgeoned throughout the boom of the '20s as well as the heavily turbulent times and difficult market conditions of the '30s and '40s," says Carolyn Grant, the museum's executive director. "Re-examining past MI successes is what the Museum of Making Music is all about. With this exhibition and related programming, the NAMM Member—as well as the general public and global Internet audiences—are engaged in the music products industry story in a way that is relevant to today's environment. The museum promotes music making through this type of educational experience."

Featured left: Ro-Pat-In Electro Hawaiian Guitar, SN 30, 1932. Belonged to Alvino Rey from the collection of Lynn Wheelwright

Rally Your Community for Music Education

WHEN TIMES ARE TOUGH, MUSIC EDUCATION IS OFTEN THE ITEM CUT FROM THE BUDGET. YOU CAN HELP SUPPORT THE ARTS IN YOUR COMMUNITY WITH THESE FREE SUPPORT MUSIC FLIERS.



This spring, many school districts are going to have to make some tough decisions about where they can—and cannot—cut their budgets. That's why it's more important than ever for NAMM Members to rally their communities to keep music education a priority in the schools.

NAMM has FREE color fliers that outline ways for concerned advocates of the arts to let their voices be heard TODAY. This is a great way to support your customers—whose children's education may be directly impacted—and build relationships with music educators and families in your community at the same time. Simply contact us at **info@namm.org** to request copies of the flier or download them directly at **www.supportmusic.com**, then pass them out in your place of business, at concerts, parent meetings and at any community event involving the arts.

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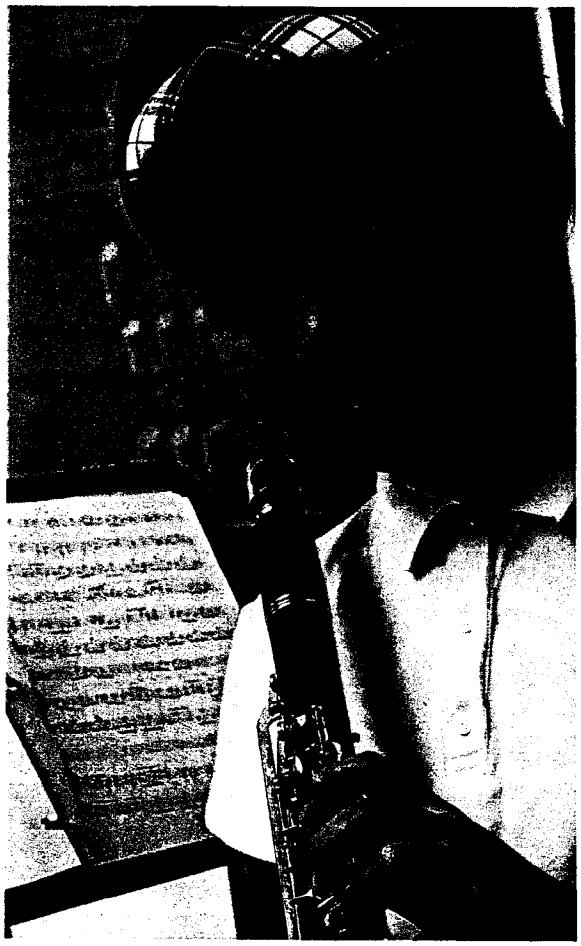


Music, Arts and the Economic Stimulus

GOVERNMENT ADVOCATES PROTECT $50 MILLION IN ENDOWMENT FUNDS; A COLLECTIVE VOICE DEVELOPS FOR ARTS EDUCATION

In a crowded field of economic recovery concerns, music and arts advocates took steps to ensure that the economic stimulus legislation included funding for the arts. The National Endowment for the Arts received $50 million as part of the legislation after some debate, as legislators nearly failed to recognize the role that national, state and local arts organizations play as employers and contributors to local economies.

Under the new legislation, 40 percent of the funding will be distributed by formula to state arts agencies and regional arts organizations, and 60 percent for individual arts project grants.

NAMM's efforts on behalf of the industry are geared to promote and reinforce the benefits of music making. As a community with one solid voice, we can be a resource to supporters by presenting our case and defining our needs. In addition to the profound benefits of music education and participation in music making for people of all ages, music and the arts employ working people across the country and are not a luxury but a necessity in supporting the next generation's workforce.

"It's a huge victory for the arts in America," says Robert L. Lynch, president of Americans for the Arts, which led the national advocacy effort for inclusion of arts funding within the economic stimulus legislation. "It's a signal that maybe there is after all more understanding of the value of creativity in the 21st-century economy."

USDA Amends Plan to Implement Lacey Act Requirements

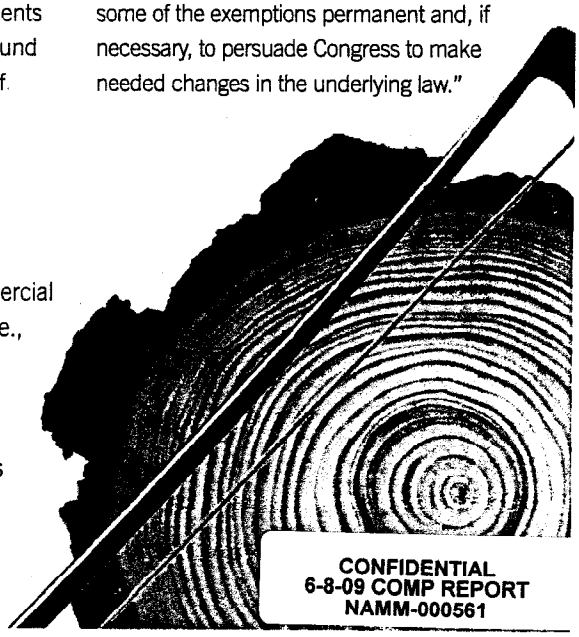
Following input from NAMM and a coalition of industry allies, the USDA determined that it's not necessary to file import declarations on small foreign shipments of music products made from wood.

The United States Department of Agriculture (USDA) has amended its plan for implementing Lacey Act requirements by exempting musical instruments from the necessity to file an import declaration until at least late 2010. Under an earlier implementation plan, import declarations would have been required for musical instruments beginning July 1, 2009.

It is still illegal to buy, sell or possess any wood or plant product, including musical instruments, where the plant material has been taken in violation of the laws of the originating country or state. The USDA did retain the import declaration requirements for certain wood product categories found in Chapter 44 of the Harmonized Tariff Schedules.

Additionally, the USDA announced it will only enforce import declaration requirements for so-called formal consumption entries (i.e., most commercial shipments), not for informal entries (i.e., most personal shipments), personal importations or mail importations.

"Obviously, we are most pleased with this development," says NAMM Director of Public Affairs and Government Relations Mary Luehrsen, "and we will continue to work with the Lacey Act coalition to try and make some of the exemptions permanent and, if necessary, to persuade Congress to make needed changes in the underlying law."



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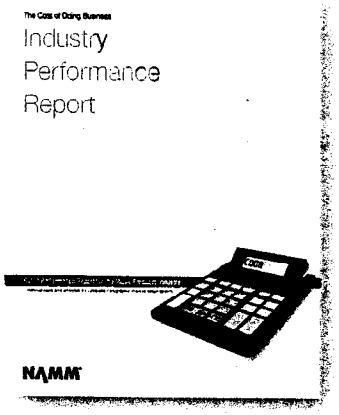
Free Customized Information to Help Build Your Business

RETAILERS CAN PARTICIPATE IN THE RETAIL COST OF DOING BUSINESS SURVEY AND GET SPECIFIC IDEAS FOR IMPROVING THEIR PROFITABILITY!

Market research can provide information on general trends, general figures and general ideas. However, specifics are necessary to know where you stand and what it will take to help your business grow, especially in this changing economy.



That's why NAMM covers the cost for active Member retailers to participate in the Cost of Doing Business Survey, compiled by outside research firm, Industry Insights. The results are presented in the Industry Performance Report, which provides dealers with a comprehensive overview of the financial health of their business and offer areas where improvements can be made to strengthen their profitability.

To receive a customized report, your 2009 Cost of Doing Business Survey feedback is due by April 27. Send an e-mail to **info@namm.org** if you want to participate.

Technology Update:

NAMM Committee Releases New Version of B2B XML Standards

NAMM MEMBERS CAN ACCESS NEW IMPLEMENTATION GUIDE AND SPECIFICATIONS ONLINE THAT PROMOTE COST SAVINGS AND EFFICIENCIES

NAMM's Ad-Hoc Technology Committee has had one goal over the past two years: the design of a tool to enhance business practices. In this changing and challenging economic climate, it's become even more crucial to help NAMM Members find efficiencies and cost savings in their business processes.

At this year's NAMM Show, this committee of experts from across all channels of the music products industry released an updated version of its business-to-business (B2B) technology standards. These XML-based documents, called "Version 2009.1," are meant to streamline and improve electronic transactions between trading partners in the music products industry.

A new Implementation Guide provides the necessary details for trading partners to begin using the standards. This guide and specifications are published on NAMM's Web site at **www.namm.org/initiatives/b2b**.

This site is open to all NAMM Members and also features related resources. Please log on to learn more about the B2B XML standards, or call NAMM at **760-438-8001**.

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Celebrate Jazz Appreciation Month with Your Customers!

APRIL MARKS THE SMITHSONIAN'S ANNUAL CELEBRATION OF THE CULTURE AND HERITAGE OF JAZZ

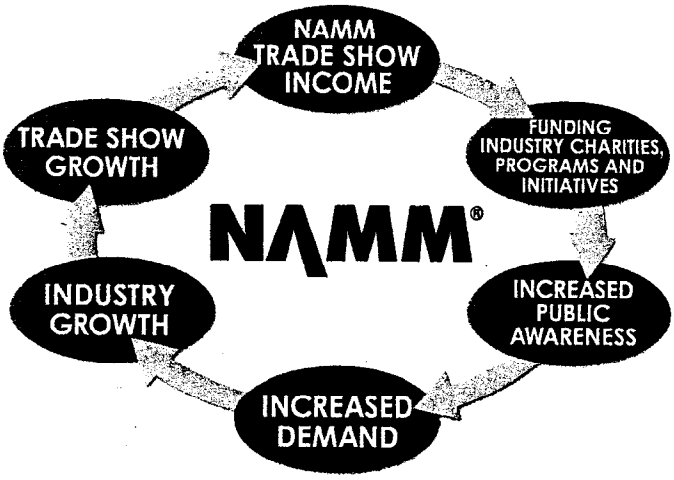
Each spring, the Smithsonian Institute focuses a public spotlight on jazz during Jazz Appreciation Month (JAM). The museum, which houses many historical pieces from this genre, uses the month of April to look at the history and culture of jazz, as well as the current passion for this much-loved form of music.

NAMM Members can benefit from the public interest by plugging into this promotion and following the Smithsonian's plan to encourage people to study the music, attend concerts, listen to jazz on radio and recordings, read books about jazz and support institutional jazz programs. You can use the museum's resources to help promote the event—JAM posters, logos and pre-recorded radio commercials help create awareness and excitement around the making of jazz music.

JAM dates back to April 2002, when the monthlong celebration first took place, and every year since, the Smithsonian has continued to collaborate with other national institutions in a range of educational and outreach activities.

For more information, log on to **www.smithsonianjazz.org**.

The Model for Industry Growth



NAMM reinvests its trade show revenue back into the music products industry to increase active participation in music making and grow the market for musical instruments and products. In 2008, the association reinvested more than $10.4 million in market-building initiatives.

RELATED ASSOCIATION

National Association of Young Music Merchants (NAYMM)

The National Association of Young Music Merchants is open to NAMM Members, ages 21–35, to help them network with others in the industry and prepare them for future leadership of the music products industry.

NAMM PUBLICATIONS/RESOURCES

Industry Performance Report

Free to retail Member survey participants, this comprehensive report provides the results of the Industry Insights' *Cost of Doing Business* Survey, sponsored by NAMM, and tracks key performance variables. Purchase copies at the NAMM Store during the trade shows or through NAMM's Contact Center at **800-767-6266.**

2008 NAMM Global Report, Featuring Music USA

Annual statistical review of the music products industry. Free copy to NAMM Members; additional copies can be purchased through NAMM's Contact Center by calling **800-767-6266.**

Industry Events

APRIL 2009

1–4	Musikmesse/ProLight & Sound *Frankfurt, Germany*
1–4	NASMD 2009 Conference *Tucson, Arizona*
26–28	PALME Middle East *Dubai, United Arab Emirate*
29–5/2	RPMDA *Salt Lake City, Utah*

JUNE

4–6	PALM India *Mumbai, India*

JULY

17–19	**2009 Summer NAMM** *Nashville, Tennessee*

AUGUST

20–22	PALMM *Manila, Philippines*
23–24	MIAC 2009 & PAL Show *Toronto, Canada*

SEPTEMBER

11–15	IBC *Amsterdam, Netherlands*
13–16	PLASA09 *London, U.K.*

NAMM Online Membership Directory

Searchable online database of more than 9,000 NAMM Member companies, available at **www.namm.org**. Member login required.

PLAYback and PLAYback Digital

Free subscription to NAMM's quarterly Member-exclusive industry magazine and a bi-monthly e-newsletter customized to Member segment. E-mail NAMM's Contact Center at **info@namm.org**.

Research

The NAMM Foundation funds research projects to study the links between music making and learning, health and wellness. **www.nammfoundation.org**

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NAMM WORKS ON YOUR BEHALF

Growing the Market

By creating programs, forming strategic partnerships and educating the public about the benefits of making music through its *Wanna Play?* consumer campaign, NAMM works to create greater enthusiasm and participation in music making as a recreational past time. Also, opt-ins on NAMM-sponsored events enable retail Members to connect with new customers in their areas.
www.namm.org/initiatives

Offering Free Business Training

In our ever-changing world, education is essential to keep up with new information and trends. NAMM University provides free, industry-specific sessions at the trade shows that address today's challenges and opportunities, and help you sharpen your skills, increase your company's profitability and grow your business.
www.namm.org/events/nammu

WEB SITES

Museum of Making Music
www.museumofmakingmusic.org

NAMM University
www.namm.org/events/nammu

NAMM Foundation
www.nammfoundation.org

Recreational Music Making
rmm.namm.org

NAMM/Trade Shows
www.namm.org

SupportMusic
www.supportmusic.com

Representing Your Interests in Washington

One of the most visible ways NAMM stands for its Members every day is by providing ongoing representation in Washington, D.C., on hot issues that impact the music products industry. NAMM's efforts on Capitol Hill have resulted in millions of dollars in appropriations to fund programs and initiatives that increase active participation in music making. **www.namm.org/government-relations**

OTHER RESOURCES

Legislative Representation

Legislative representation in Washington, D.C., specializes in rental, purchase and lease contract review and other legal assistance. For a free phone consultation, contact NAMM at **800-767-6266**.

Museum of Making Music

Located at NAMM headquarters, the museum presents public exhibitions relating to the history of American popular music and culture, the manufacture and retail of instruments, and the history of the music products industry from the 1890s. The museum also organizes premier special exhibitions, public events, performances and lectures to entertain and educate audiences about the benefits and heritage of making music.
www.museumofmakingmusic.org

NAMM Resource Center

Free access to historic music products industry photographs, product catalogs, company profiles and videotaped oral histories that capture and preserve the thoughts of some of the music products industry's greatest contributors.
www.namm.org/library

William R. Gard Memorial Scholarship

$2,000 annual tuition to eligible NAMM Member business owners or employees of NAMM Member companies.
www.namm.org/initiatives/gardscholarship

NAMM-ENDORSED PROVIDERS

Check Services
888-679-0240
Offered through
First National Merchant
Solutions

Express Mail
800-599-2902
FedEx Express®

Freight Services
800-599-2902
UPS Freight℠
Yellow Transportation

Gift and Loyalty Services
888-679-0240
World Gift and Loyalty
Card through First National
Merchant Solutions

Ground Shipping
800-599-2902
FedEx Ground®

Health Insurance Broker/ Benefits/Human Resources Services
877-532-3516
Mercer

Merchant Credit/ Debit Processing
800-516-6242
First National Merchant
Solutions

Private Label Consumer Credit Card
866-210-1646
GE Money

School and Church Lease/Purchase Plans
888-457-7070
BGE Financial

Workers' Compensation Insurance
800-825-9489
Meadowbrook Insurance

NAMM's mission is to **unify**, **lead** and **strengthen** the **global music products industry** and to **increase active participation in music making**.

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Overheard at NAMM U Breakfast Sessions

"Every summer kids are trying to figure out what to do, so they hang out at 7-Eleven. Don't let them do that. Have a girl rock band contest in your parking lot. All the guys will come. All the girls will come because the guys will come. You'll make some business. You know what happens when the girl rock band comes to your parking lot? The media pops up. All of a sudden, you've got free television advertising. You want to have outreach—missionary zeal! Get up off your butt, get out there and engage people."

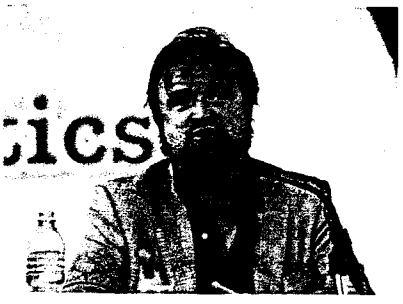
GENE SIMMONS • "ROCK GOD AND MEDIA MOGUL"

"This [the Smart Phone] is going to make a change as big as the Internet did, and it's going to happen a lot faster. There's a generation growing up right now and their whole world is in the palm of their hand. I want you to do two things when you get back to the office. I want you to get together with the company where you got your domain name for your Web site and get your domain name with the extension .mobi. That's your mobile Web site...because your regular site isn't going to fit on this screen. Then start collecting cell phone numbers and ask people, 'Would you like us to send you a text message the next time we have a clinic, a band camp specials?' That's a start."

LARRY MERSEREAU • PROMOPOWER

"The value of social media is you're building evangelists for your brand, for your store. You're sharing information with people, and they're looking to you as a trusted source. But it's like a giant cocktail party. You don't go to a cocktail party to look for business and to solicit. What you do is talk to people. You talk to them about what you do, maybe give them advice and, more importantly, you listen. You have a tremendous opportunity to listen in social media, to hear what your customers are talking about so you can serve their needs. And that's what it's about in the end. It's about relationship-building."

HAL LUBLIN • BUZZBUILDER



"Chances are, you have a lot of young people in your business, either on the floor or running clinics. Get them further involved! Use them for product innovation and new marketing communication platforms. Test those ideas with them. Sure, there are challenges out there but also a massive amount of opportunities. Get on board. Sponsor local indie bands, the people who are in your shop doing cool stuff. Give them as much presence as new endorsers. This is where the market is headed: local, regional, visceral connections and ongoing relationships with the consumers."

MIKE FARRELL • YOUTHOGRAPHY

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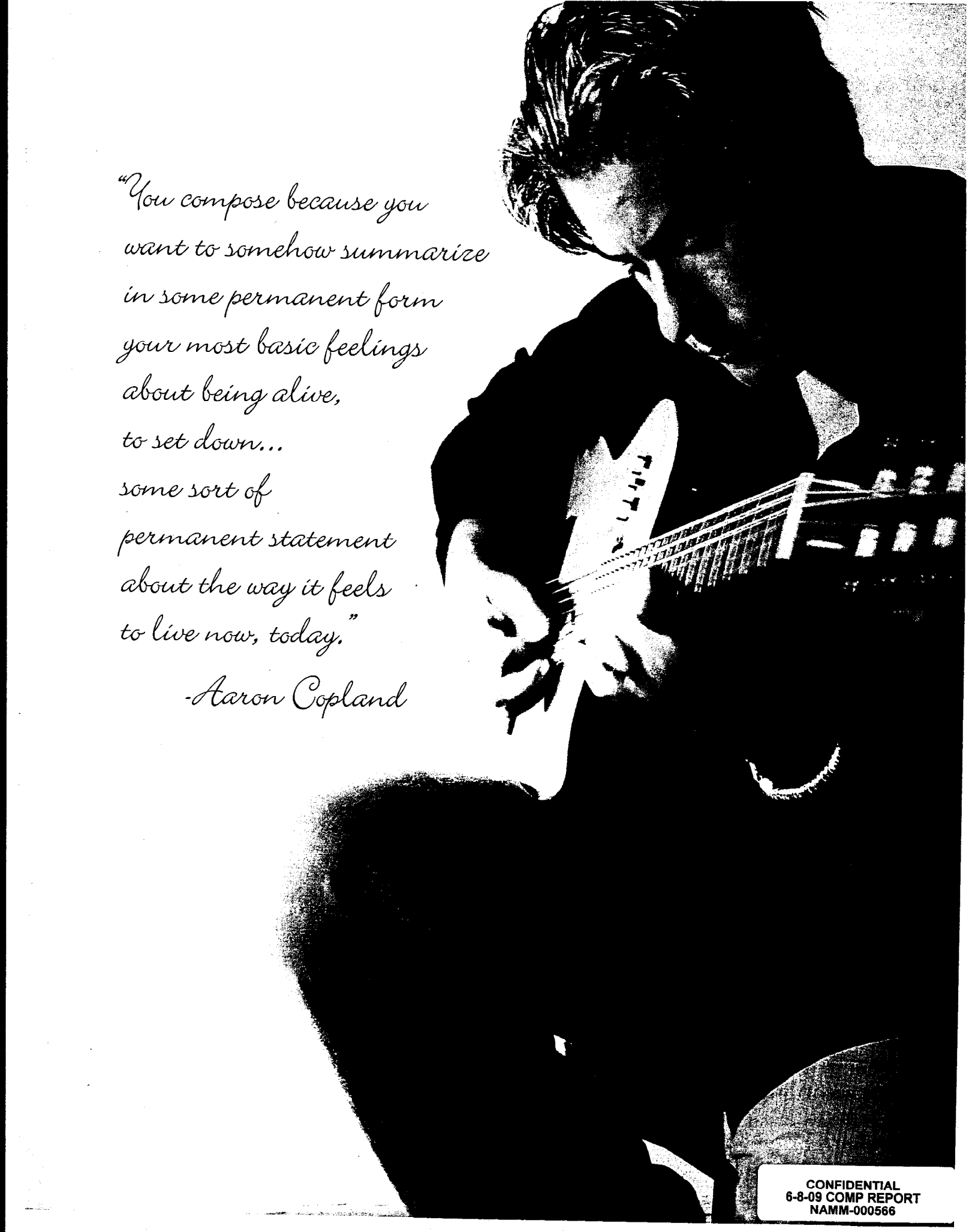

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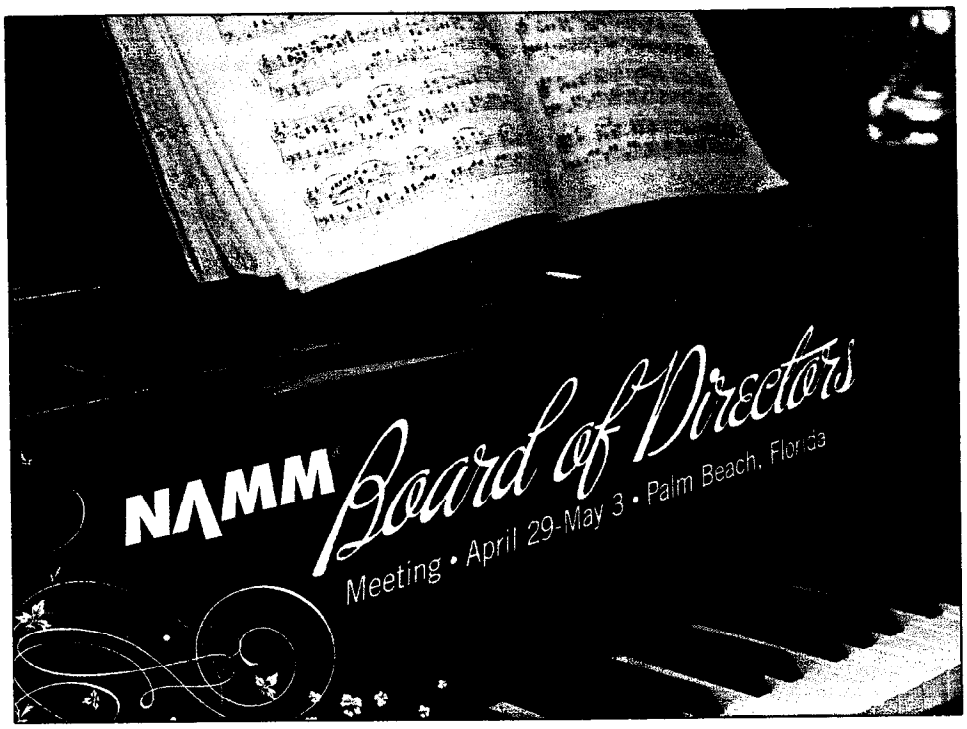

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Welcome

Thursday, April 30

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Purpose of This Meeting

- Review staff activities
- Make good decisions
- Set policy
- Allocate resources

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Shared Responsibilities

- Identify and assess
- Focus attention on "right thing to do"
- Create conducive climate

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Agenda Day by Day

- "Committee of the whole"
- Suspend policy making ability
- Board becomes a committee
- Hold initiative motions until Saturday

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NAMM
Board of Directors
Meeting • April 30-May 3 • Palm Beach, Florida

Motion for Approval of Agenda

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NAMM-000574

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NAMM-000575

NAMM
Board of Directors
Spring • April 29-May 3 • Palm Beach, Florida

Motion for Approval of Minutes

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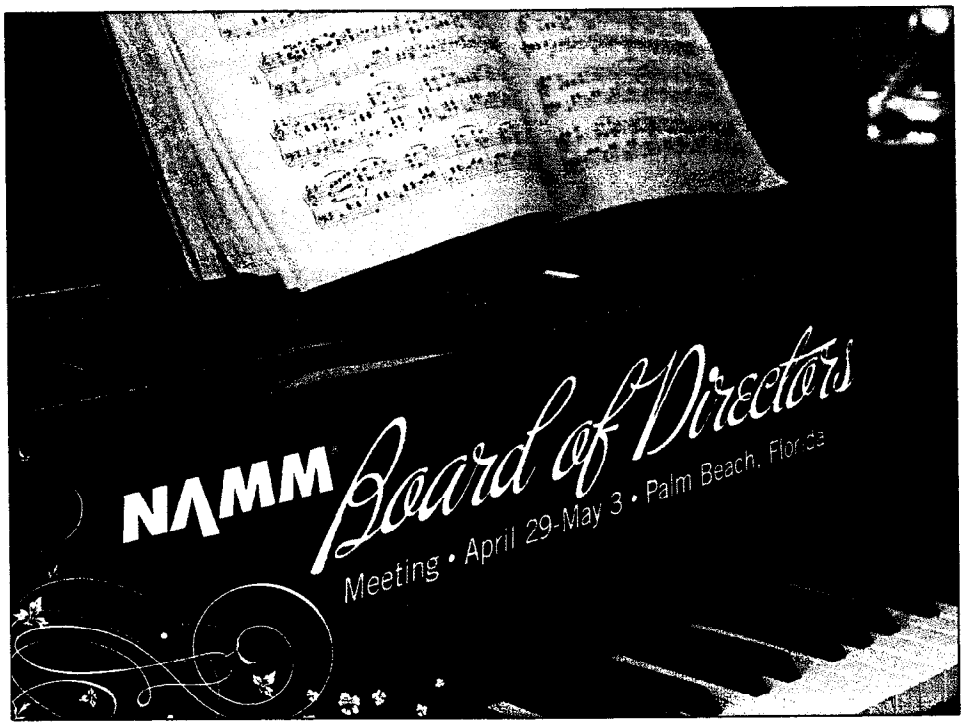

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NAYMM Report

~ Michael Kirman ~

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NAMM-000578

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NAMM-000580

Treasurer's Report

~ Kevin Cranley ~

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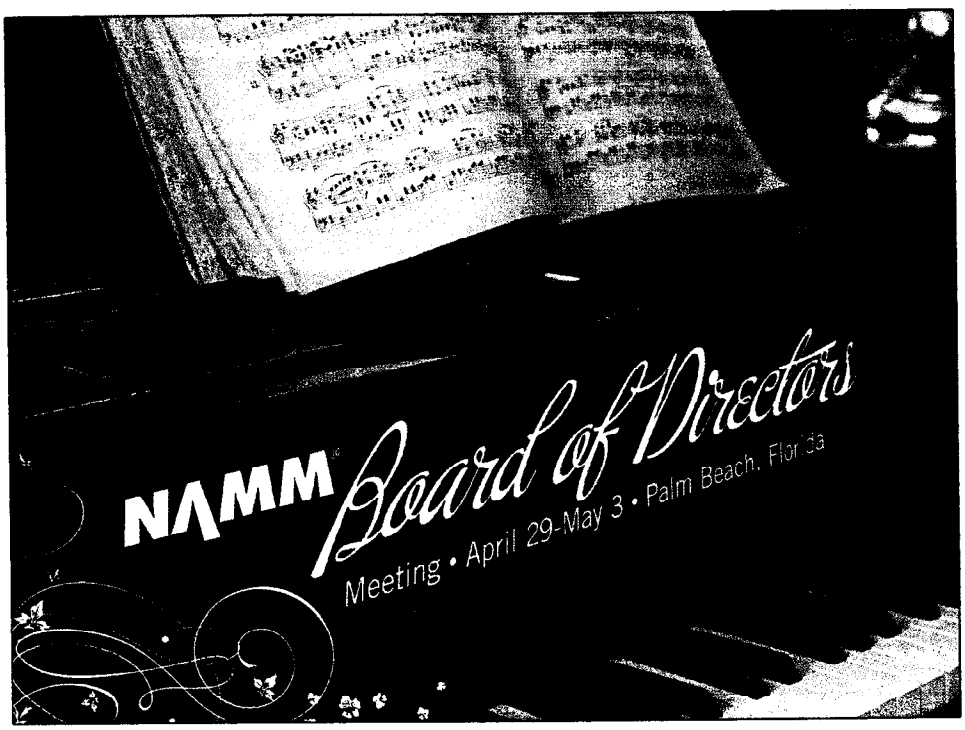

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Nominations for NAMM Board of Directors

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NAMM-000583

NAMM
Board of Directors
Meeting • April 30-May 3 • Palm Beach, Florida

Chairman's Report

~ Chip Averwater ~

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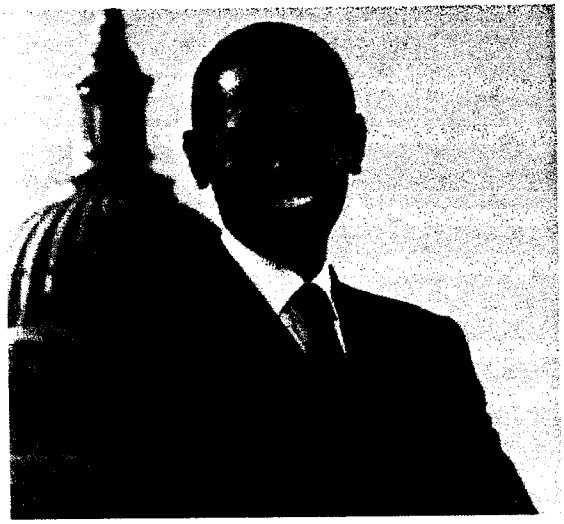
NAMM-000586

NAMM

Board of Directors

Palm Beach, Florida



FORECLOSURE

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6-8-09 COMP REPORT
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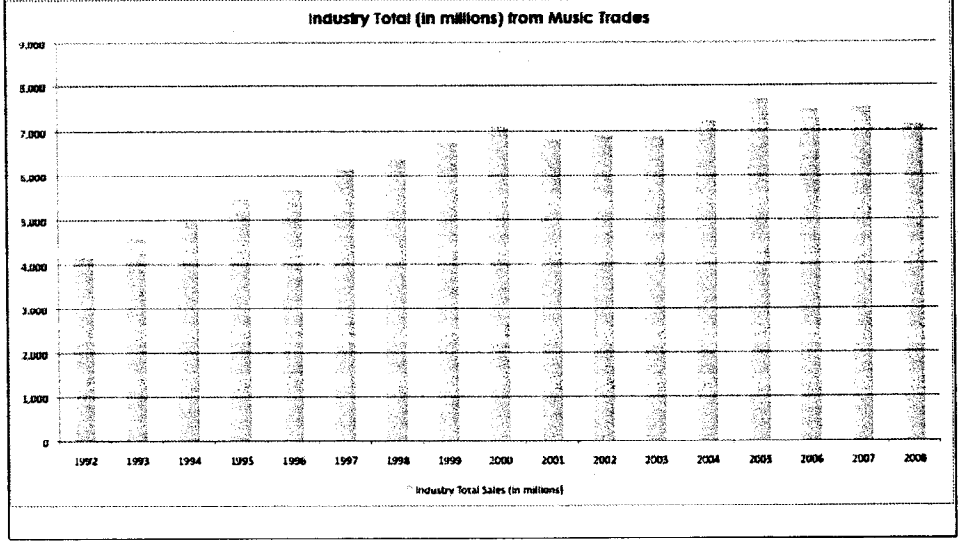
NAMM

Board of Directors



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Each new year begins with The NAMM Show and last year was a good one. At show close, NAMM reported a 4 percent increase in overall registration from 2007 for a grand total of 88,128 registrants. The association previously announced breaking the all-time record of exhibitors with 1,560 companies displaying products at this year's NAMM Show. International attendance showed a 7 percent increase for a total of 10,605 registrants from more than 100 countries.

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NAMM-000593

THE WALL STREET JOURNAL.

Date: Thursday, March 05, 2009
Location: NEW YORK, NY
Circulation (PAID): 2,000,000
Cost (Pennsylvania): 100 (2)
Page: Newspaper: NY
Keyword: 63
National Association of Music Merchants

Instrument Industry Settles Pricing Case

By Joseph Pereira
Also Jesse E. Wilkie

The Federal Trade Commission and musical-instrument industry settled a case in which instrument retailers and manufacturers were accused of illegally sharing pricing and competitive tactics to discourage discounting.

Antitrust enforcers said the 9,000-member National Association of Music Merchants was a forum for the illegal discussions, which included talk of policies where manufacturers cannot retailers to charge customers a minimum advertised price.

In its investigation, the FTC found that between 2005 and 2007 NAMM organized various meetings for retailers to compare notes on restricting competition and restricting higher retail prices. Similar discussions were held among manufacturers, said William Lansing, the lead attorney in the case.

The FTC released no names of companies alleged to have met. The industry trade group, based in Carlsbad, Calif., includes among its members Fender Musical Instruments Corp., Yamaha Corp., Gibson Musical Instruments Corp. and retailer Guitar Center Inc. The settlement doesn't reflect an admission of wrongdoing.

Scott Robertson, spokesman for NAMM, denied that the discussions ultimately "resulted in higher prices or any injury to consumers."

According to people familiar with the matter, NAMM was issued a subpoena by the FTC in the spring of 2007 requesting various meeting minutes and other documents. Numerous companies in the $2.5 billion musical-instrument business, including Fender, Yamaha, Gibson, Guitar Center and the Tacoma unit of TRAC Corp. were also issued subpoenas, these people said. The FTC collected sales records, various invoices and pricing policies, says one person familiar with the investigation.

Representatives for Fender, Gibson and Guitar Center declined to comment on the FTC investigation when the agency's probe enclosed last fall. Spokesmen for Yamaha, Guitar Center and Tacoma couldn't be reached immediately for comment on Wednesday.

The FTC probe into the musical-instrument industry is continuing. "Whether further allegations will be brought will be the Commission's decision," Mr. Lansing said.

As part of the settlement, NAMM has been ordered to appoint an antitrust lawyer to ensure compliance at meetings and other events and to read a disclaimer advising participants not to discuss pricing and their respective minimum-price policies.

The FTC has become more active in pursuing these anti-discounting policies since a controversial Supreme Court ruling two years ago that made it more difficult for companies to bring such antitrust suits.

That high court decision in June 2007 reversed a 96-year-old precedent that banned minimum pricing arrangements between manufacturers and retailers. The 5-4 ruling said situations should now be considered on a case-by-case basis—or rule of reason—weighing the impact of pricing policies against free-market principles. Thereby of reason clause raises the bar for legal challenges, legal experts say.

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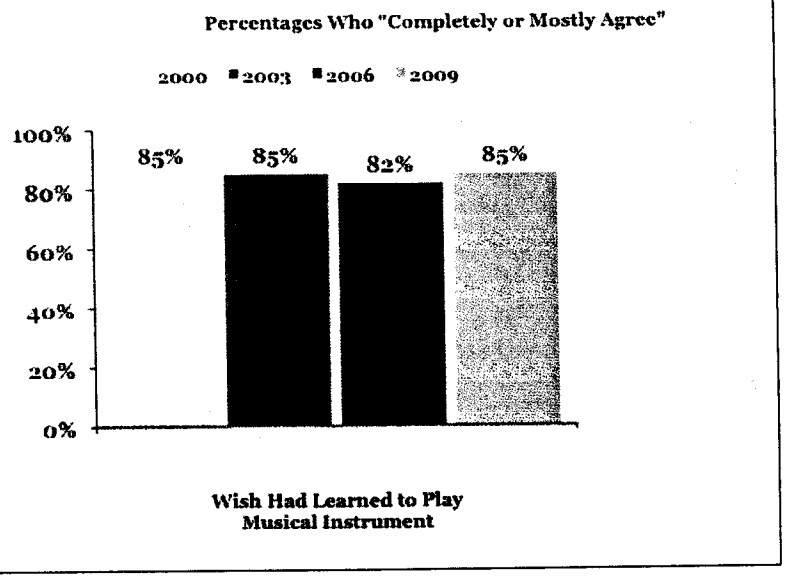
Board of Directors



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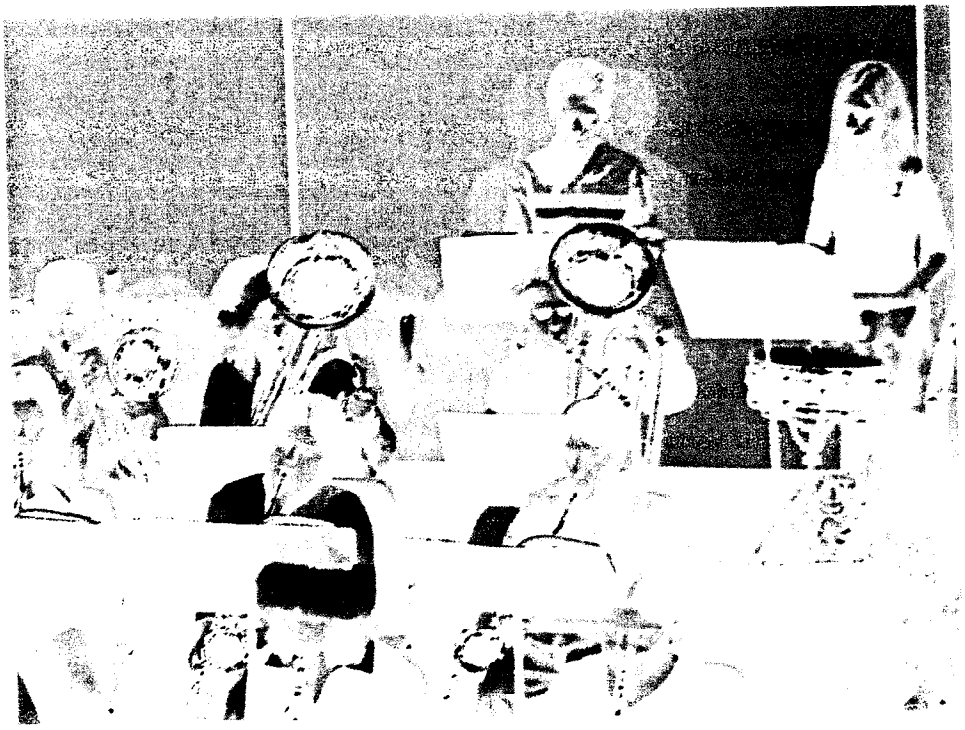

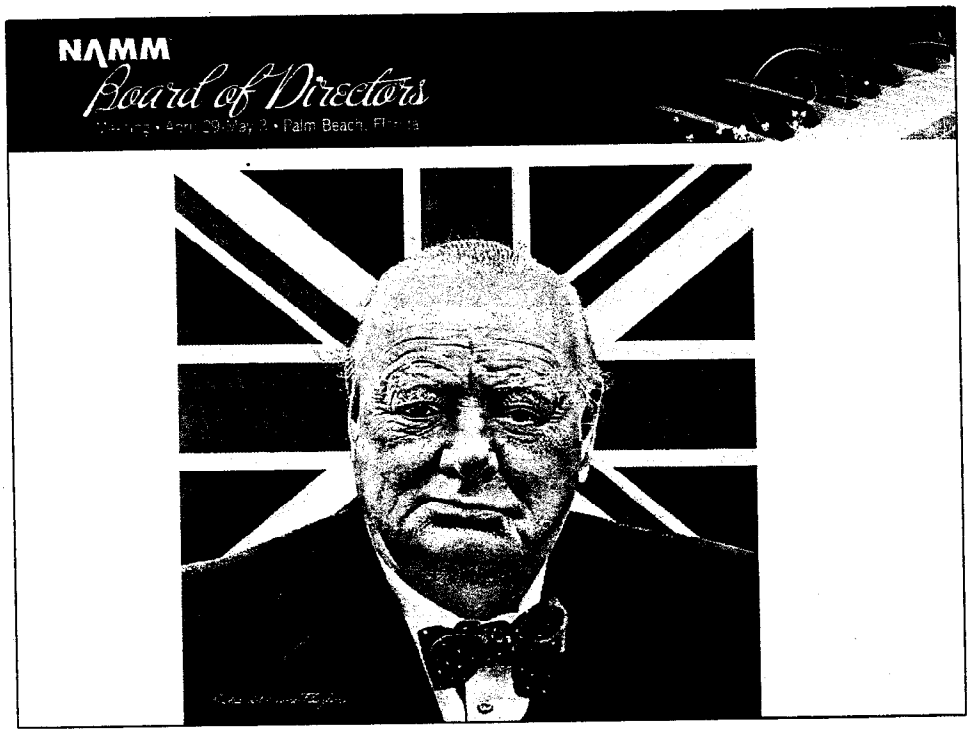

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Those impressions came from many NAMM programs including *Wanna Play*, where we held our first *Wanna Play Music Week* in May…

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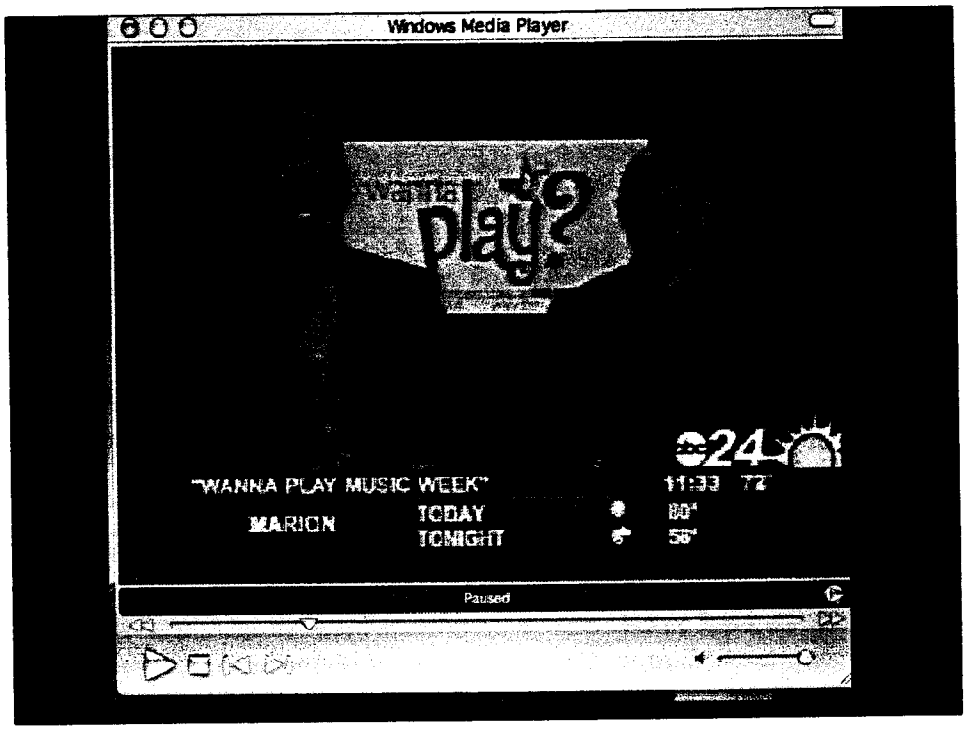

Here you see Joe and Scott Houston "The Piano Guy" on PBS on one of their many media interviews via satellite during the week....

During the second week of May, invited delegates from the music products industry converged on Washington, D.C., for NAMM's annual "Advocacy Fly-In" event to learn more about the association's public affairs and government relations activities and then take the industry's pro-music-education message to their respective elected federal lawmakers in Congress.

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www.prosoundnewseurope.com • May 2008

NAMM heads for Europe

The team behind the California trade show looks to establish Portsmouth offfice

The NAMM organization (actual name, the International Music Products Association) has announced the formation of NAMM International, LLC, a new branch – to be based in Portsmouth, UK – intended "to service the needs of Members abroad". Betty Heywood, NAMM's director of international affairs, who will run the operation, explains the rationale to PSNE.

PSNE: Some people will inevitably jump to the conclusion that NAMM is trying to take over...

BH: I know it has been received as big news in some circles, particularly in those who think we want to take over the world, and we're aware of that whole angle. I get very tired of it, personally. We've so far done nothing outside (or inside) the US that didn't involve close co-operation with our partners. What will happen is that future co-operations, such as the one with Music China, or events, such as the Beijing Music Education Summit, will be officially undertaken by NAMM International.

Betty Heywood: NAMM ma am

This case reflects the growing number of international members we have, and, given time zone differences, makes logistical sense.

– among others – makers and sellers or installers of loudspeakers, signal processing, power amplifiers, mixing consoles, microphones, control and monitoring products, recording equipment, DJ equipment, cabling, test equipment and furniture.

Currently over 18% of our members – a quarter of whom are international – name pro audio as their main line of business and a further 21% say that they have some pro-audio business. So overall around 41% of our membership deals with pro-audio. It's the fastest growing segment, so much so that my colleague Dominique Agnew, our associate director of trade show sales, has problems fitting them into the hall.

PSNE: Is NAMM actively seeking members from the pro-audio industry and what does it offer them?

BH: Currently, the biggest thing of course is the opportunity to exhibit at NAMM Shows, but these companies also benefit from our market growing activities. Our activities are designed to increase active participation in music making, which benefits all of NAMM's Members, including pro audio.

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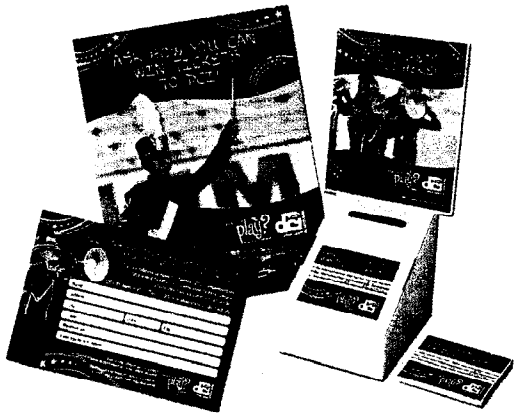

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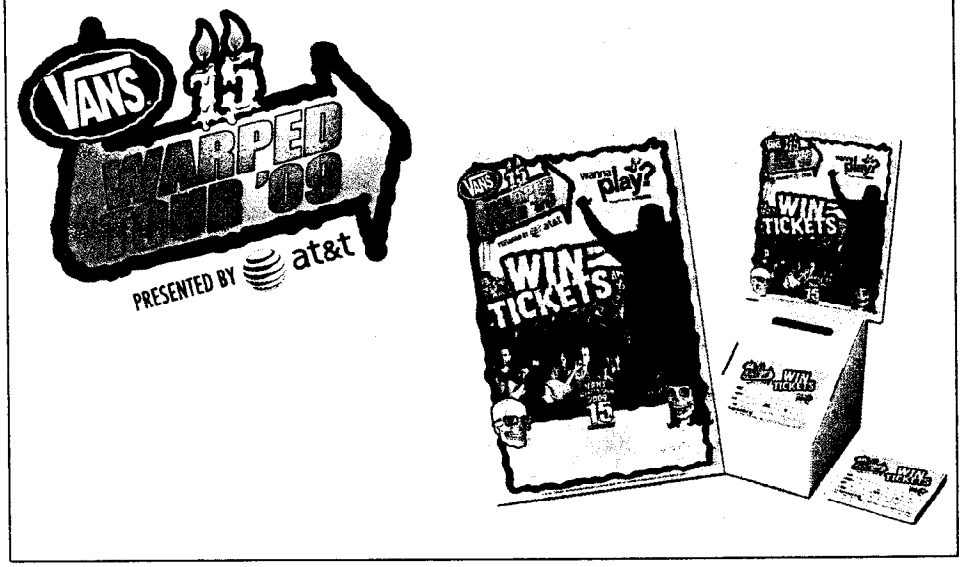
Board of Directors

Palm Beach



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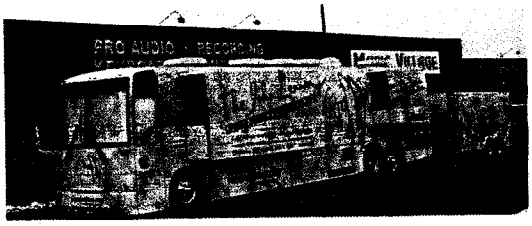
wanna play?

Brought to you by NAMM



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school jam

battle of the bands Texas

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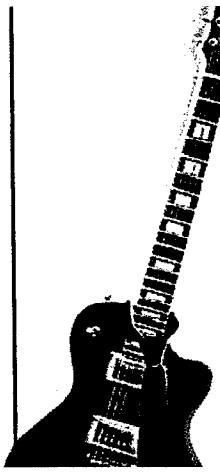

the 8th annual
FORTUNE
BATTLE
of the CORPORATE
BANDS

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And the FORTUNE Battle of the Corporate Bands. Here we see this years' winners from Procter and Gamble…

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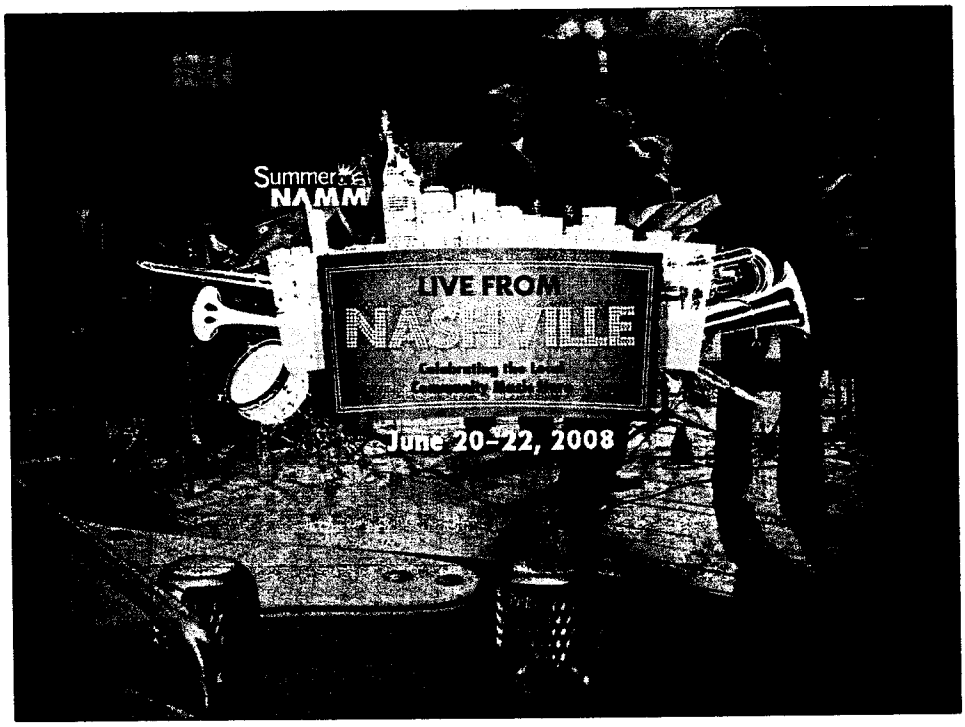

And while we're talking about shows – Summer NAMM also did well back in Nashville. NAMM reported a 36 percent increase in registration from last year's event in Austin, with 17,473 total registrants for the three-day event, including a 45 percent increase in international registrants. Exhibitor numbers were also up at the Nashville Convention Center, with 483 companies displaying and demonstrating products. Exhibitors had additional options this year—they could opt for smaller tabletop booth spaces on the show floor or even set up shop in "The Club" area, bringing some products and literature, and hosting meetings—without the cost of a full exhibit space.

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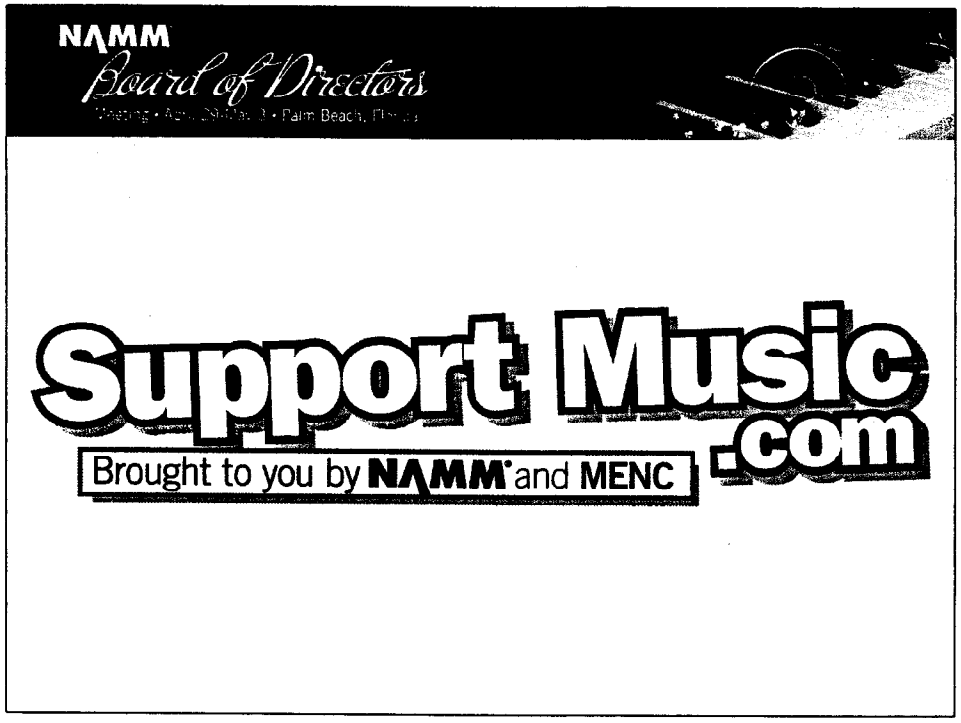
NAMM® Foundation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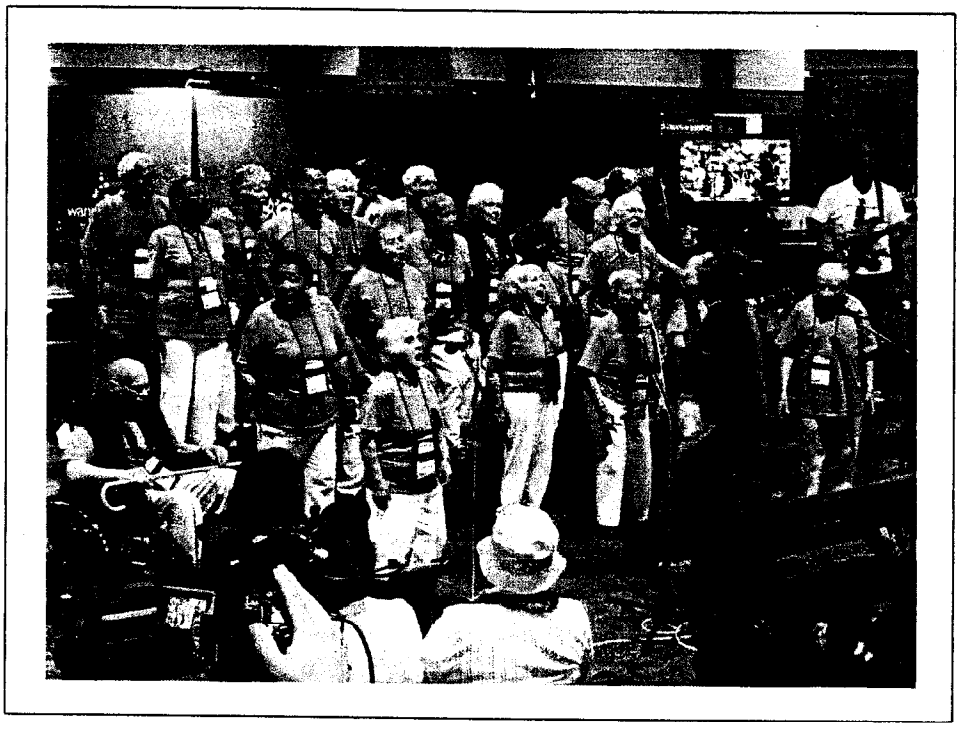

Speaking of the senior market, NAMM also arranged for a strong industry presence at the 2008 AARP Life @ 50 Conference where we had the amazing Young At Heart Chorus perform at our booth to the delight of the crowds. I hope I'm having this much fun making music if I ever decide to get old.

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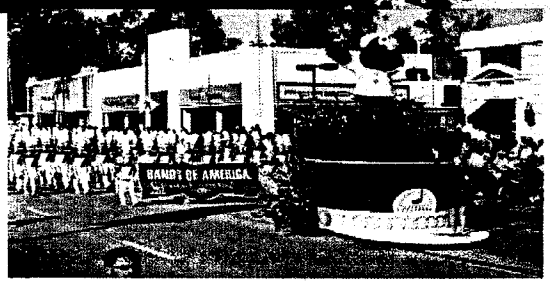
2009 Tournament of Roses Parade



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And this being a very political year, NAMM took advantage of the opportunity by co-hosting star-studded pro-music education events with Americans for the Arts at both the Democratic

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And Republican National Conventions.

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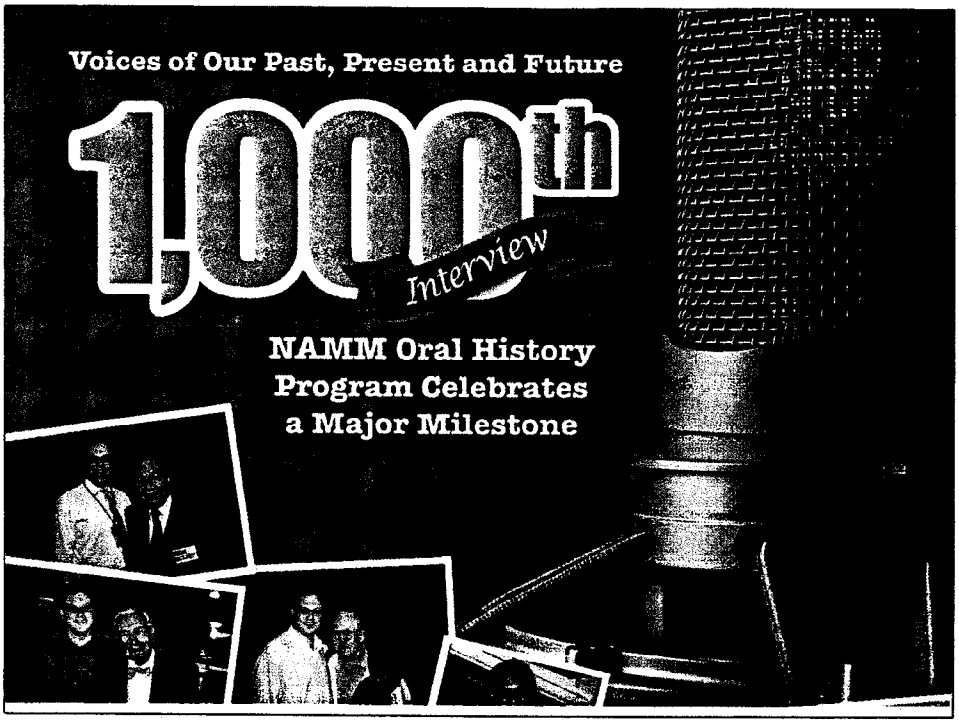

Finally, NAMM's Oral History program celebrated its' 1000th interview milestone this fall. The value of this program is immeasurable because these interviews effectively capture our industry's rich history straight from the mouths of the legendary figures who created it.

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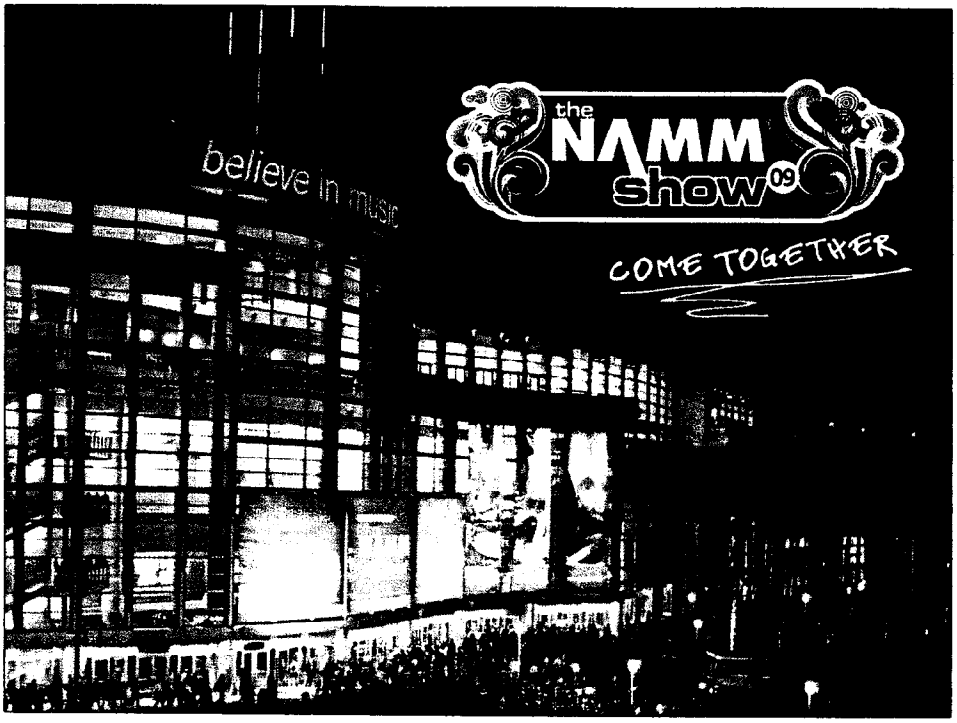

Each new year begins with The NAMM Show and last year was a good one. At show close, NAMM reported a 4 percent increase in overall registration from 2007 for a grand total of 88,128 registrants. The association previously announced breaking the all-time record of exhibitors with 1,560 companies displaying products at this year's NAMM Show. International attendance showed a 7 percent increase for a total of 10,605 registrants from more than 100 countries.

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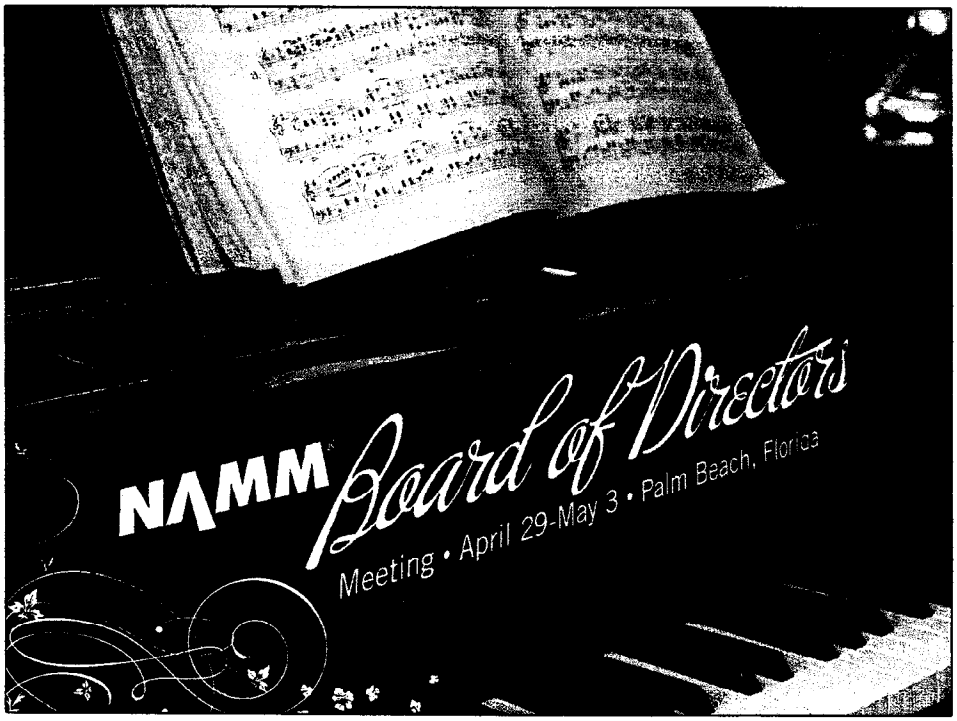

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President's Report

~ Joe Lamond ~

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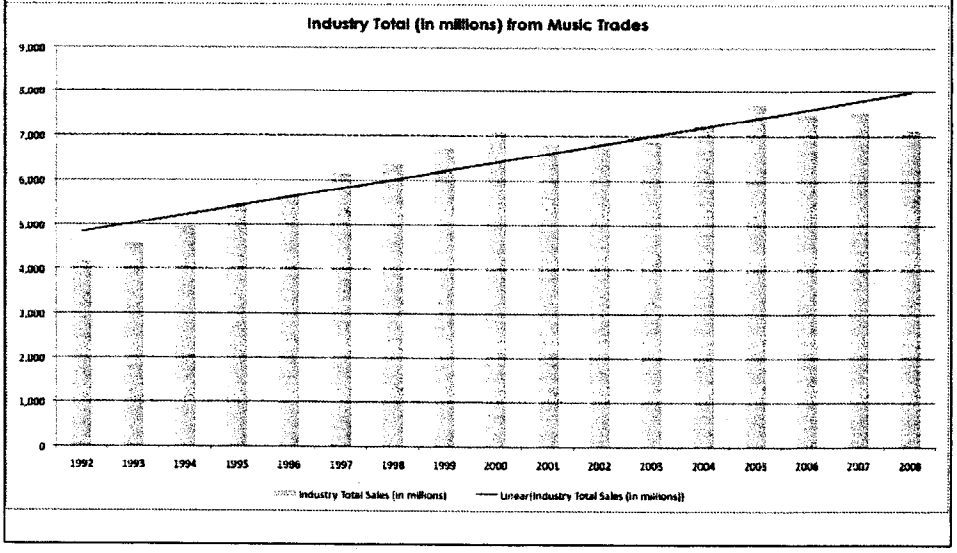

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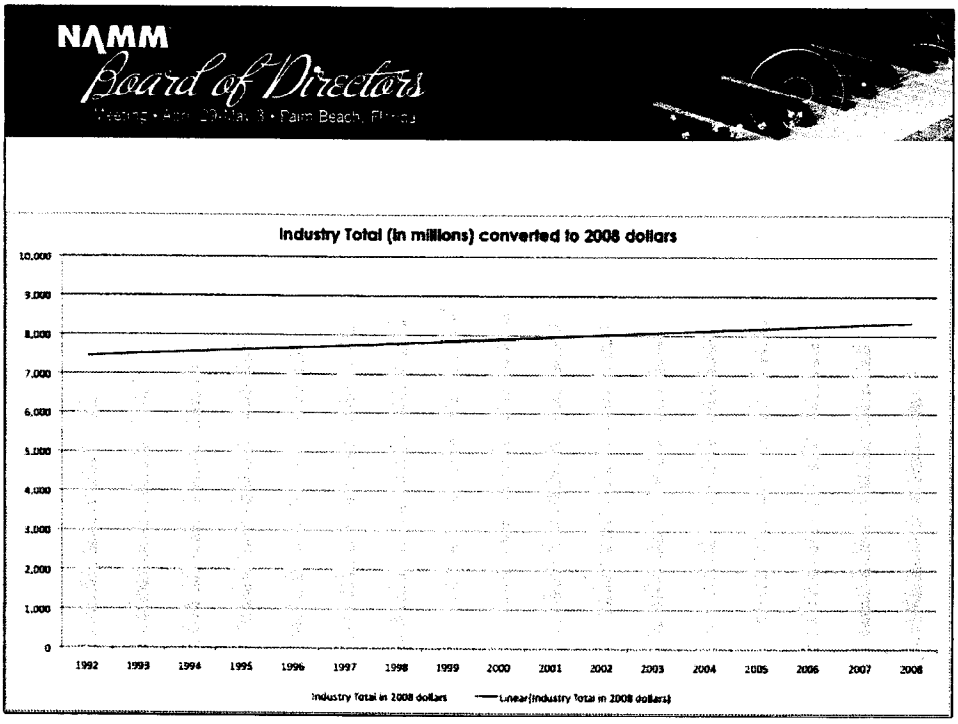

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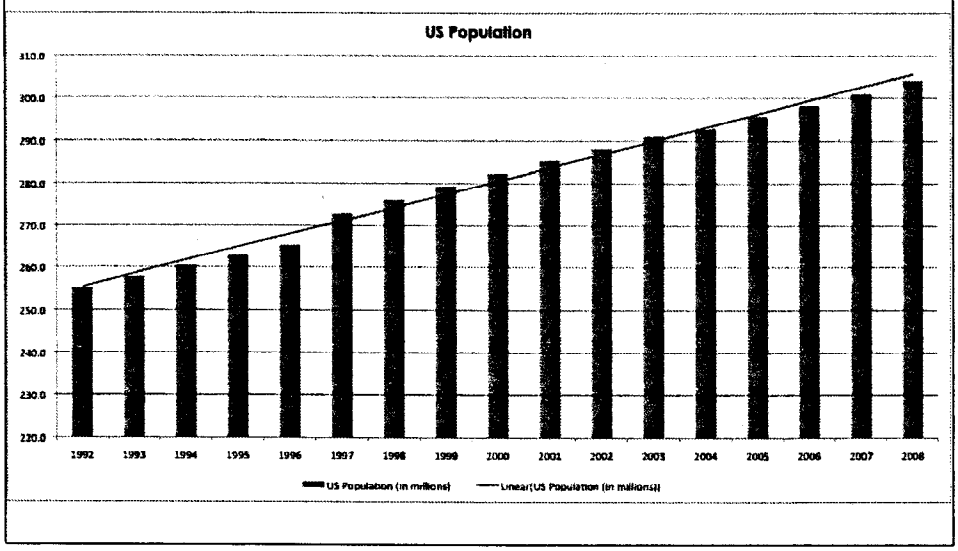

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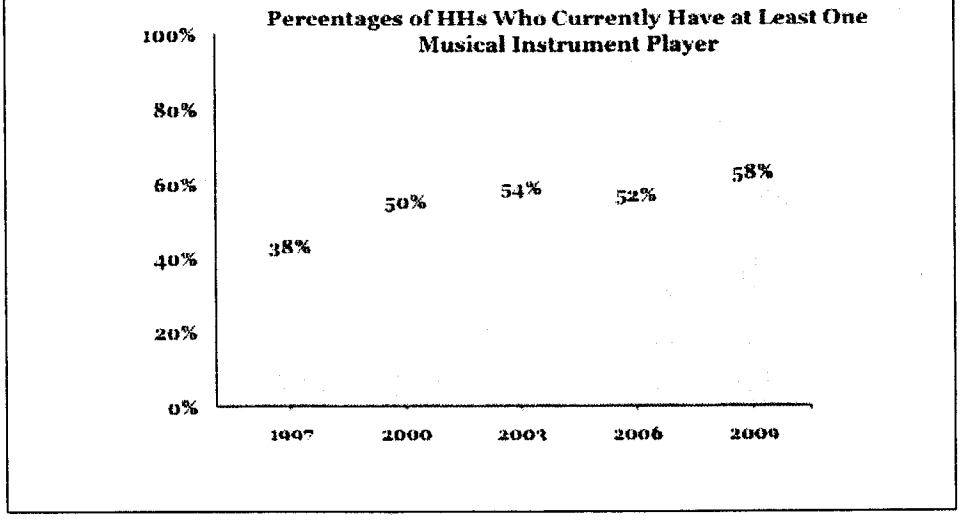

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Refreshment Break

Reconvene in 20 minutes for
NAMM Staff Director
Presentation

Next Door

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Welcome

Friday, May 1

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Antitrust Training

Paul C. Cuomo, Esq.
Howrey LLP

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Board Panel Discussions

- NAMM's Mission & Objectives
- NAMM's Global Responsibilities
- Member Participation
- Overall Industry Growth

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NAMM's Mission & Objectives

Tom Schmitt,
Moderator

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NAMM's Global Responsibilities

Chip Averwater,
Moderator

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Member Participation

Kevin Cranley,
Moderator

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Overall Industry Growth

Larry Morton,
Moderator

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Thursday Reception & Dinner

6:45 p.m. meet in hotel lobby

The Flagler Museum

7:00 – 8:00 p.m. Reception, Tour & Photos
8:00 – 10:00 p.m. Dinner

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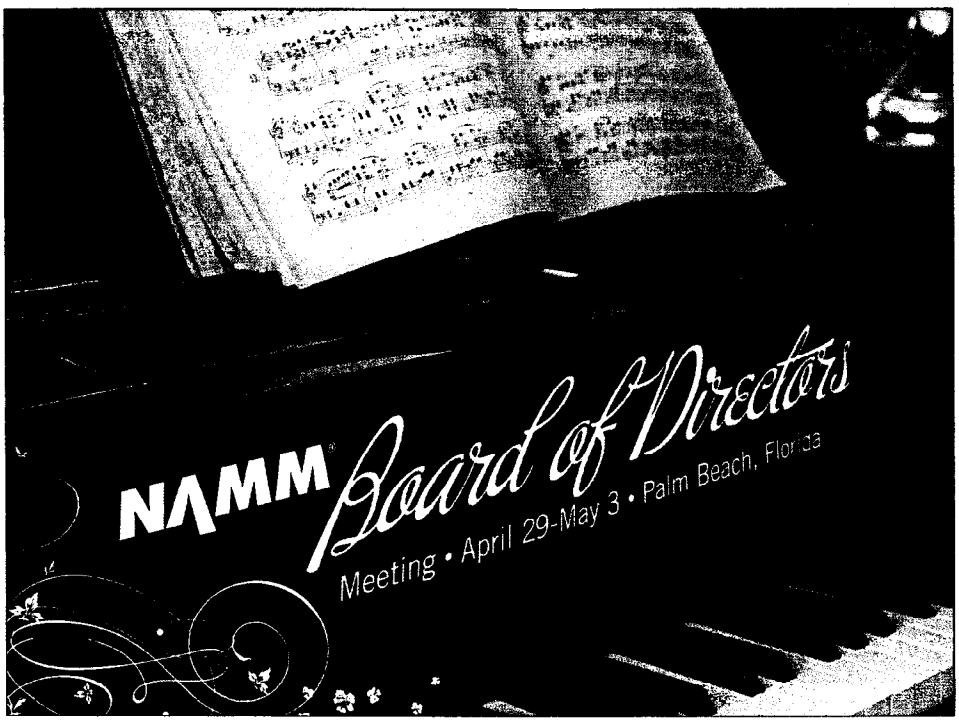

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Committee Responsibilities

- **Friday: Committee Breakouts (working lunch)**
  - The purpose of each committee is to research, discuss, conclude and make recommendations to the full board
- **Saturday: Committees Report Recommendations to Full Board**
  - Discussion and interaction is allowed at the conclusion of each committee report
- **Saturday: Request for Motions from the Board**
  - Committees with motions will explain how each recommendation benefits our Members and allocate resources to get the job done

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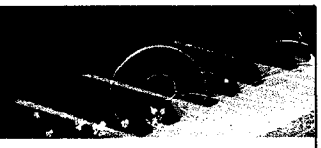

Committee Breakouts

- Professional Development
  - **Gulfstream 1**
- Market Development
  - **Gulfstream 3**
- Grants and Scholarships
  - **South Mezzanine B**
- Government Relations and Music Education
  - **Gulfstream 4**

Lunch buffet served in each meeting room.

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NAMM-000646

Welcome

Saturday, May 2

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Committee Reports

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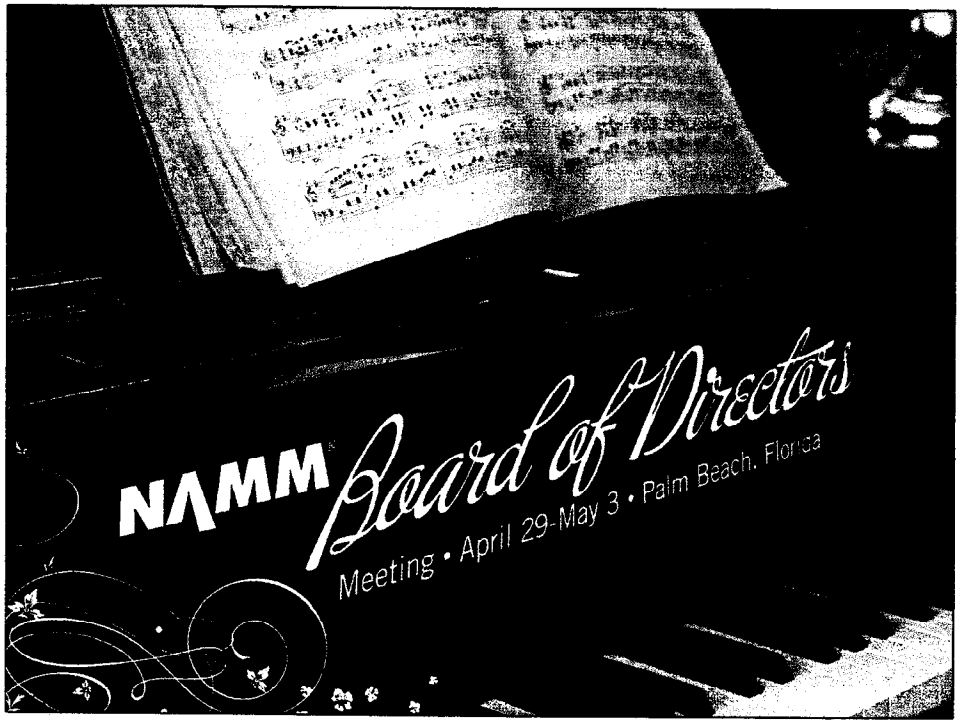

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Grants & Scholarships Committee Report

Alan Rosen,
Committee Chairman

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Market Development Objective

- Expand markets for music products and services, promote the benefits of active participation in making music, and support NAMM Members' market expansion goals

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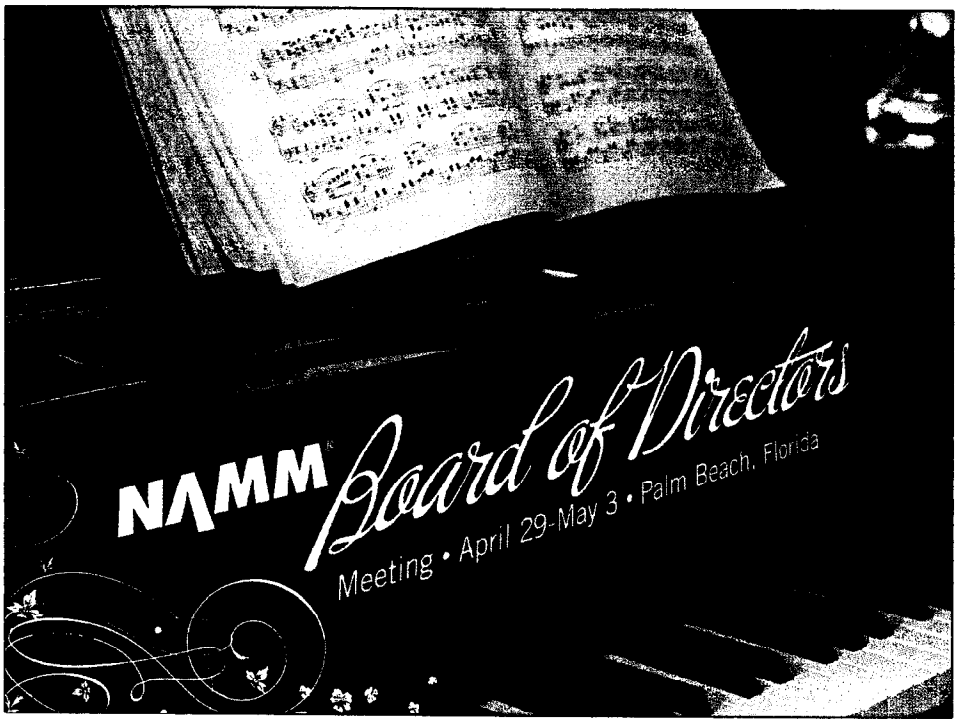

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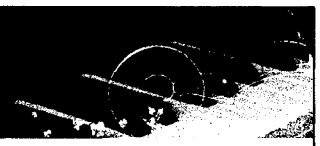

Recommendation

- We are very proud today to present the preliminary stages of this vision

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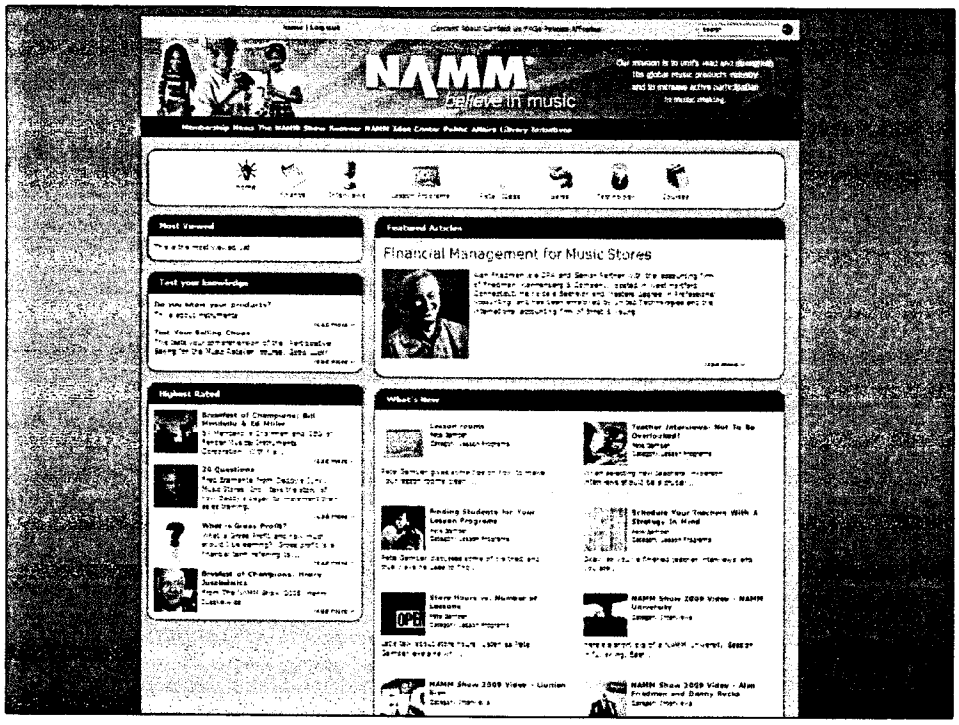

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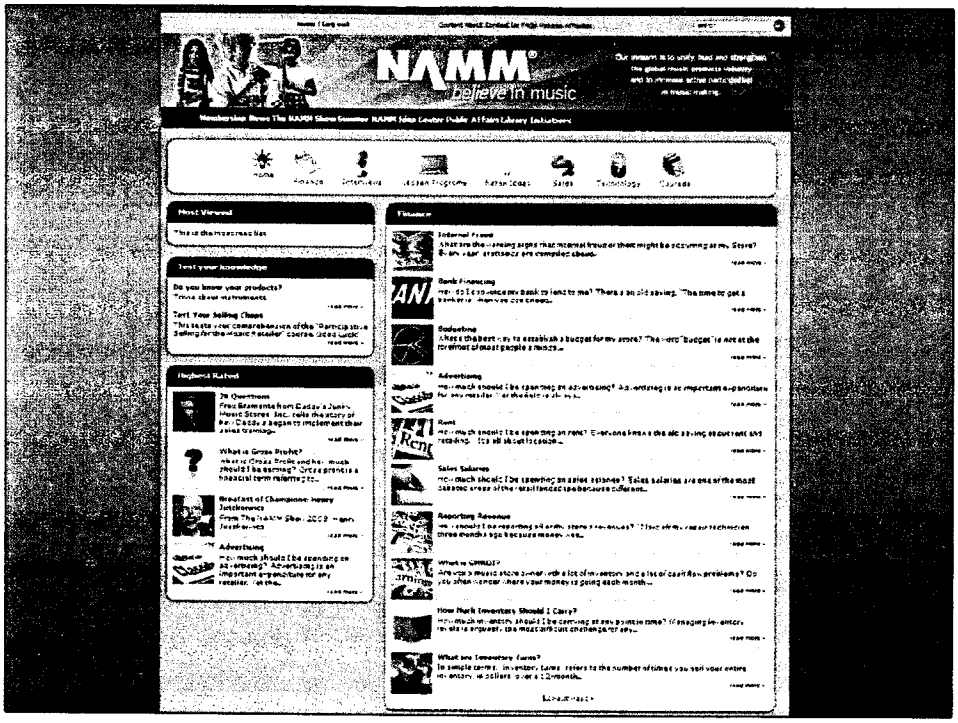
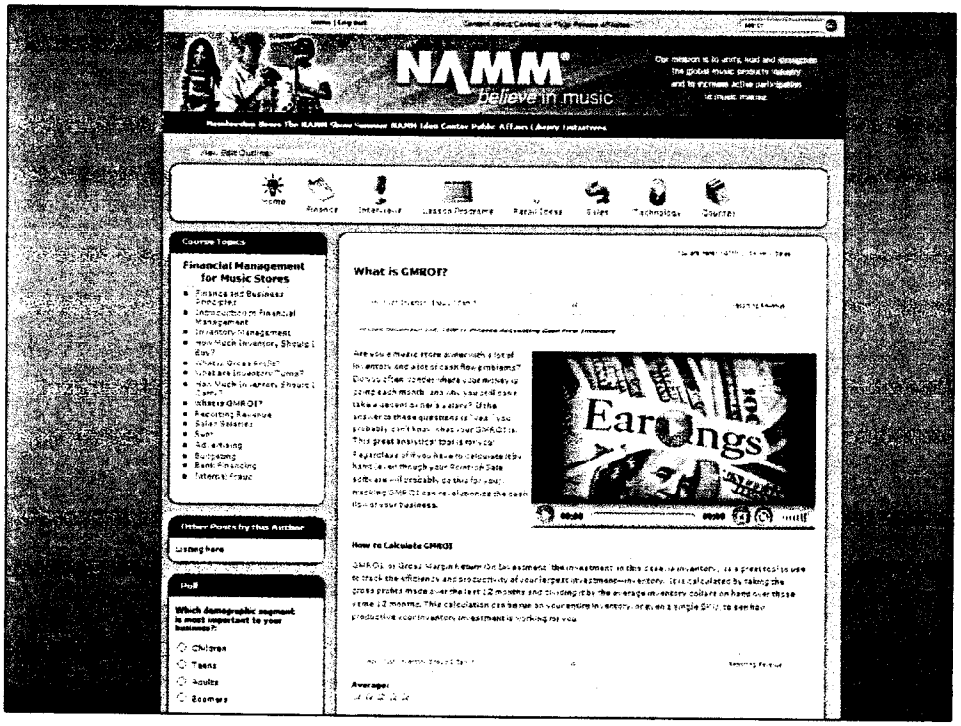

NAMM
believe in music



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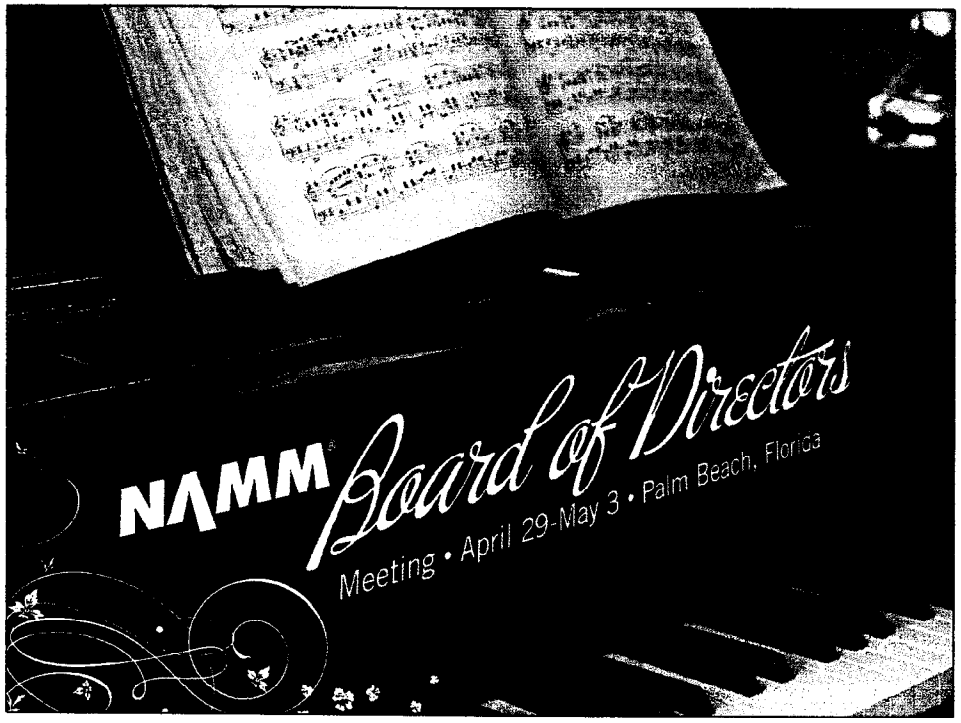
Gard Scholarship

- 2009 recipient is Cassandra Sotos, State College, PA



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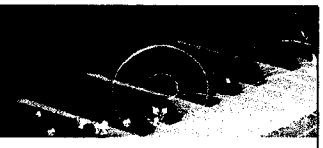

Federal level Advocacy Activities – and the Fly-in:
Endorse ongoing federal legislative efforts representing the music products industry

Encourage all to participate via Web cast in the **Virtual Fly-in Web cast on May 12** Encourage all members to participate in the Virtual Fly-in and to contact members of Congress on May 13

and share in news of our celebrity guests...

NAMM®
Virtual Advocacy Days

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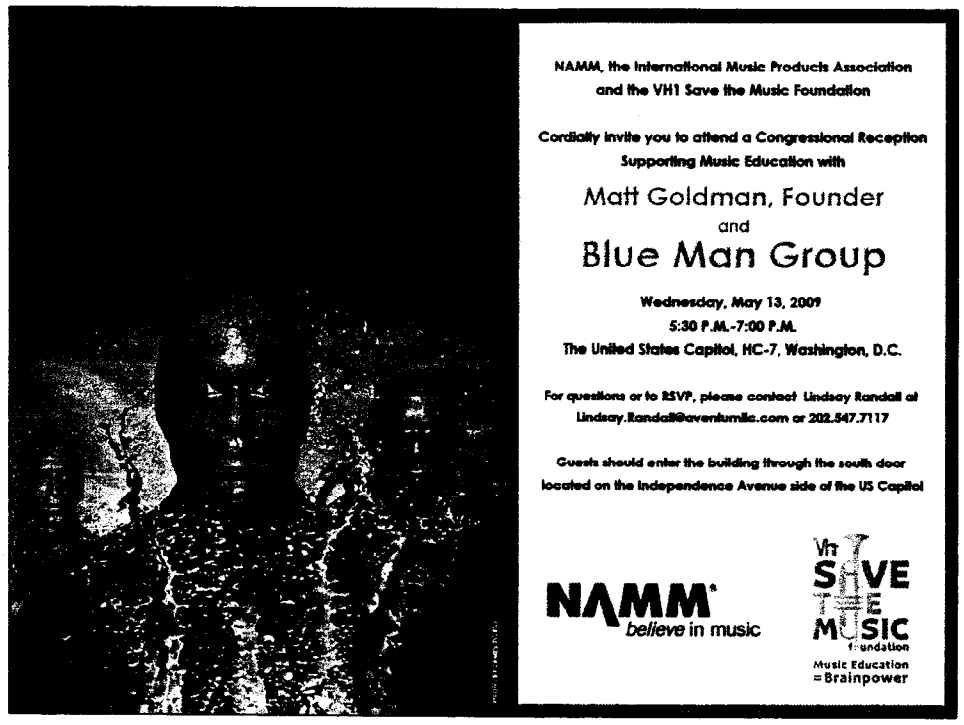

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Encourage the development of state level music education advocacy and policy development efforts involving NAMM members and music education allies.

Endorse continuation of distribution of music education advocacy materials, the development and activity of the SupportMusic Coalition, other advocacy activity that assure assess to music education for all children.

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Abridged Rules of Order

- One subject before the group at a time
- Any motion requires a seconder
- Mover of the motion speaks first and last
- No such thing as a negative motion

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Abridged Rules of Order

- Everyone has an opportunity to speak
- All Board Members have equal rights
- Chair ensures both sides of the issue are debated fairly; remarks should be addressed to the chair

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Abridged Rules of Order

- Amendments are allowed to make an original motion acceptable by all
- If confusion threatens understanding then chair is guided by 2 principles; what is fair and what is time efficient
- Once action is passed, it should be supported by whole group

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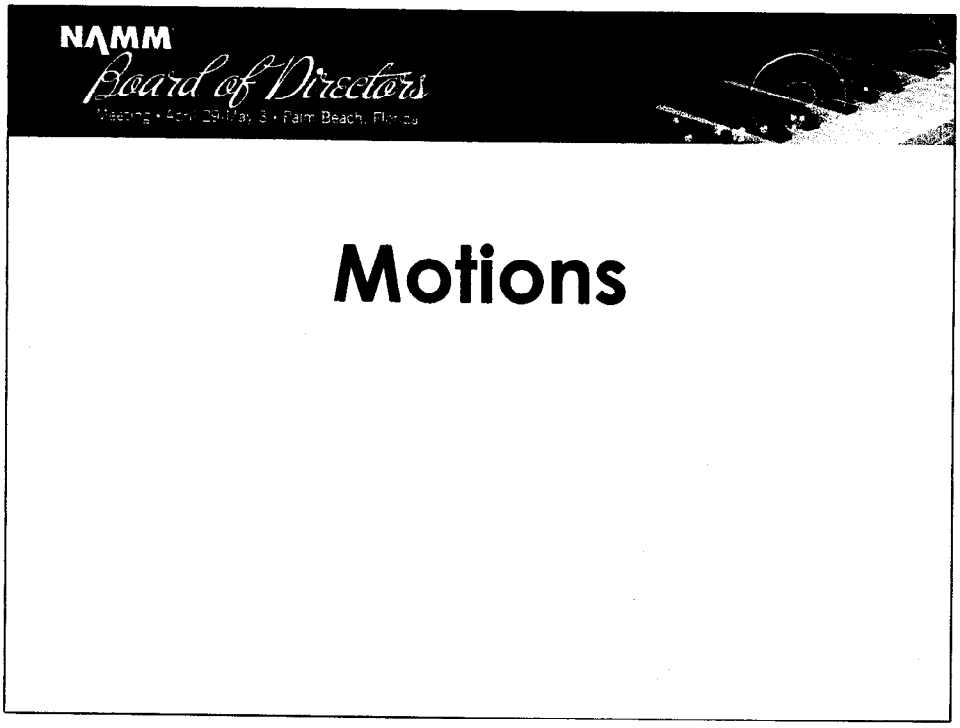

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Research Division of the NAMM Foundation

ADVISORY BOARD

Karl Bruhn, Bruhn & Associates
Lawrence Parsons, Ph.D., University of Sheffield
Bennett Reimer
Briant Summerhayes, Summerhayes Music Center
Greg Way
Larry Morton, Hal Leonard Corporation
Joe Lamond, NAMM

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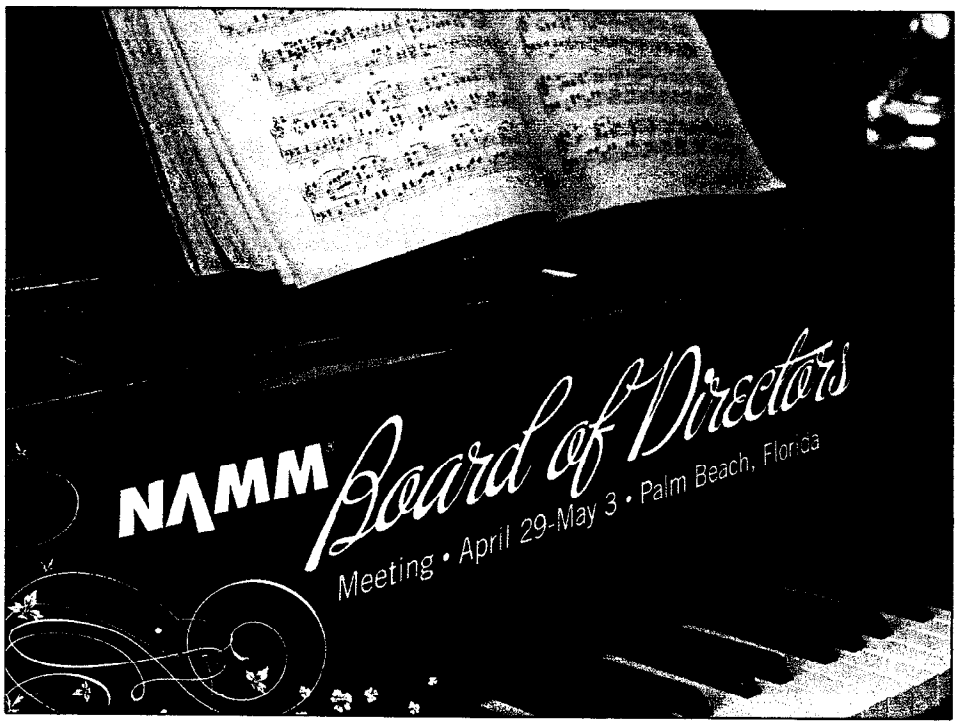

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New Business

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NAMM-000736

Summer NAMM 09 Update: 11 Week Out Report

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NAMM-000737

Future Meetings

JULY 2009

Board Meeting – Nashville, July 16

Summer Session – Nashville, July 17-19

JANUARY 2010

The NAMM Show – Anaheim, Jan 14-17

Annual Mtg. of Members – *Anaheim, Jan 16*

APRIL 2010

Board Meeting – *San Diego, Apr 14-18*

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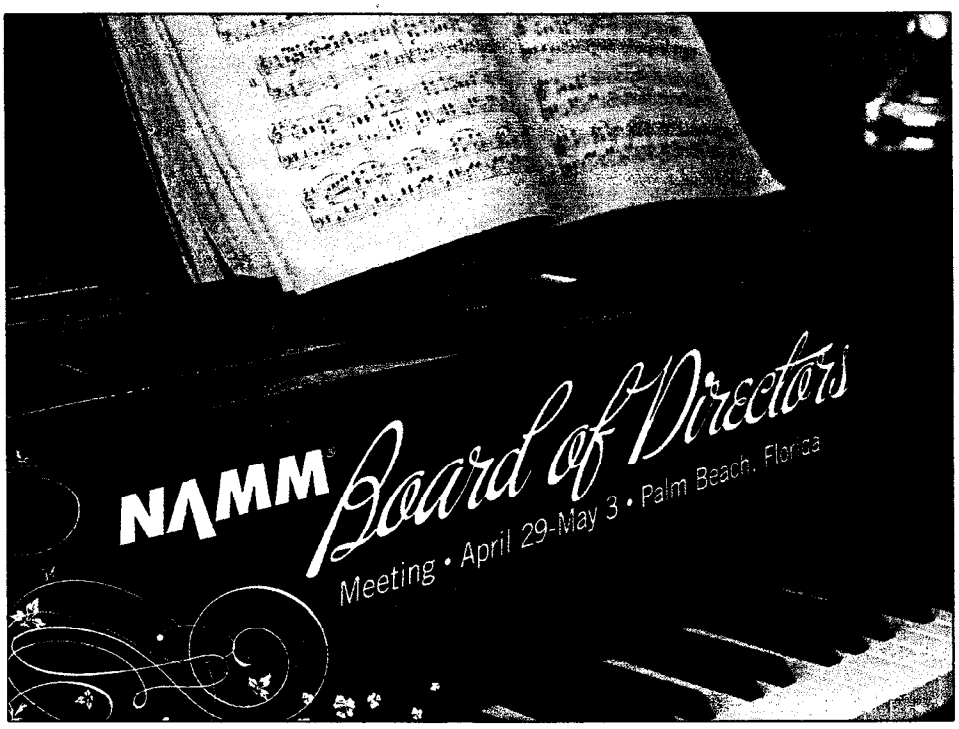

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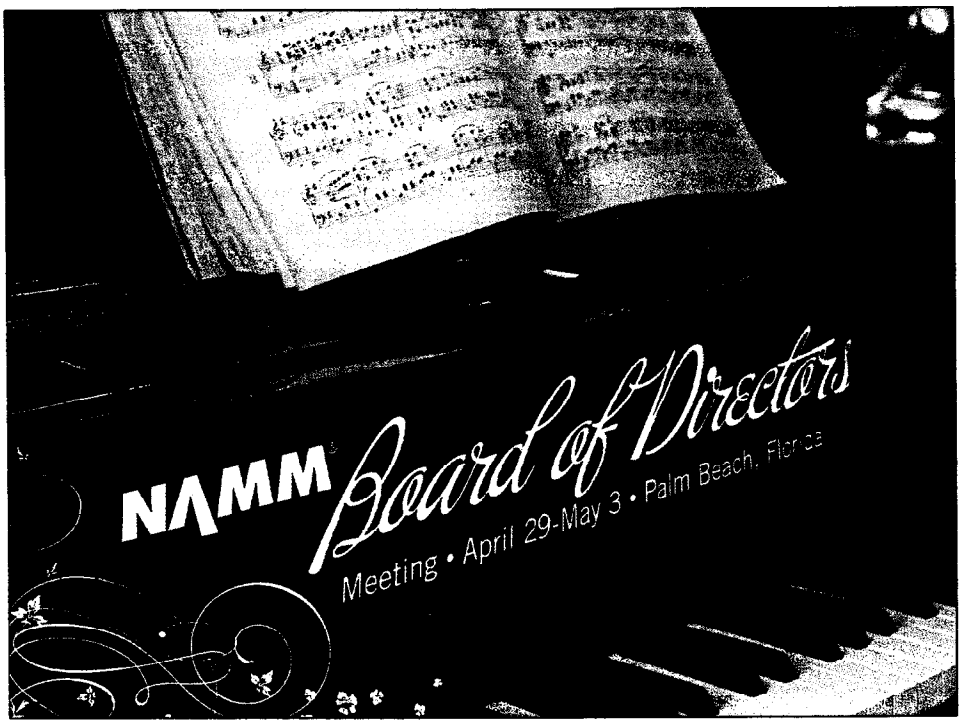
2009 Proposed Bylaw Amendments

It has been proposed that the NAMM bylaws be amended in two areas. Details were submitted in your board books for your review.



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Strategic Direction #6: Business Services (6.4)

Benefit: These services help Members strengthen the operational effectiveness of their businesses.

Resources: None required

Summarize Expenditures

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Conclusions
and
Summary

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6-8-09 COMP REPORT
NAMM-000751

Reception & Buffet

Ocean Gazebo

7:00 – 8:00 p.m. Reception
8:00 – 10:00 p.m. Dinner

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NAMM-000752

Departure Breakfast

Ocean Lawn

7:00 – 10:00 am

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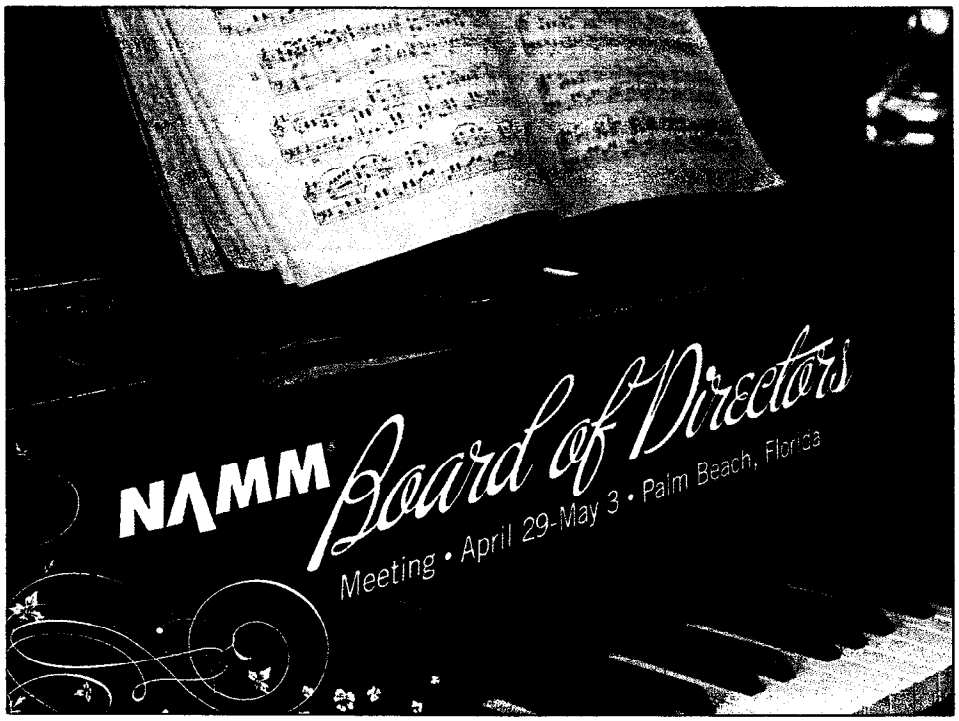

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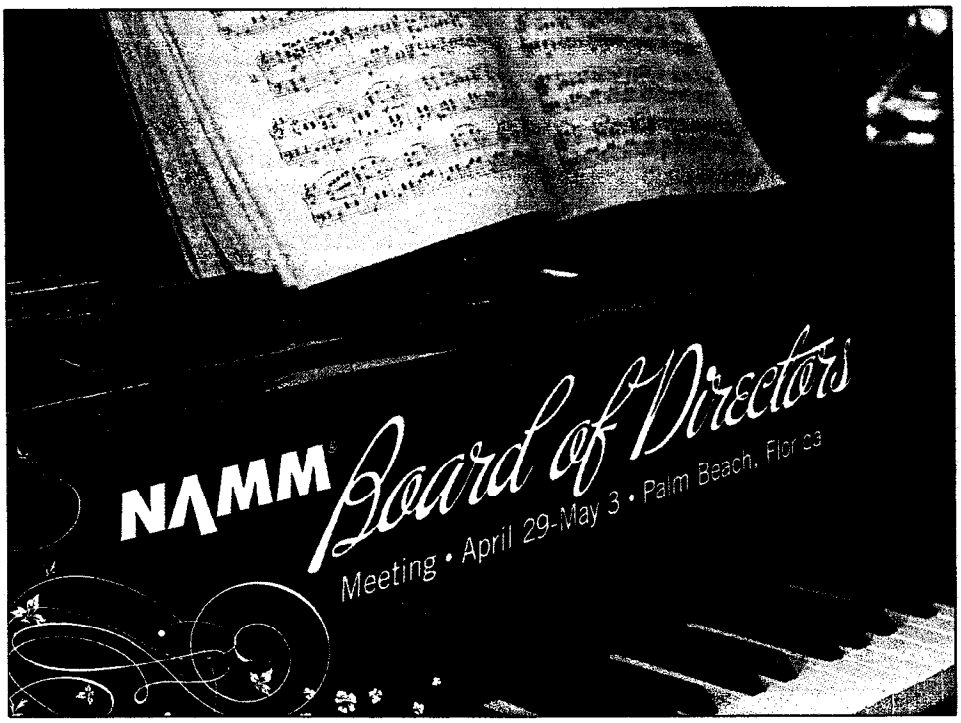

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2009 Staff Directors Presentation

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NAMM 2009 Staff Directors Presentation

Sandra Jordan

Associate Director

Public Affairs &

Government Relations

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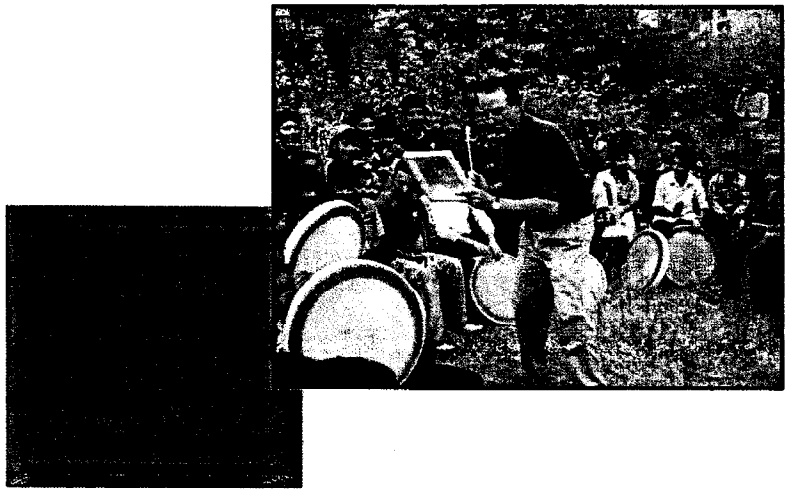

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NAMM 2009 Staff Directors Presentation

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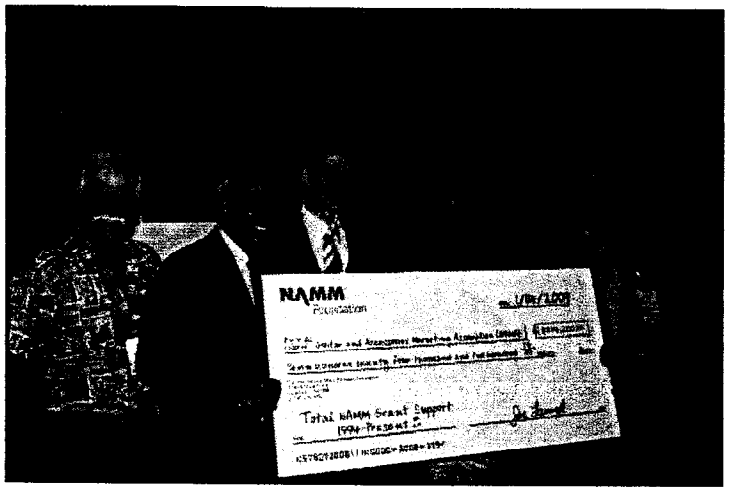

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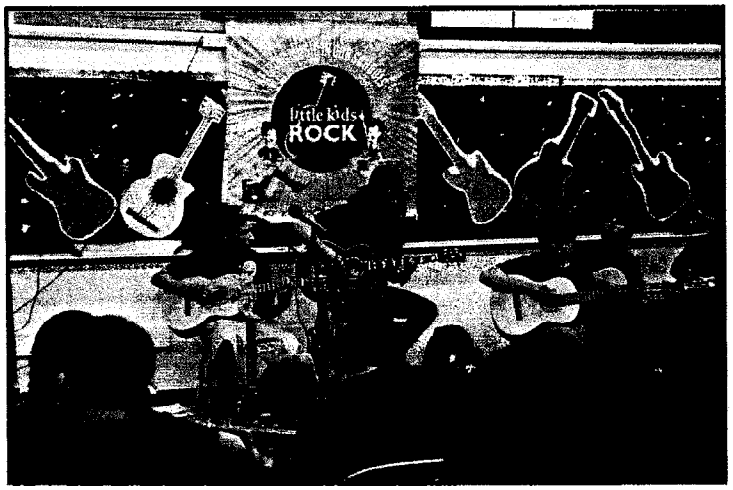

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$1 Billion

in college scholarships available annually

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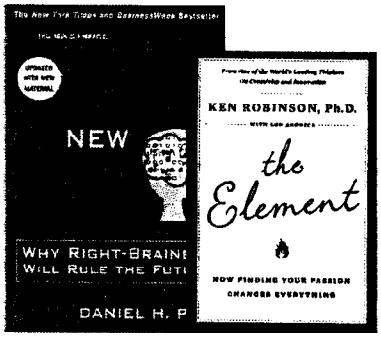
Texas Music Educators Association
promoting excellence in music education since 1920

NASMD NATIONAL ASSOCIATION of SCHOOL MUSIC DEALERS, Inc.



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NAMM-000773

NAMM 2009 Staff Directors Presentation

- Alaska
- Hawaii
- Idaho
- Mississippi
- Missouri
- Nebraska
- New Hampshire
- North Carolina
- Oregon
- Rhode Island
- Utah
- Vermont
- Wyoming

NAMM 2009 Staff Directors Presentation

Mary Luehrsen

Director
Public Affairs &
Government Relations

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Public Affairs & Government Relations Staff

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The NAMM Foundation Encourages Support of Music Education at the 2009 NAMM Show

Carlsbad, CA, February 20, 2009—The NAMM Foundation announced that it recently hosted multiple events at the NAMM Show that were focused on keeping music education strong in schools. The Foundation hopes to raise awareness within the music products industry about the critical importance of being active in their communities in order to maintain support for music education programs in today's economic environment.

"NAMM Foundation research has shown the numerous and powerful academic and social benefits to children who participate in music education," said Mary Luehrsen, director of public affairs and government relations at NAMM. "This is why we continue our outreach efforts and support of national programs that perpetuate children's involvement in school music."

On the opening day of the show, NAMM presented its prestigious Grand Marshal Award to three important influencers in honor of their contributions to school music education. The honorees were: Anne L. Bryant, Ed.D, executive director of the National School Boards Association, who heads a federation of state and territorial organization dedicated to advancing education through citizen governance of public schools; Tim Lautzenheiser, executive director of education for Conn-Selmer, Inc., who is a well-known name in the music education world as a teacher, clinician, author, composer, conductor, consultant and mentor to young people; and Inez Hussey, co-director of King George VI Centre, an organization focused on providing rehabilitation and boarding facilities to children growing up with physical disabilities in Zimbabwe.

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NAMM Grand Marshals:

Music Teacher Inez, School Board Executive Anne and Dr. Tim—with Pals from *Sesame Street*

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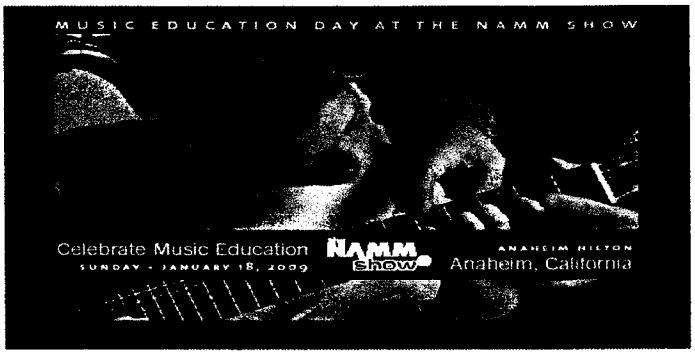
NAMM 2009 Staff Directors Presentation

Music Education Day
Project Summary

February 2009



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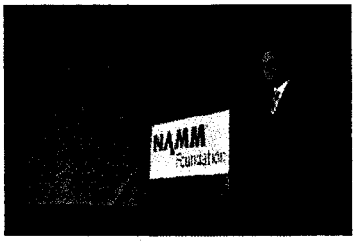
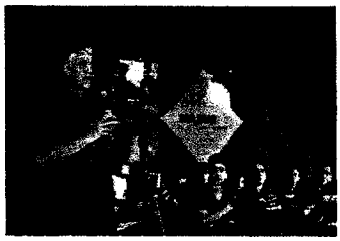
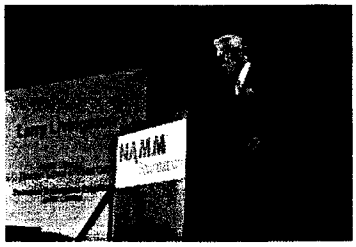
Music Education Day: January 2009







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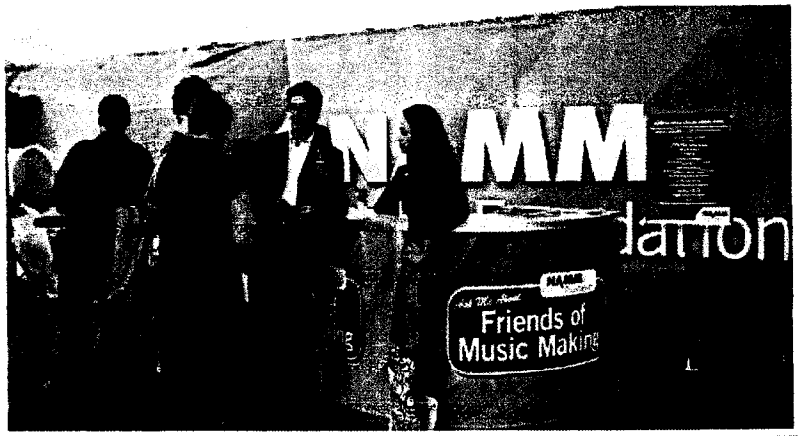
NAMM Foundation Booth/ Friends of Music Making



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HBCU Task Force at the NAMM Show

International Society for Music Education (ISME) ExCom at the NAMM Show

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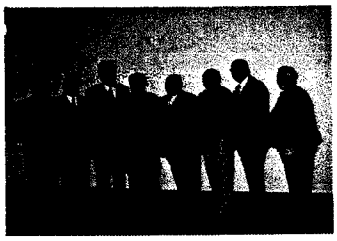
thenewsstar.com

GSU music alums play key roles in national task force

STAFF REPORT
NEWS@THENEWSSTAR.COM
MARCH 2, 2009

GRAMBLING □ Grambling State University band director Larry Pannell recently joined six music educators from historically black colleges or universities to explore issues of music education at HBCUs.

The task force was sponsored by the National Association of Music Merchants, a nonprofit trade association that unifies, leads and strengthens the $17 billion global musical instruments and products industry.....



James Holden, Larry Pannell, Al Amos, Russell Thomas, Charles Hicks, O'Neill Sanford, Willie Hill and Mary Luehrsen.

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NAMM Presents "Music for Life" Award to Sesame Street's Bob McGrath

NAMM, the International Music Products Association presented its "Music for Life" award to Bob McGrath of Sesame Workshop for introducing the wonders of music to hundreds of thousands of children and adults over his 38-year career on the show. McGrath received the award, which recognizes extraordinary contributions to NAMM's mission of creating more active music makers, during the Summer NAMM Show in Nashville. The "Music for Life" award is presented to celebrities, government officials and company CEOs, and is the highest honor that NAMM can bestow on an individual or organization.

McGrath is an original cast member of Sesame Street who plays the music teacher on the show. He is an accomplished singer with seven children's albums to his credit. He also co-authored an educational music curriculum book for Alfred Publishing Co., Music for Fun, used by teachers from kindergarten to second grade. His "Rhythm Band Set," produced by Rhythm Band Instruments, is a Parent's Choice Award winner. "I am honored to receive this recognition from NAMM, an organization that is truly dedicated to reminding parents how much children learn and grow from playing music," said McGrath. "The important message I try to convey throughout all my efforts is that it is never too early to begin playing music with young children."

Previous "Music for Life" recipients include Yoko Ono and former presidential candidate and Governor of Arkansas Mike Huckabee.

"NAMM is very proud to have formed such a special relationship with Bob McGrath," said Joe Lamond, president and CEO of NAMM. "NAMM has great admiration for his sincere dedication to reaching out to people young and old and showing them how music can have a lasting, creative impact on their lives."

Sesame Workshop is the nonprofit educational organization that changed television forever with the legendary Sesame Street. As the single largest informal educator of young children, local Sesame Street programs produced in countries as diverse as South Africa, Bangladesh and India are making a difference in over 140 nations. In addition, multimedia needs-driven initiatives provide families tools for addressing such issues as children's health, military deployment and emergency preparedness. As a nonprofit, product proceeds and philanthropic donations support Sesame Workshop's educational research and creative content for children around the world. Learn more at www.sesameworkshop.org.

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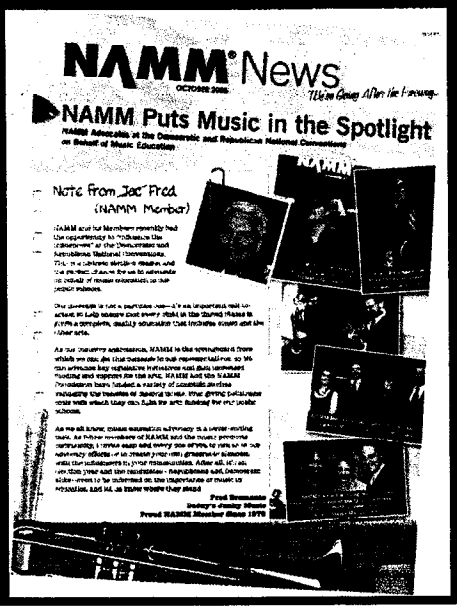
NAMM News

OCTOBER 2008

"We're Going After the Funding"

NAMM Puts Music in the Spotlight

NAMM Advocates at the Democratic and Republican National Conventions on Behalf of Music Education

Note from Joe Fred (NAMM Member)

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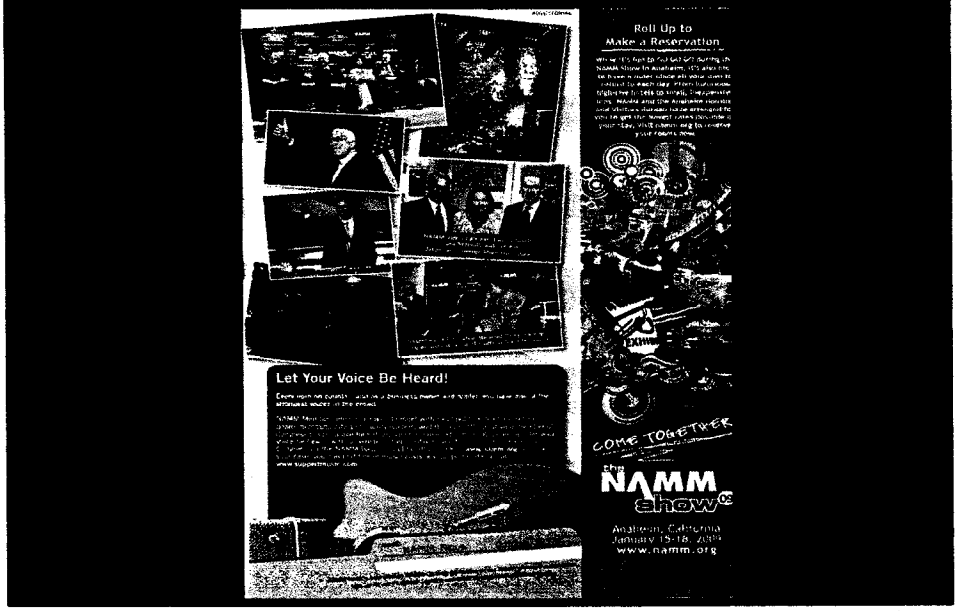

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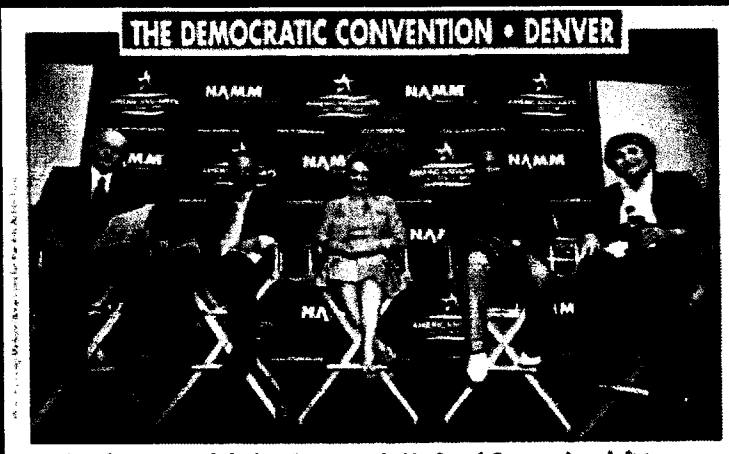

National Arts Panel during Democratic National Convention: left to right, former Secretary of Education and South Carolina Governor Richard Riley, USCM President Miami Mayor Manny Diaz, businesswoman and philanthropist Sheila Johnson, performer John Legend, and Congresswoman Louise Slaughter (NY).

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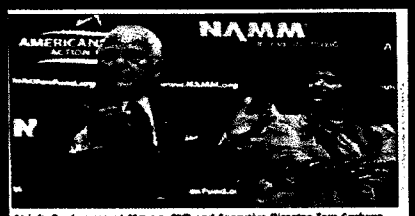
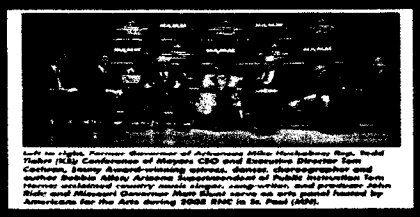
THE REPUBLICAN CONVENTION • ST. PAUL





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NAMM-000790

United States Senate

WASHINGTON, D.C. 20510

For Immediate Release
March 16, 2009

Contact:
Justine Sessions (Dodd)
202-224-0345
Jim Jeffries (Alexander)
202-224-8816

DODD, ALEXANDER ANNOUNCE FINDINGS OF GAO ARTS EDUCATION STUDY

WASHINGTON, D.C. – Senators Chris Dodd (D- CT) and Lamar Alexander (R-TN) today announced the release of a Government Accountability Office (GAO) study addressing access to music and arts education for public school students as a result of the No Child Left Behind Act (NCLB). Dodd and Alexander called for the study in response to reports that the testing requirements of NCLB were forcing some schools, particularly those that serve low-income and minority students, to narrow their curriculum and restrict access to music and arts education.

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CRUSADING FOR MUSIC IN THE SCHOOLS

The inexact art of lobbying for music education on Capitol Hill

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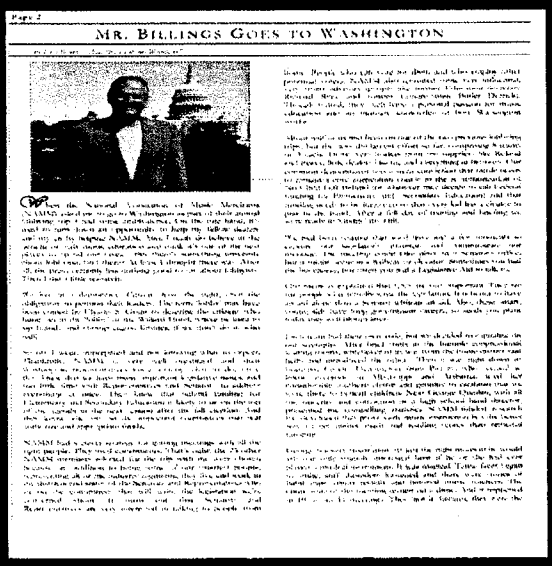
STEINWAY Piano Society



MR. BILLINGS GOES TO WASHINGTON

NAMM 2009 Staff Directors Presentation

NAMM Members Lobby Congress in Support of Music Education in Our Schools

Members of NAMM at the annual Washington DC "Advocacy Fly-In"

Summer 2008/NAMM Museum

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NAMM®
Virtual Advocacy Days

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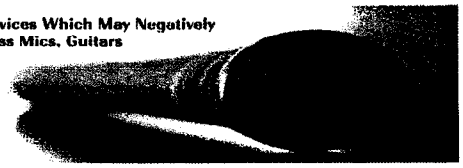
NAMM-000795

REPORT

FCC Votes Against MI Wireless

Okays New Devices Which May Negatively Impact Wireless Mics, Guitars



While the rest of the country was going to the polls on November 4th to vote in the general election, members of the Federal Communications Commission (FCC) cast a much less publicized vote of a quieter sort, one that could have far-reaching affect on the MI industry.

"We believe this vote will be serious for the industry, and will have a serious impact on us," says NAMM's Mary Luehman. "I'm no techie, but even I can look at the spectrum issue and see [problems]."

The FCC voted to allow technology companies like Google, Microsoft, Dell, HP, and Motorola to produce "white spaces" devices that will use the same radio frequency (RF) spectrum now being used by wireless microphone and guitar systems. These devices are said to be the next generation Personal Digital Assistant (PDA) tools, phone/Blackberry type products capable of much more than the current devices available. FCC commissioner

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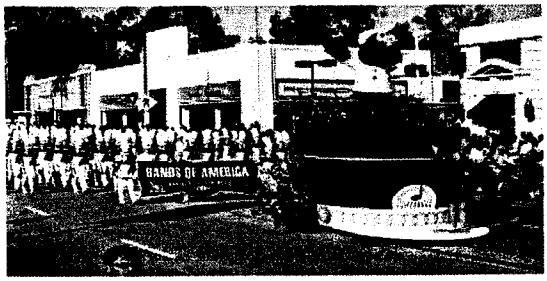
2009 Tournament of Roses Parade



MARCHING.COM
EVENTS • LINKS • RESOURCES

Bob McGrath is an original cast member of Sesame Street which is now in its 40th year.

A ruddy Old Dog Band player stands as Bob McGrath sings to the crowd during the 2009 Tournament of Roses Parade.

McGrath inspires generations through music on *Sesame Street*

NAMM 2009 Staff Directors Presentation

National Association of Music Merchants
Board of Directors Meeting
Portfolio and Investment Process Review

Paul Comstock

NAMM 2009 Staff Directors Presentation

Scott Robertson, APR

Director

Marketing & Communications

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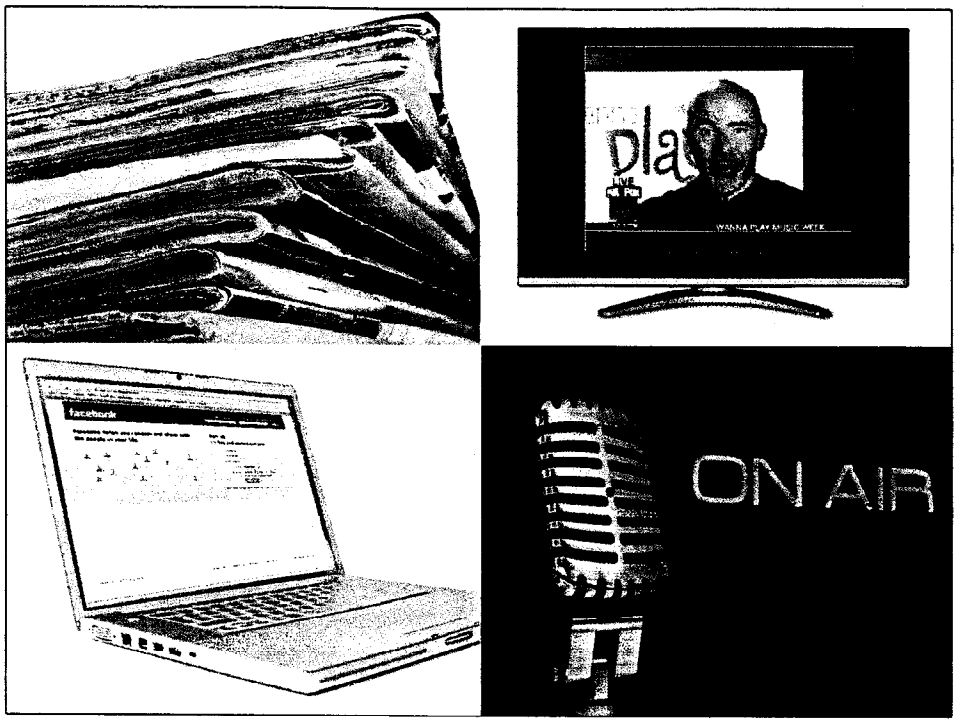
ON AIR

Kate Blom
Associate Director
Marketing
& Communications

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NAMM 2009 Staff Directors Presentation

Guitar Hero

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NAMM-000827

The Washington Post

play

Some Heroes Want to Get Real

Mike Musgrove

See GUITAR HERO, [illegible]

Myrna Sisien, the owner of Middle C Music in Tenleytown, Sgares Guitar Hero is here to stay.

So next month, the music store is hosting a tournament centered around the phenomenally popular video game. The grand prize: a real guitar.

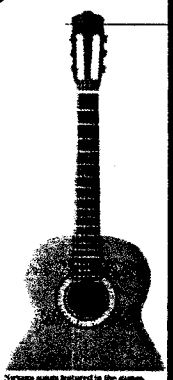
"We can't fight this technology," she said. "We want to join this technology."

Sisien, a classical guitar teacher and recording artist, thought up the contest after fielding a few phone calls from kids who had played the game and suddenly discovered a burning urge to learn how to play the real thing.

Though real musicians often regard rhythm video games like Guitar Hero with a dose of suspicion, if not contempt, it's tough to ignore a phenomenon that has created $1 billion in sales while getting young people excited about the thrill of hammering out rock-and-roll chords — even if it's only on a guitar-shaped game controller.

The folks at Middle C aren't the only ones trying to

Middle C Music is hosting a Guitar Hero tournament, with a real guitar as the prize, to capitalize on the game's popularity.



lure video-game fans over the gap between the game and real musical instruments. Earlier this year, the International Music Products Association, a trade group, announced that it was partnering with Guitar Hero's publisher, Activision, in a marketing campaign to promote music lessons. Music instruction company Hal Leonard Publishing even offers a Guitar Hero book featuring transcriptions of the same David Bowie, Aerosmith and Nirvana songs featured in the games.

And some entrepreneurial hallowers are trying to come up with ways to lighten some of the tedium involved in learning to play an instrument, plugging real guitars into computer games that are similar in spirit to Guitar Hero.

"We thought it was our idea," said Sisien of trying to bring the two sides together. "But it turned out everybody had it at the same time."

If you reach the upper levels of video games like Guitar Hero and Rock Band, the screen sometimes flashes pilsy messages to the effect that the player should "get a real guitar." At least some fans of the game have already followed that suggestion.

Will Rossi, a 12-year-old who lives in Georgetown, recently started

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NAMM-000828

The Free Press

Are **tomorrow's** guitar heroes playing

'Guitar Hero'?

Some claim that video games help kids hone real musical chops and interest in the instrument

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6-8-09 COMP REPORT
NAMM-000829

QUEENS COURIER

GUITAR INDUSTRY HEROES

VIDEO GAMES SPUR SALES OF REAL INSTRUMENTS

BY STEPHEN J. BRONNER

editorial@queenscourier.com

Reynaldo Ulloa has already become a guitar hero, so the next logical step for him is to learn to play guitar.

"I do want to learn how to play my favorite Guitar Hero songs on the guitar," said the 18-year-old Hempstead resident, who has placed high in two of the game's tournaments. "It would be better than tapping them on my plastic Les Paul."

Guitar industry insiders are just beginning to see the potential in the immensely popular video games Guitar Hero and Rock Band, which they believe will bring in new guitarists like Ulloa, and therefore, new customers to a market that has been experiencing a national slump during the past two years.

"We're beginning to think that there is a small undercurrent of the Guitar Hero and Rock Band customer that might be coming over to the dark side, for a lack of a better way of putting it, and actually buying guitars," said Sammy Ash, Chief Operating Officer and an owner of Sam Ash, a national chain of musical instruments stores founded in Brooklyn. "We think that the kids are really getting into the whole concept. 'Wow, you know what? Look what I can do with a toy, it can't be that much harder to play guitar.'"

After nearly a decade of increasing sales, the American guitar industry hit a pinnacle in 2005, when nearly 3.5 million guitars were sold, according to statistics from the National Association of Music Merchants (NAMM), who tracks sales through manufacturers.

The next year, however, the amount of guitars sold dropped by nearly 10 percent. The worst hit market were the below $400 guitars, which are usually bought by people new to the instrument. Those numbers didn't fare much better in 2007, with NAMM contributing the decline to a possible over-saturation of guitars in the marketplace.

"Sales were pretty flat from 2006 to 2007," said Scott Robertson, Director of Marketing & Communications for NAMM.

However, on the video game side, since they released last year in October and November respectively, Guitar Hero and Rock Band have sold in record numbers, which industry insiders believe will propel guitar sales in 2008.

Activision, who distributes Guitar Hero, has sold 11.41 million copies in America of its latest iteration, Guitar Hero III: Legends of Rock, as of early August, according to VgChartz.com, a web site that tracks video game sales. MTV Games' Rock Band, which requires a more expensive purchase of a full band setup, has sold 3.17 million copies nationally.

"These music simulation titles are definitely not right now and are showing no signs of slowing down," said David Riley, Director of Public Relations for Entertainment, Software and Toys at the NPD Group, a leading global provider of con-

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NAMM-000830

DAILY REPORTER-HERALD

'Guitar Hero' inspires real musical interest

Tim Washington Post

WASHINGTON — Myrna Sidon, the owner of Middle C Music in Washington, figures "Guitar Hero" is here to stay.

So next month, the music store is hosting a tournament centered around the phenomenally popular video game. The grand prize: a real guitar.

"We can't fight this technology," she said. "We want to join this technology."

Sidon, a classical guitar teacher and recording artist, thought up the contest after fielding a few phone calls from kids who had played the game and suddenly discovered a burning urge to learn how to play the real thing.

Though real musicians often repeat rhythm video games like "Guitar Hero" with a dose of suspicion, if not contempt, it's tough to ignore a phenomenon that has created $1 billion in sales while getting young people excited about the thrill of hammering out rock 'n' roll chords — even if it's only on a guitar-shaped game controller.

The folks at Middle C aren't the only ones trying to turn video-game fans over the gap between the game and real musical instruments. Earlier this year, the International Music Products Association, a trade group, announced that it was partnering with "Guitar Hero's" publisher. Activision, in a marketing campaign to promote music lessons. Music instruction company Hal Leonard Publishing even offers a "Guitar Hero" book featuring transcriptions of the same David Bowie, Aerosmith and Nirvana songs featured in the games.

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If you reach the upper levels of video games like "Guitar Hero" and "Rock Band," the screen sometimes flashes when musicians to the effect that the player should "get a real guitar." At least some fans of the game have already followed that suggestion.

Will Bonn, a 12-year-old who lives in Washington, recently started taking guitar lessons after playing the game for a couple of years at both his house and his friend Matt's. Now both boys are taking lessons.

"Your fingers hurt a lot more, pressing your fingers into strings," said Will, "than I would say that playing a real guitar has a little more satisfaction."

He has an acoustic guitar now, but he's hoping to put aside enough cash to buy a second instrument.

Will recently ran a lemonade stand for the day; the money he earned is going toward an electric guitar.

Instruments with built in instructional tools for students created long before rock 'n' roll-oriented video games came along. One line of guitars that has existed for years, for example, is designed to help would-be musicians learn with the help of tiny lights on the instrument's neck that show players where to put their fingers while playing a scale or a song.

Rusty Shadler, president and chief executive of the company that makes those "Freelight" guitars, says the best selling game has been good for his business.

"We have absolutely seen an increase in sales due to the 'Guitar Hero' phenomenon," he said.

Even so, he's a little leery.

"It's a double-edged sword," he said. A lot of the video game's fans pick up the real instruments hoping to be able to crank out blistering solos in short order, he said.

But since basically none of the skills developed by rapidly mashing a game controller's buttons transfer to playing a real six-string instrument, many young guitar heroes grow rapidly discouraged.

Ive spent a little time with his company's Freelight guitar lately learned a few chords, and can now play along with a couple of oldies — "Wild Thing" and "What I Like About You." I'm not sure that any complicated Metallica licks are in my future.

Other music instruction companies are hoping to name on the handwagon too, by offering new ways to learn how to play. A start-up called Videosongs is selling video clips online that, in many instances, feature the artists themselves talking about a song and demonstrating how to

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NAMM-000831

USA TODAY

Users: Facebook's getting 'grabby' with our data

Change in policy triggers an outcry

Investors flee to Treasuries as stocks sink

Gold also soars as fearful buyers seek safe haven

Apple tunes in online music lessons

GarageBand draws attention to niche

Singer likes privacy of video music lessons

Starbucks shows off instant coffee

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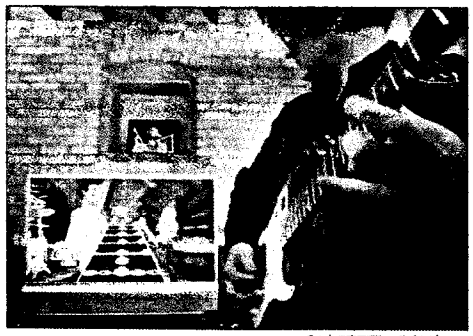
6-8-09 COMP REPORT
NAMM-000832

BusinessWeek

SOME STRINGS ATTACHED



Their software engineer Jason Nelson played a round of Guitar Hero on a Zivix Headliner digital guitar

Real riffs, but will it sell? Company hopes that Guitar Hero strummers will want a real guitar.

NAMM 2009 Staff Directors Presentation

National Wanna Play Music Week 2008

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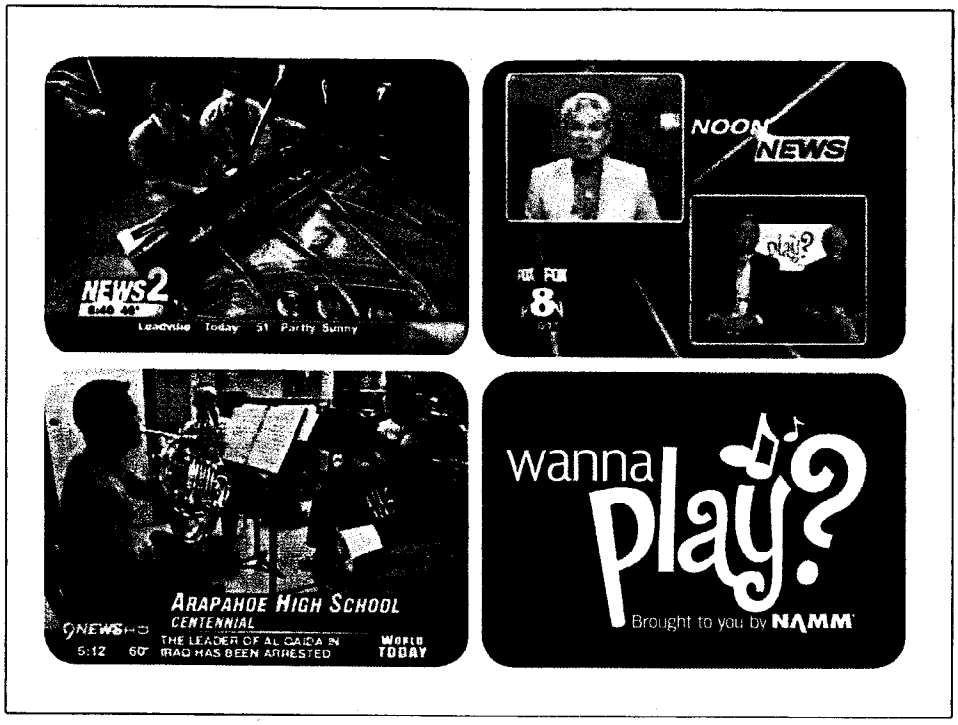
NAMM-000834



Those impressions came from many NAMM programs including *Wanna Play*, where we held our first *Wanna Play Music Week* in May…

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6-8-09 COMP REPORT
NAMM-000835

CULTURE

Music Monday

Staff members at West Music in Coralville sing "Our Song" at noon Monday as they participated in "Music Monday" to celebrate the importance of music in our society. Similar events were held at the same time across the United States and Canada.

Nationwide event promotes importance of music in life

By George E. Ford
The Gazette

CORALVILLE — Employees of an Eastern Iowa music store chain joined their counterparts at stores across the United States and Canada on Monday to celebrate the importance of music in society.

West Music, with six locations in Eastern Iowa and western Illinois, participated in "Music Monday," an event coordinated and sponsored by the National Association of Music Merchants.

Originating in Canada four years ago, Music Monday featured public performances of "Our Song," a selection composed by singer/songwriters Amanda Walther and Sheila Carabine. The singing was timed to occur at noon Central Daylight Time, 1 p.m. EDT and 10 a.m. PDT.

Shannon Price, director of recreation music and the wellness director at West Music, said Music Monday

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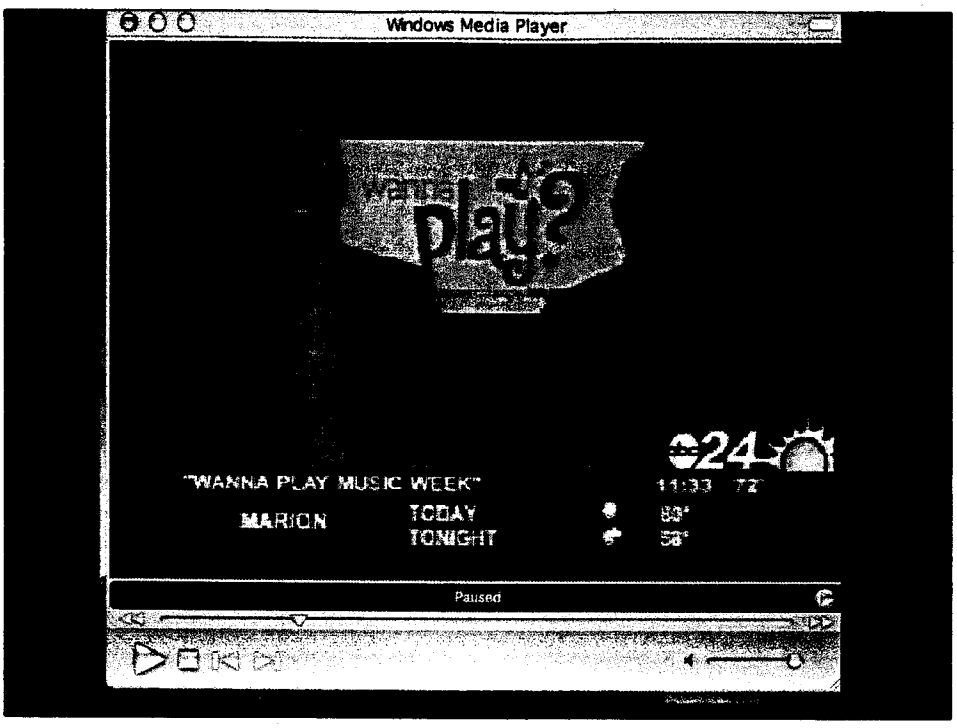
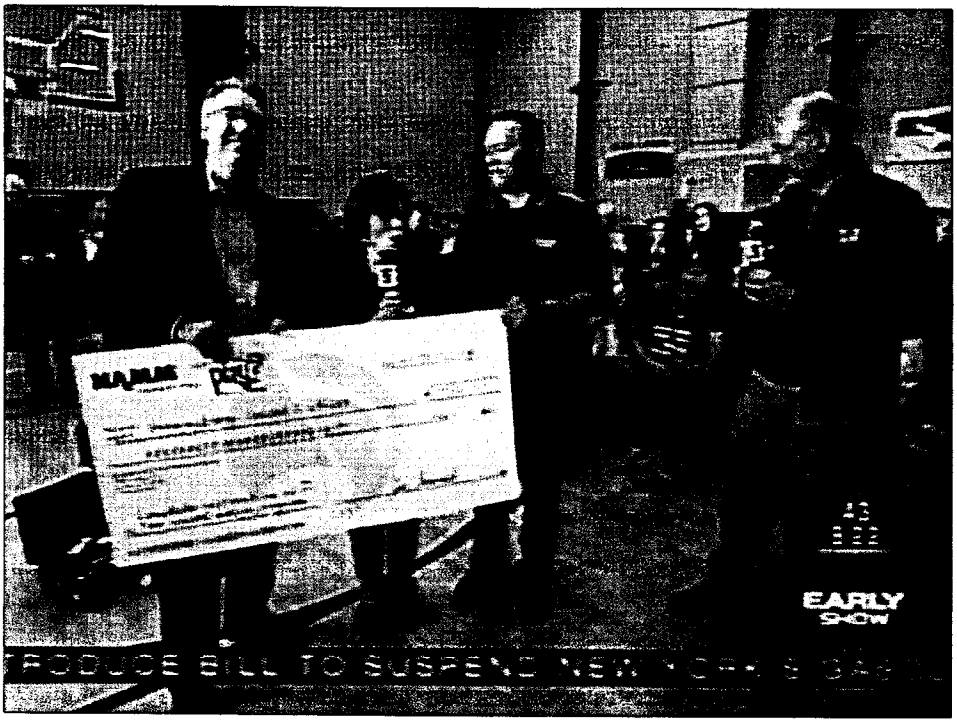
NAMM-000836



Here you see Joe and Scott Houston "The Piano Guy" on PBS on one of their many media interviews via satellite during the week....


EARLY
SHOW

NAMM 2009 Staff Directors Presentation

2008 Summer NAMM

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6-8-09 COMP REPORT
NAMM-000839

THE TENNESSEAN

At trade show, music retailers swap ideas for reviving sales

THE TENNESSEAN

NAMM 2009 Staff Directors Presentation

Back to School

South Bergenite

This year, put down the books and pick up an instrument

MUSIC

Summer may be winding down, but the fun doesn't have to stop for your kids – especially if you provide them the opportunity to learn to play a musical instrument.

Recent studies show there are many significant academic and social benefits that can be attained from this enjoyable activity. Unfortunately, music classes are slowly dwindling in many public schools because of lack of funding.

Making music at a young age prepares children for academic success and helps them develop skills for long-term accomplishments, according to new research published in the "Journal for Research in Music Education." According to the studies, which were sponsored by NAMM, the association of the international music products industry, playing music helps provide children with such benefits as:

- Enhanced problem-solving capabilities, more effective communication and motivation.
- Being better tested to connect with peers, having greater camaraderie, fewer fights and reduced use of hurtful sarcasm.
- Reduced levels of current and lifelong use of alcohol, tobacco and illicit drugs for students who participate in school band or orchestra.

And research published in "Brain, A Journal Of Neurology," has shown that young children who received a year of musical training had superior memories when compared to children who did not receive instruction.

Since many school music programs are suffering from a severe lack of funding, it is important that parents get involved and advocate for more music instruction to be made available to children at their local schools. And when this is not possible, parents should seek out music instruction at community music stores or through other local programs.

"Being involved at the community level is the key factor for keeping music education strong and assuring that every child has an opportunity to learn music," said Mary Luehrsen, director of public affairs and government relations at NAMM. "Local programs – community music schools, stores, churches – offer alternatives to make sure your child reaps the proven benefits of playing music."

However, not all music programs are equal, so it's important to make sure your child participates in a high-quality program to possibly achieve the following benefits cited in NAMM's research:

- Students in top-quality middle school music programs scored 22 percent better in English and 20 percent better in math than students in deficient music programs.
- Students in top-quality instrumental programs in high schools scored 17 percent higher in mathematics than students in schools without a music program.
- Teenagers in these programs viewed music making as their "social glue" and felt that music education gave them the balanced experience to life they require.

In addition, recent public opinion polls have shown overwhelming support for music education. In fact, 96 percent of principals interviewed in a 2007 Harris poll agree that participating in music programs encourages students to stay in and excel at school. The same poll showed that 86 percent of people with college degrees participated in a music education program.

To get more involved in strengthening music education in your community, visit www.SupportMusic.com. To find out how fun and easy it is to get started playing a musical instrument, visit www.musicplaymusic.com.

So, as you make your annual run for school supplies, you might want to swing by your local music store or community center and encourage your child's interest in playing music – a hobby proven to help build confidence, create friendships and excel academically. Now that is music to every parent's ears.

Staff Poster Media

A recent study featured in the "Journal for Research in Music Education" found that children who play a musical instrument benefit both socially and academically.

Printing imperfections present during scanning

Back to school effort (matte release)—Playing music helps students academically

THE LAKELAND Times

BACK TO SCHOOL

Playing an instrument can improve kids' academic skills

Summer may be winding down, but the fun doesn't have to stop for your kids – especially if you provide them the opportunity to learn to play a musical instrument.

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According to the studies, which were sponsored by NAMM, the association of the international music products industry, playing music helps provide children with such benefits as:

• Enhanced problem-solving capabilities, more effective communication and teamwork.

• Being better suited to connect with peers, having greater camaraderie, fewer fights and reduced use of harmful substances.

• Reduced levels of current and lifelong use of alcohol, tobacco and illicit drugs for students who participate in school band or orchestra.

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And when this is not possible, parents should seek out music instruction at community music stores or through other local programs.

"Being involved at the community level is the key factor for keeping music education strong and assuring that every child has an opportunity to learn music," Mary Luehrsen, director of public affairs and government relations at NAMM, said. "Local practices – community music schools, stores, churches – offer alternatives to make sure your child reaps the proven benefits of playing music."

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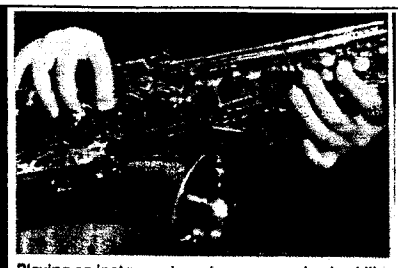
NAMM-000843



Playing an instrument can improve academic skills

[illegible]

[illegible] Music can be winding down, but the fun doesn't have to stop for your kids — especially if you provide them the opportunity to learn to play a musical instrument.

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* Enhanced problem-solving capabilities, more effective communication and teamwork.

* Being better scored in contests with peers, having greater concentration, fewer fights and reduced use of harmful substances.

* Reduced levels of current and increasing use of alcohol, tobacco and illicit drugs by students who participate in school band or orchestra.

And research published in "Brain, A Journal Of Neurology" has shown that young students who received a year of musical training had superior memories when compared to children who did not receive musical training.

Since many school music programs are suffering from a severe lack of funding, it is important that parents be informed and advocate for more music instruction. Some ways to achieve involvement in music at school, and which this is not something parents should wait for music instruction is continuing to grow or through other local programs.

Being involved at the community levels is the key factor for keeping music education strong and assuring that every child has an opportunity to learn music, said Mary Cuthbert, director of public affairs and government relations at NAMM. "Local involvement — community music schools, home schools — offer alternatives to make sure that child reaps the proven benefits of playing music."

However, not all music programs are equal, so it's important to make sure your child participates in a high-quality program to possibly achieve the following benefits cited in NAMM's research:

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* Students in top-quality instrumental programs in high school scored 17 percent higher on mathematics than students in schools without a music program.

* Teachers in these programs scored more rewarding in their "social grade" and felt that music education gave them the balanced experience in life they desired.

In addition, recent public opinion polls have consistently shown support for music education. In fact, 96 percent of respondents interviewed in a 2007 Harris poll agree that participating in music programs encourages students to stay in and excel at school.

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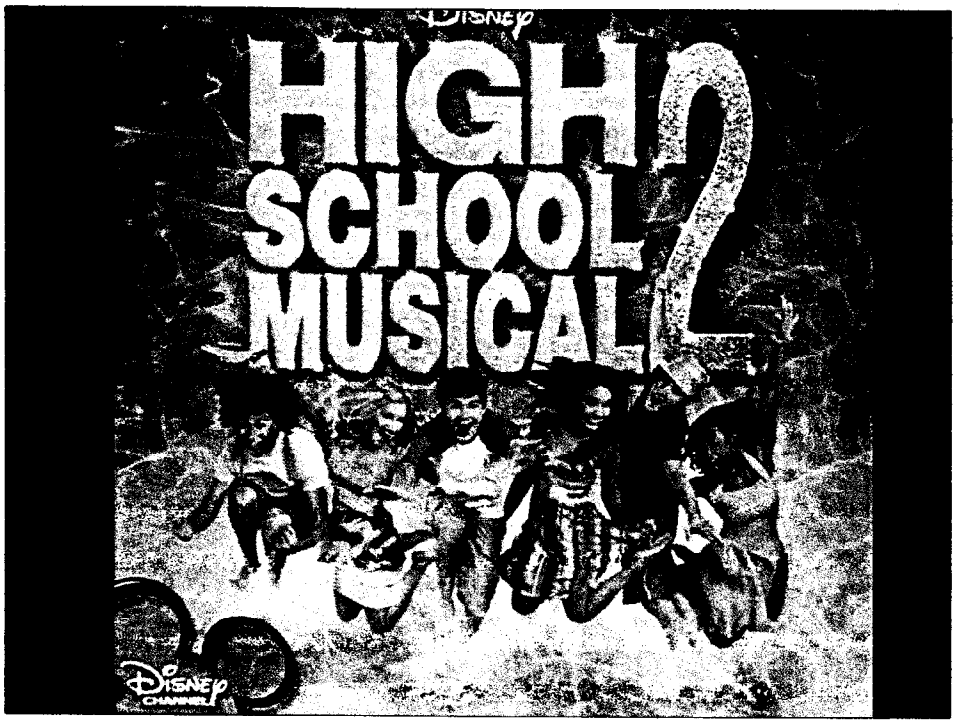
NAMM-000844



And we got media impressions from year two of our grant partnership with Disney's High School Musical...

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6-8-09 COMP REPORT
NAMM-000845

PROVIDENCE JOURNAL (METRO EDITION)

Cranston schools stage *High School Musical*

BY CHANNING GRAY
JOURNAL AND WRITER

A crew from the Disney Channel will be in Cranston tomorrow, taping a student production of *High School Musical*. But you can catch the show, which is a joint effort between Cranston's two high schools, all this weekend.

The project was made possible in part by a $10,000 grant from the Disney Channel and the National Association of Music Merchants for schools that want to stage the popular Disney show.

Nancy Vitulli, head of the theater department at Cranston High School West, where the performances take place, thought it would be a nice idea to include students from rival Cranston High School East in the production. One of the hit songs from the show, after all, is "We're All in This Together." A camera crew from Disney will spend the day interviewing students, taping warm-ups and then the show. Footage from the shoot will be used for promotional spots on the Disney Channel, said Vitulli.

High School Musical has been a huge smash since it first aired on the Disney Channel in January 2006. It is performed by high school theater programs everywhere and has spawned two sequels. (A third, *High School Musical 3*, is in the works.)

The show is about popular jock Troy Bolton, whose secret passion is to take part in his high school musical. In this weekend's production, Troy will be played by Cranston West senior Brendan Macera. Cranston East sophomore Jocelyn DeLaRosa plays his girlfriend, math whiz Gabriella Monroe.

Some 60 students from the two schools will be onstage for the show, and another 45 will make up the tech crew.

While $10,000 might sound like a lot of money for a student production, Vitulli said it will cover only about half the budget for the show. She said the first $5,000 of the grant will go to cover licensing fees, and the other $5,000 will cover the cost of renting lights. Fundraising efforts on the part of a parent group will also help defray costs, along with box office receipts.

Performances take place tomorrow and Saturday at 7 p.m. and Sunday at 2 p.m. at Cranston High School West, 80 Metropolitan Ave. Tickets are $10 in advance and $12 at the door. Call (401) 944-5551.

THE PROVIDENCE JOURNAL / CRANE GRUBER

Jocelyn DeLaRosa, of Cranston High School East, plays Gabriella in Disney's *High School Musical*.

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High School Musical

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000846

Grant enables East, West to stage musical

CRANSTON — ... each school hosting one of the high school near ... production of Hu...

CRANSTON ...

Cranston H... and Cranston ... West, winner... grant from t... tion and the ... underwrite ... tentatively ... Dec. 5-7 ...

LYNDONVILLE

School gets grant to put on show

GRANT RECIPIENTS

Ridgeview Charter Middle School to perform 'High School Musical'

From staff reports

The Ridgeview Charter School Music Department will perform "High School Musical" at 4 p.m. Thursday and 7 p.m. Friday and Saturday at the school's gym, 5340 S. Trimble Road in Sandy Springs.

"The students have been working very hard for months. They're very excited. They've been giving it their all to make it the best," said Donna Davis, a media representative for the school.

The production is part of a $5,000 "Disney's High School Musical: The Music In You" grant awarded by the Burbank, Calif.-based Walt Disney Co. and the Carlsbad, Calif.-based NAMM. Ridgeview was one of 10 schools nationwide to receive the grant, according to a release by the school. Tickets can be purchased in advance.

Information: (404) 843-7710 or visit www.ridgeview-charterschool.org.

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6-8-09 COMP REPORT
NAMM-000847

VENTURA COUNTY SUNDAY STAR
(EAST COUNTY EDITION)

REVIEW

Film follows Texas schools' production of Disney musical

By Diane Marks
Sunday

Life doesn't always provide a happy ending. But wouldn't it be nice if it did?

In the same way "High School Musical" speaks to a generation of students, Disney Channel offers the documentary "High School Musical: The Music in You," going behind the scenes of a live stage production of the show in Fort Worth. When two Texas high schools join forces to go for the gold, some kids cash in, and some get tin. Reality intrudes even as one girl studies, "If I could, like, go into another universe, and, like, live in 'High School Musical,' I would."

Spending a half-hour with these students as they soar and crash, find themselves and lose track again, doesn't seem near enough. Even in the hands of Academy Award-winning filmmaker Barbara Kopple ("Harlan County USA," "American Dream"), "The Music in You," which debuts tonight, feels like it's just starting to tune off when it ends.

The kids have barely introduced themselves: Alexandra the dreamer, Brad the broody rock 'n' roller, Lindsay the gifted dive, Curtis the cocky jack ("I bet my neart's shaped like a football"). We get only fleeting glimpses of them at their jobs, at their homes, on the football field or jamming with a band. And Kopple's camera has been intimate enough to make us yearn for more.

But the time we do get is rich indeed, and varied enough that any young viewer can find a piece of him or herself here. We watch the participants rehearse in a four-week theater workshop and then kids back to ponder the show's role in their lives.

Jeremy is a pudgy kid who tries hard and lands the lead playing Troy. "If it wasn't for theater, I probably would've dropped out of school," he says. "When I first started theater, it's really when I started to kind of, like, come out of my shell. Theater has definitely boosted my self-confidence."

As you can tell, "The Music in You" is also a subtle sales job for live theater and drama education. It's "presented in cooperation," the press release reads, with the rights-licensing organization Musical Theatre International and Disney Theatrical Productions, and this particular Texas staging was backed by funds from the nonprofit NAMM Foundation (supported by the music products industry) and Disney's High School Musical school grant program.

Not that there's anything wrong with that. In an era of meat-and-potatoes education, it's nice to see anybody trying to add a little Caesar salad to the menu.

Tune in

"High School Musical: The Music in You": The documentary set premiere at 8 tonight on the Disney Channel

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6-8-09 COMP REPORT
NAMM-000848

THE TAMPA TRIBUNE

High Schools Take Shot At 'Musical'

By DIANE WERTS
Newsday

Life doesn't always provide a happy ending, but wouldn't it be nice if it did?

In the same way "High School Musical" speaks to a generation, Disney Channel offers the documentary "High School Musical: The Music in You," going behind the scenes of a stage production of the show in Fort Worth, Texas. When two high schools join forces, reality intrudes, even as one girl gushes, "If I could, like, go into another universe, and, like, live in 'High School Musical,' I would."

A half-hour with these students as they soar and crash, find themselves and lose track again, doesn't seem near enough. Even in the hands of Academy Award-winning filmmaker Barbara Kopple ("American Dream"), "The Music in You" feels like it's just taking off when it ends.

ON TELEVISION

High School Musical: The Music in You

WHAT: Documentary featuring Texas teens singing, sweating and regretting their way through a local stage production of "High School Musical."

WHEN: 8 p.m. Sunday

WHERE: Disney Channel

The kids have barely introduced themselves: Alexandria the dreamer, Brad the broody rock 'n' roller, Lindsay the gifted diva, Curtis the jock ("I bet my heart's shaped like a football"). We get only fleeting glimpses of them at their jobs, at their homes, on the football field or jamming with a band. And Kopple's camera has been intimate enough to make us yearn for more.

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The Miami Herald

TELEVISION

Here's a real high school 'Musical'

• High School Musical: The Music in You, 8 p.m. Sunday, Disney Channel.

BY DIANE WERTS
Newsday

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6-8-09 COMP REPORT
NAMM-000849

And more media impressions from our Best Communities in Music Education in America survey and outreach...

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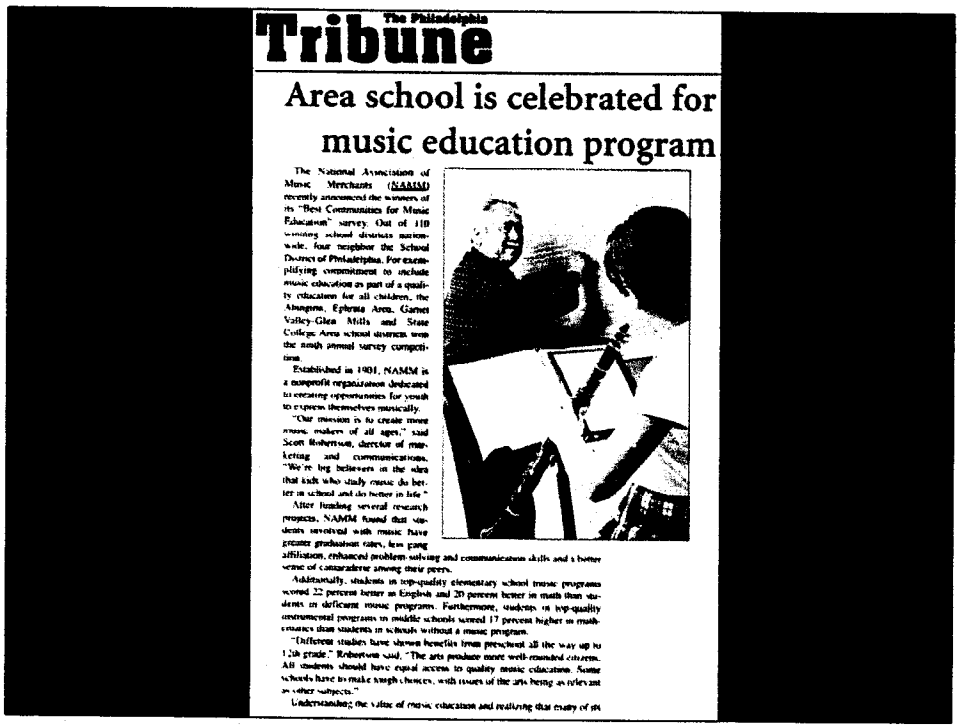
6-8-09 COMP REPORT
NAMM-000850



The Philadelphia
Tribune

Area school is celebrated for music education program

The National Association of Music Merchants (NAMM) recently announced the winners of its "Best Communities for Music Education" survey. Out of 110 winning school districts nationwide, four neighbor the School District of Philadelphia. For exemplifying commitment to include music education as part of a quality education for all children, the Abington, Ephrata Area, Garnet Valley-Glen Mills and State College Area school districts won the ninth annual survey competition.

Established in 1901, NAMM is a nonprofit organization dedicated to creating opportunities for youth to express themselves musically.

"Our mission is to create more music makers of all ages," said Scott Robertson, director of marketing and communications. "We're big believers in the idea that kids who study music do better in school and do better in life."

After leading several research projects, NAMM found that students involved with music have greater graduation rates, less gang affiliation, enhanced problem solving and communications skills and a better sense of camaraderie among their peers.

Additionally, students in top-quality elementary school music programs scored 22 percent better in English and 20 percent better in math than students in deficient music programs. Furthermore, students in top-quality instrumental programs in middle schools scored 17 percent higher in mathematics than students in schools without a music program.

"Different studies have shown benefits from preschool all the way up to 12th grade," Robertson said. "The arts produce more well-rounded citizens. All students should have equal access to quality music education. Some schools have to make tough choices, with issues of the arts being as relevant as other subjects."

Understanding the value of music education and realizing that many of its

Best Communities

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000851

FLORIDA TODAY

Music education hits a high note

School district recognized as leader

BY MICHELLE SPITZER
FLORIDA TODAY

The beat of a drum, the strumming of a violin and voices singing in harmony resonate down a hallway at Johnson Middle in Melbourne.

The jazz band, advanced orchestra and chorus are simultaneously at practice.

The sounds at this school, like many in Brevard County, are constant. When one bell rings signaling the end of a period, many students pack away their instruments, only to pull them out again in their next class.

Brevard was recognized last month for being one of the top 110 communities in the country for music education. The list of school districts, put together by the National Association of Music Merchants, includes just two other Florida districts: Polk and Hillsborough.

And despite facing a loss of $30.42 million next school year, Superintendent Richard DiPaolo, who does not play any instruments and claims to be tone deaf, said music education will remain an important part of Brevard students' schooling.

"Music and the arts are integral components of a well-rounded curriculum," DiPaolo said. "In Brevard, we would never arbitrarily reduce those important programs. Our district is clearly a state and national leader in music and the arts. Our students deserve the best we can give them — these programs."

Brevard already allows students to take more than one music education class a day. For example, some students take an orchestra class and a chorus class. Others may take just band and performance band. Students are able to do this by taking their core academic classes and using the music courses as electives.

"We provide an array of opportunities," said DeLaine Chapman, music resource teacher for Brevard Public Schools. "World drumming classes, most drum ensembles, guitar ensembles — you name it, we have it. We're supported in so many ways, from the superintendent to the district offices to the community. It just comes from all around."

Last month, Johnson Middle performed at Walt Disney World. This month, it's time for Kennedy Middle in Rockledge to visit the mouse. Eric Gallo rings's concert band is hoping to raise enough money to accept an invitation to perform at Carnegie Hall next year.

Almost every school in the district is either preparing for or has recently completed its spring concert. The list of ensembles and invitations to perform are more than Chapman can track.

It's part of the reason why she said she was not surprised by the national recognition. The other reason: There are 31 schools in Florida that have passed a rigorous and lengthy application process to be deemed music demonstration schools. Of those 38 schools, 23 are in Brevard.

"It speaks to the quality of the program and curiosity of more schools," said James Perry, executive director of Florida Music Educators Association. "Students exposed to high-quality music programs experience success in other areas."

Students say music programs reach them much more than how to sing or play the chorus.

See MUSIC, 4B

Some members of these ensembles say they did not know how to read music before taking the class. The chorus at Johnson Middle has learned to sing in at least seven languages.

"It's a great experience," said Sky Landry, an eighth-grader in chorus at Johnson Middle. "You get to learn about music, travel and meet new people."

Studies have shown students who take music classes have higher math, verbal and composite SAT scores than students who do not take music classes. According to a study from the National Education Longitudinal, music participants received more academic honors and awards than nonmusic students, and the percentage of music participants receiving A's, A-B's and B's was higher than the percentage of nonparticipants receiving those grades.

"The music education in Brevard County starts in elementary school and goes all the way up through high school," said Barry Pickard, principal of Sunrise Elementary in Palm Bay, which is waiting to hear if it has earned the music demonstration distinction.

"It's something that you have for a lifetime. You can't take that away. You may be a little rusty, but once you play a violin, if you pick it up again, you know how to do it."

Contact Sunrise at 840-3782
or mustard@sunrise.com.

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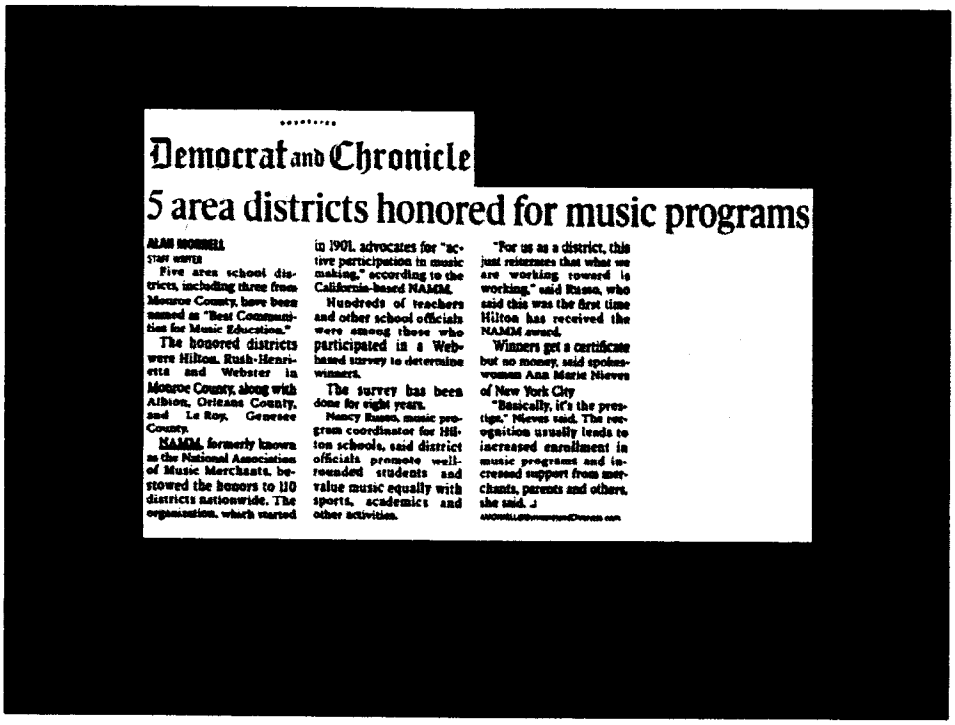

Democrat and Chronicle

5 area districts honored for music programs

ALAN MORRELL
STAFF WRITER

Five area school districts, including three from Monroe County, have been named as "Best Communities for Music Education."

The honored districts were Hilton, Rush-Henrietta and Webster in Monroe County, along with Albion, Orleans County, and Le Roy, Genesee County.

NAMM, formerly known as the National Association of Music Merchants, bestowed the honors to 110 districts nationwide. The organization, which started in 1901, advocates for "active participation in music making," according to the California-based NAMM.

Hundreds of teachers and other school officials were among those who participated in a Web-based survey to determine winners.

The survey has been done for eight years.

Nancy Russo, music program coordinator for Hilton schools, said district officials promote well-rounded students and value music equally with sports, academics and other activities.

"For us as a district, this just reiterates that what we are working toward is working," said Russo, who said this was the first time Hilton has received the NAMM award.

Winners get a certificate but no money, said spokeswoman Ana Marie Nieves of New York City.

"Basically, it's the prestige," Nieves said. The recognition usually leads to increased enrollment in music programs and increased support from merchants, parents and others, she said.

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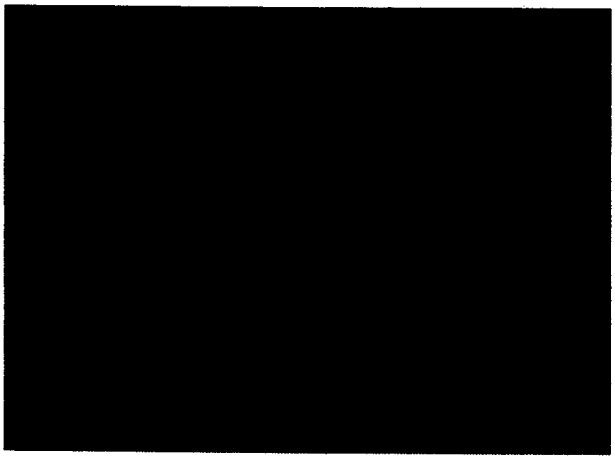

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NAMM Foundation Research

ENID NEWS & EAGLE

Musical MOMENTS

▶ Study shows teens' connection to tunes has big effect on their lives

Teenagers always have loved music, but a new study from NAMM Foundation illustrates just how much and highlights teens' strong commitments to music and music making.

The study, by Patricia Shehan Campbell, PhD of the University of Washington, was based on responses by 1,155 teens who submitted student essays to Teen People magazine as part of an online contest. Throughout the submitted essays, students expressed their thoughts toward learning and playing music and revealed they value music making as a central aspect of their identities.

The findings include:

• Playing music provides a sense of belonging for teens.

• Making music provides the freedom for teens to be themselves, to be different, to be something they thought they could never be and to be comfortable and relaxed in school and elsewhere in their lives.

• Music helps adolescents release or control emotions and coping with difficult situations, such as peer pressure, substance abuse, pressures of study and family, the dynamics of friendships and social life and the pain of loss or abuse.

• Teens believe developing musical skills and performance are important to pave the way to musical opportunities as skills develop.

• Teens long for more variety and options for making music in school, including the expansion in instruments and technology used in popular music.

• Adolescents genuinely are committed to their instruments and school ensembles, because they love to be involved in musical and social groups.

• Teens believe music is an integral part of American life and music reflects American culture and society.

• Teens believe playing music teaches self discipline, such as "there are payoffs if you practice and work with something."

• Adolescents are of the opinion playing music demonstrates boundaries between people of different ethnic backgrounds, age-groups and social interests.

• Teens associate playing music with music literacy, listening skills, music ability, eye-hand coordination and height-

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WESTPORT SHORELINES

Playing music provides a sense of belonging for teen-agers

Teenagers have always loved music, but a new study from the NAMM Foundation illustrates just how much and highlights teens' strong commitment to music and music making.

The study, by Patricia Shehan Campbell, PhD of the University of Washington, was based on responses by 1,136 teens who submitted student essays to Teen People magazine as part of an online contest. Throughout the submitted essays, students expressed their thoughts toward learning and playing music and revealed they value music making as a central aspect of their identities.

The findings include:

- Playing music provides a sense of belonging for teens.
- Making music provides the freedom for teens to be themselves; to be different, to be something they thought they could never be; to be comfortable and relaxed in school and elsewhere in their lives.
- Music helps adolescents release or control emotions and coping with difficult situations, such as peer pressure, substance abuse, pressures of study and family, the dynamics of friendships and social life, and the pain of loss or abuse.
- Teens believe developing musical skills and performance is important to paves the way to musical opportunities as skills develop.
- Teens long for more variety and options for making music in school, including the expansion to instruments and technology used in popular music.
- Adolescents are genuinely committed to their instruments and school ensembles, because they love to be involved in musical and social groups.
- Teens believe music is an integral part of American life, and that music reflects American culture and society.
- Teens feel playing music teaches self discipline, such as "there are payoffs if you practice and stick with something."
- Adolescents are of the opinion that playing music diminishes boundaries between people of different ethnic backgrounds, age groups and social interests.
- Teens associate playing music with music literacy, listening skills, motor ability, eye hand coordination and heightened intellectual capabilities.

"This study outlines what music and music making means to teens – that it helps define them as they grow up, it gives them purpose and meaning, and contributes to their success in school and life," says Joe Lamond, president and CEO of NAMM, the trade association of the international music products industry. "From what we have learned from this study, and others, it's clear music is essential to a complete education for all children, so why would anyone anywhere ever consider reducing support for music education and denying access and opportunity to our nation's children?"

"It will benefit us to listen to what teens tell us about music as a common need and a constant presence in their lives," says Campbell. "Music is their social glue – a bridge for building acceptance and tolerance for people of different ages and cultural circumstances. Music provides opportunities in school for teens' engagement as performers, composers, and intelligent listeners, and these activities and qualities appear to be deeply meaningful to them. For teens who are desperately seeking relevance, musical study may give them the balanced experience they require."

Courtesy of ARAcontent

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THE BISMARK TRIBUNE

What Music Means to Teens

Teenagers have always loved music, but a new study from the NAMM Foundation illustrates just how much and highlights teens' strong commitment to music and music making.

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• Teens believe developing musical skills and performance is important to pave the way to musical opportunities as skills develop.

Teen study

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Young musicians get smarter, study suggests

Children who study music for at least 3 years score higher on cognitive tests

Staff Loca / AFP - Getty Images file

A new study suggests a link between music training and cognitive abilities in children.

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FORTUNE Battle of the Corporate Bands

LOS ANGELES BUSINESS JOURNAL

Show Time: High Definition, a band of NBC Universal employees, perform at the Key Club as part of Fortune Magazine's Battle of the Corporate Bands. High Definition moved on to the finals in Cleveland.

Working It

ENTERTAINMENT: Companies' employees become rock stars in Fortune Magazine band battle.

By [illegible] *Staff reporter*

Billy Ray Storey is an operations manager at NBC Universal, overseeing satellite feeds from around the world for news, sports and entertainment programs.

But by night, he's a rocking rock star. On a recent Saturday night, for example, Storey played bass guitar along with some of his colleagues in their band, High Definition, as they rocked a packed house at the Key Club on Sunset Boulevard with covers of songs by Led Zeppelin, Deep Purple and the Foo Fighters.

The occasion was the regional semifinals of Fortune Magazine's Battle of the Corporate Bands. The event brought bands from across the country for a shot at getting their names in the Rock and Roll Hall of Fame and Museum.

High Definition won the night's competition and will now go to the national finals in Cleveland, where they will compete with seven other bands for the national title. The winning corporate group gets to perform at the National Association of Music Merchants trade show in Anaheim later this year.

"It's really a kick, man," Storey said.

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LOS ANGELES BUSINESS JOURNAL

Besides being the featured band at the NAMM trade show, the winning band gets its name and photo displayed at the Rock and Roll Hall of Fame in Cleveland for one year as part of a permanent exhibit honoring the event. Each band member receives a variety jacket embroidered with the band's name and the contest logo.

It's the second year that High Definition has made it to the finals.

"I'm hoping that our past experience at the finals will give us an edge this time," Storey said. "Practicing is definitely our goal. But we really get together to play for the fun of it."

Fun or not, the competition was intense.

"You've got 20 minutes to perform and there's this giant clock facing you on stage, so you've got to have your music down pat," he said. "The band we finished with about 30 seconds to spare."

The Battle of the Corporate Bands was developed as a joint effort between Fortune Magazine and the Rock and Roll Hall of Fame in a fundraiser for the Musicares Educational Fund.

Money is raised through an entry fee of $250 from each band. The eight finalists pay required to donate $10,000 each. More bands raise the money through their companies, said Jenn Robertson, marketing and communications director at NAMM.

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Holiday Gift

NIAGARA GAZETTE

Music magazine, trade association, share top musical gift picks for 2008 holiday

CARLSBAD, Calif. — Singing and playing holiday music with the family was reported as one of the top two holiday stress-busters, according to a music industry survey which polled men and women 18 years and older across the United States.

An overwhelming 86 percent of survey participants responded that given the current economic climate, they will be seeking less expensive forms of entertainment during the holidays, such as music making, that the family can enjoy together at home.

Additionally, learning to play a musical instrument is one of the top New Year's resolutions, according to a survey of 1,000 consumers conducted this week by Impulse Research and commissioned by NAMM, the international trade association for the music products industry.

Survey results also show that giving musical instruments may be the perfect gift to help friends and family reduce stress, provide a fulfilling form of entertainment, and bring the family closer together this holiday season.

"More than ever, people of all ages are making music as a means of stress relief, personal enjoyment and a way to bond with friends and family," said Joe Lamond, president and CEO of NAMM. "The survey results illustrate the continued, valued role of music in our society, especially during the holidays."

Making Music magazine, a consumer lifestyle magazine, has picked the most popular music gifts for the year, helping to remove the guesswork from holiday shopping.

They include:

1) Ovation iDea – MSRP: $829. It is the first and only guitar featuring a built-in MP3 recorder/player, allowing musicians to record music, for lessons or songwriting-ideal for guitarists of all ability and style.

2) Schecter Stiletto Studio-4 Bass – MSRP: $969. The EMG-HZ pickups and active 3-band tone circuitry provide bass players output for all situations.

3) Normandy Chrome Archtop Guitar –MSRP: $3,99.

The first-to-market aluminum body electric guitars are a perfect holiday gift for experienced guitarists, and players who need a lighter body guitar.

4) Yamaha Clavinova CVP 40 – Starting at $1,99$.

Audio recorder feature of the Clavinova digital piano lets you record your performance directly to a USB storage device; you can also connect a microphone to record singing or other instruments.

5) Roland V-Drums Lite – MSRP: $999.

Conveniently compact and stylish all-in-one electronic drum kit.

6) iKEY Plus – MSRP: $69.

Records live audio to MP3 or WAV to a USB storage device in real time.

7) Roland FR-2 V Accordion – MSRP: $2,000. Has the look and feel of a traditional accordion but all the advantages of digital control.

—Wire reports

Printing imperfections present during scanning

YAHOO! FINANCE

NAMM and Making Music Magazine Share Top Musical Gift Picks for 2008 Holiday Season

Thursday November 25, 5:10 pm ET

CARLSBAD, Calif.--(BUSINESS WIRE)--Singing and playing holiday music with the family was reported as one of the top two holiday stress-busters, according to a music industry survey which polled men and women 18 years and older across the United States.

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Top Holiday Picks

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The Dallas Morning News
The Columbus Dispatch
dispatch.com
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2009 NAMM Show

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Surprising Musicians: Eye Docs Who Rock

REUTERS

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Love for making music hits high note in recession | Lifestyle | Reuters

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Love for making music hits high note in recession

Tue Apr 28, 2009 11:41am EDT

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By Aarthi Sivaraman

NEW YORK (Reuters Life!) - Whether it is owning an instrument or playing one, interest in music is increasing despite the recession, a new survey showed.

Nearly 60 percent of people questioned in the Gallup poll said at least one person in their household played a musical instrument, compared to 52 percent in 2006.

"Everywhere you look, you see how the pastime of playing music is continuing to gain in popularity with people of all ages, as evidenced by our recent Gallup poll," said Joe Lamond, president and CEO of the non-profit trade group the National Association of Music Merchants (NAMM).

The poll commissioned by NAMM also showed that 85 percent of people who do not play an instrument wished they did.

EDITOR'S CHOICE

Swine Flu: An in-depth look at the virus, with the latest stories, facts and videos. Full Coverage

• How serious is swine flu?

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FTC Settlement

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THE WALL STREET JOURNAL.

Date: Thursday, March 26, 2009
Location: NEW YORK, NY
Circulation (Mkt): 208,393 (1)
Type (Frequency): Newspaper (D)
Page: 5
Keywords: National Association of Music Merchants

Instrument Industry Settles Pricing Case

By Joseph Pereira
And John E. Wilke

The Federal Trade Commission and musical-instrument industry settled a case in which instrument retailers and manufacturers were accused of illegally sharing pricing and competitive tactics to discourage discounting.

Antitrust enforcers said the 9,000-member National Association of Music Merchants was a forum for the illegal discussions, which included talk of policies where manufacturers coerced retailers to charge consumers a minimum advertised price.

In its investigation, the FTC found that between 2006 and 2007 NAMM organized various meetings for retailers to compare notes on restricting competition and securing higher retail prices. Similar discussions were held among manufacturers, said William Lansing, the lead attorney in the case.

The FTC released no names of companies alleged to have met. The industry trade group, based in Carlsbad, Calif., includes among its members Fender Musical Instruments Corp., Yamaha Corp., Gibson Musical Instruments Corp. and reseller Guitar Center Inc. The settlement doesn't reflect an admission of wrongdoing.

Scott Robertson, spokesman for NAMM, denied that the discussions ultimately "resulted in higher prices or any injury to consumers."

According to people familiar with the matter, NAMM was issued a subpoena by the FTC in the spring of 2007 requesting various meeting minutes and other documents. Numerous companies in the $2.1 billion musical-instrument business, including Fender, Yamaha, Gibson, Guitar Center and the Yamaha unit of YMAC Corp. were also issued subpoenas, those people said. The FTC collected sales records, various invoices and pricing policies, says one person familiar with the investigation.

Representatives for Fender, Gibson and Guitar Center declined to comment on the FTC investigation when the agency's probe surfaced last fall. Spokesmen for Yamaha, Guitar Center and Yamaha couldn't be reached immediately for comment on Wednesday.

The FTC probe into the music-instrument industry is continuing. "Whether further allegations will be brought will be the Commission's decision," Mr. Lansing said.

As part of the settlement, NAMM has been ordered to appoint an antitrust lawyer to ensure compliance at meetings and other events and to read a disclaimer advising participants not to discuss pricing and their respective minimum-price policies.

The FTC has become more active in pursuing these anti-discounting policies since a controversial Supreme Court ruling two years ago that made it more difficult for companies to bring such antitrust suits.

That high court decision in June 2007 reversed a 95-year-old precedent that banned minimum pricing arrangements between manufacturers and retailers. The 5-4 ruling said situations should now be considered on a case-by-case basis—or rule of reason—weighing the impact of pricing policies against free-market principles. The rule of reason clears rules the bar for legal challenges, legal experts say.

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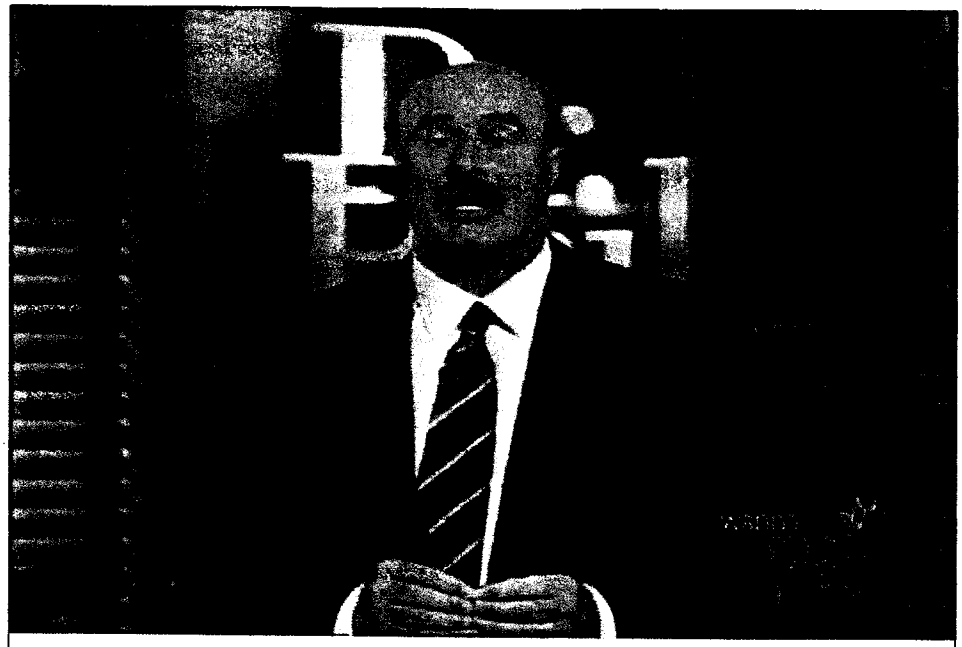

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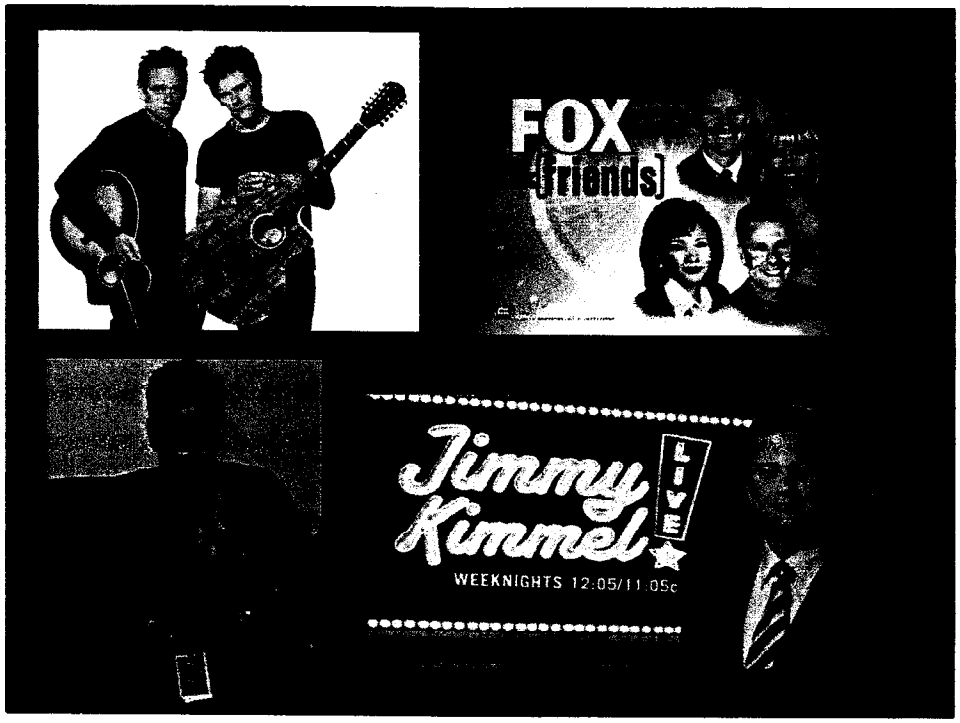
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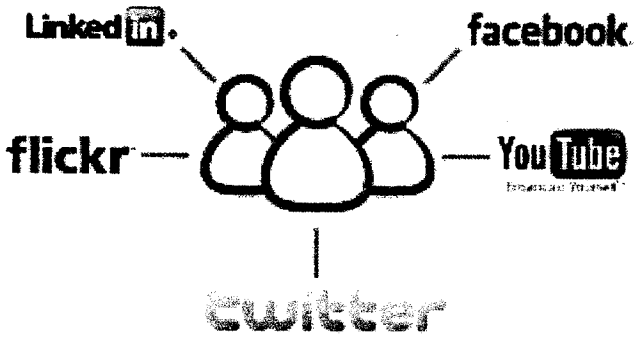
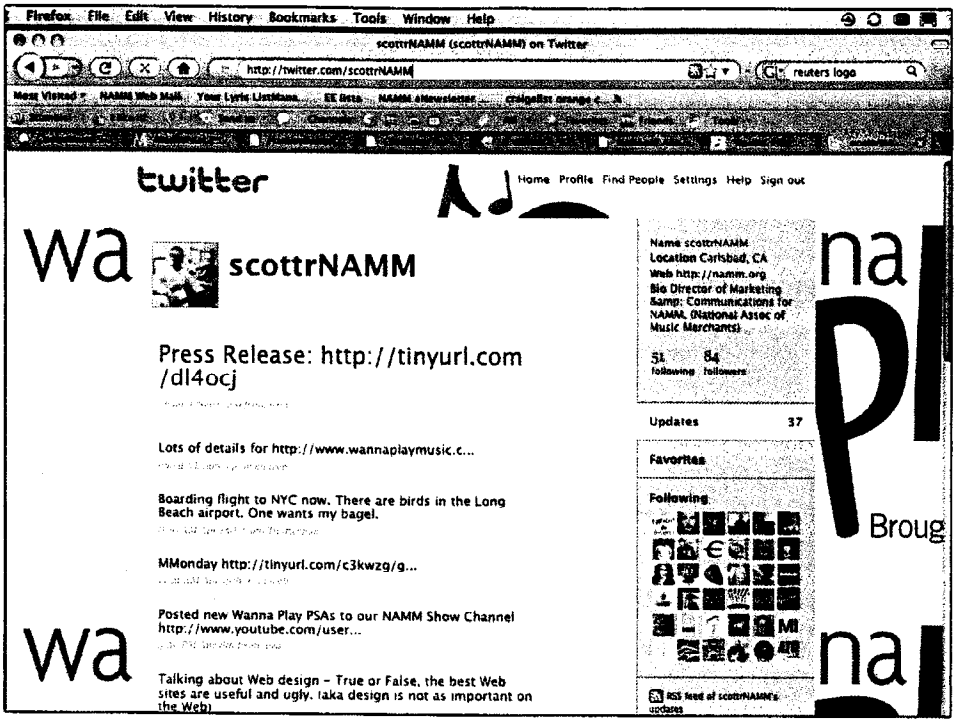
The Future is...Social





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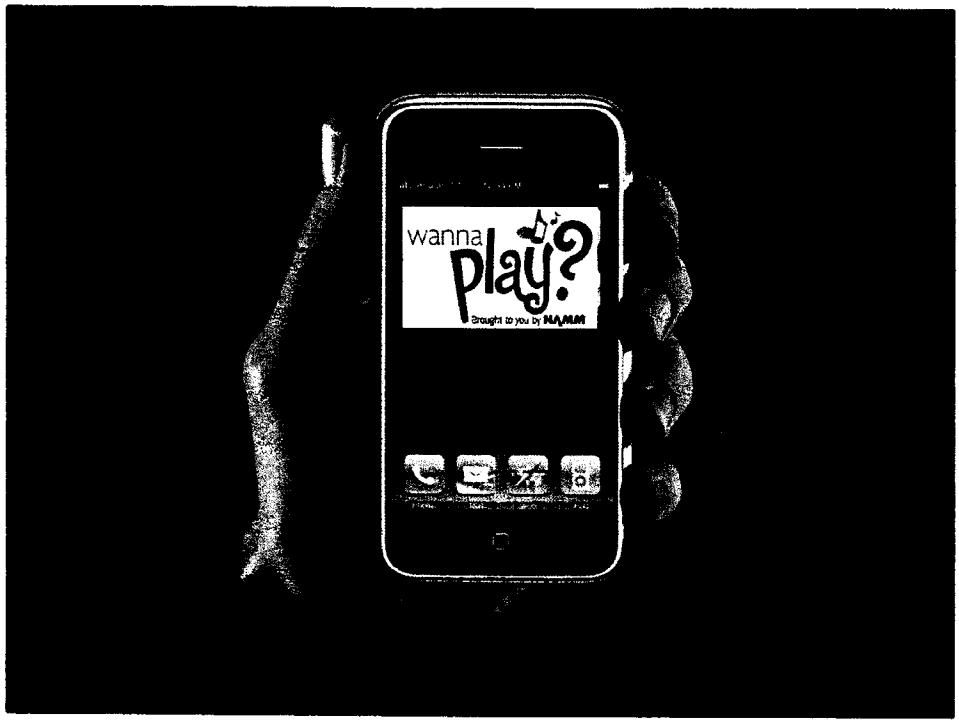
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Director

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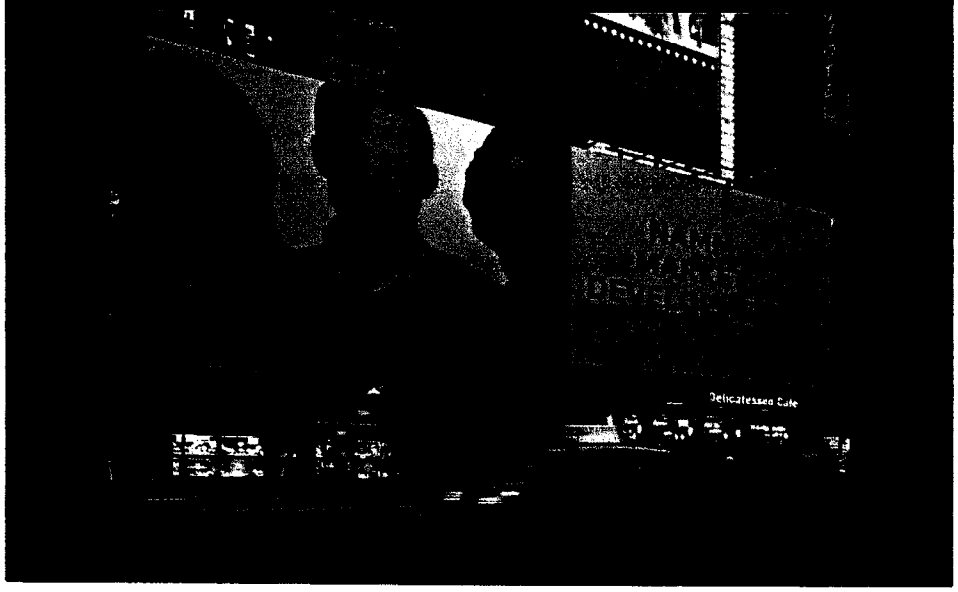

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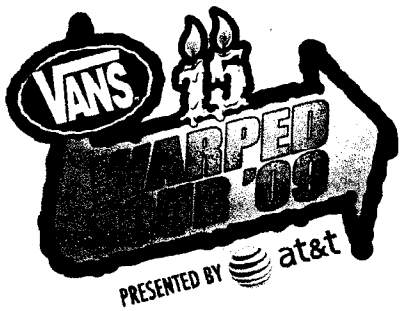

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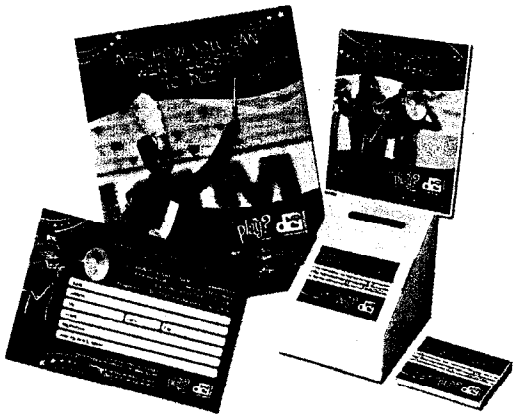

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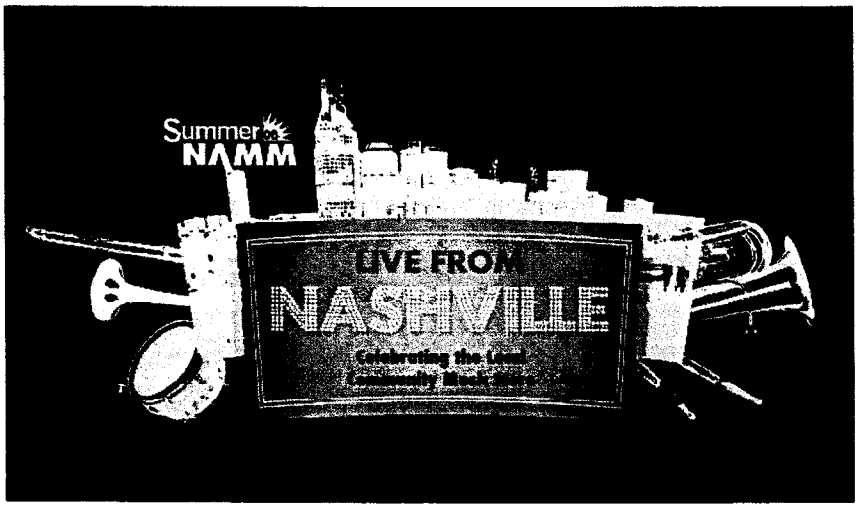

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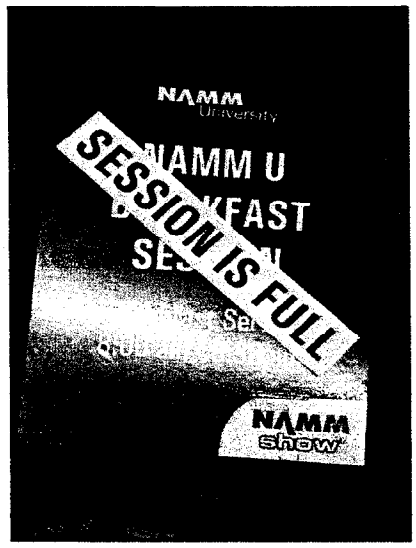

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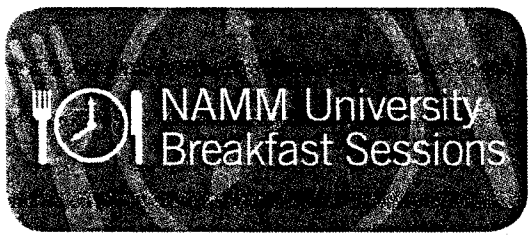

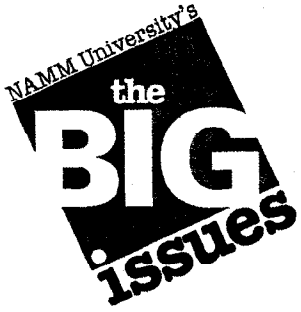

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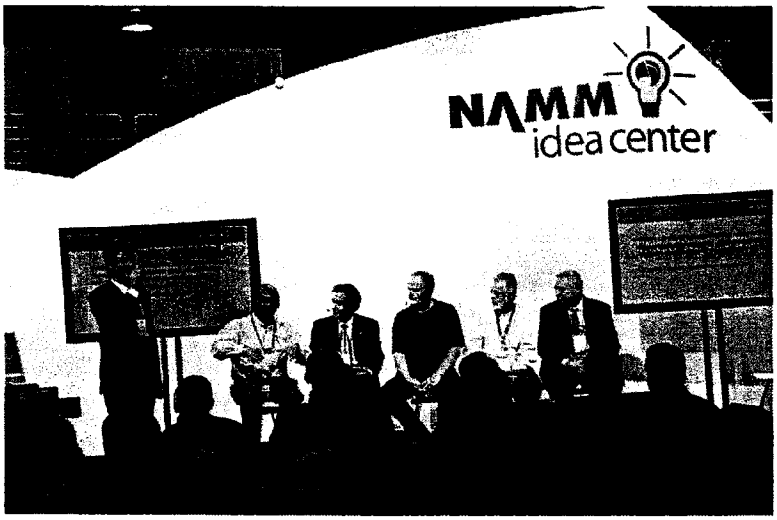

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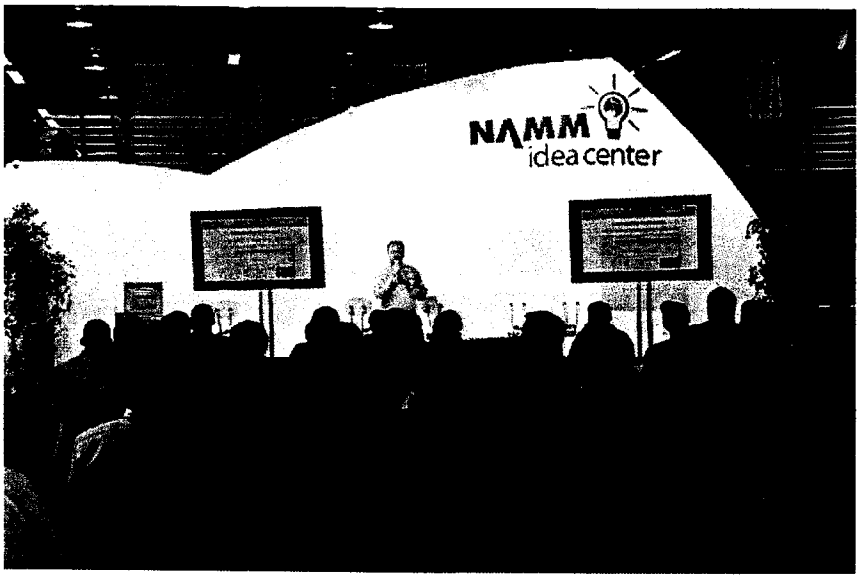

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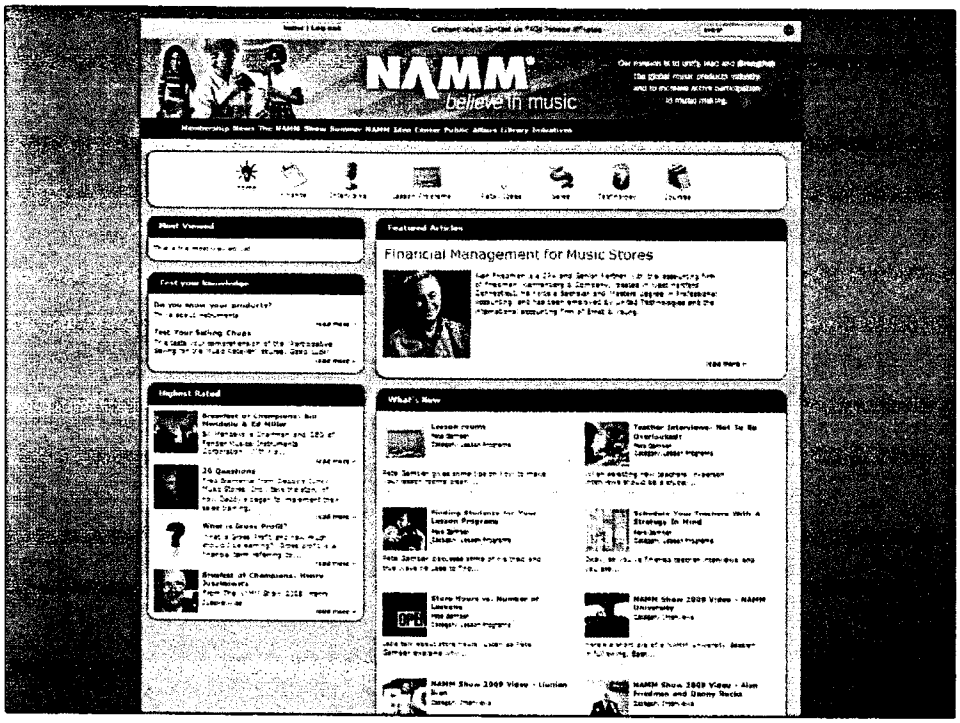
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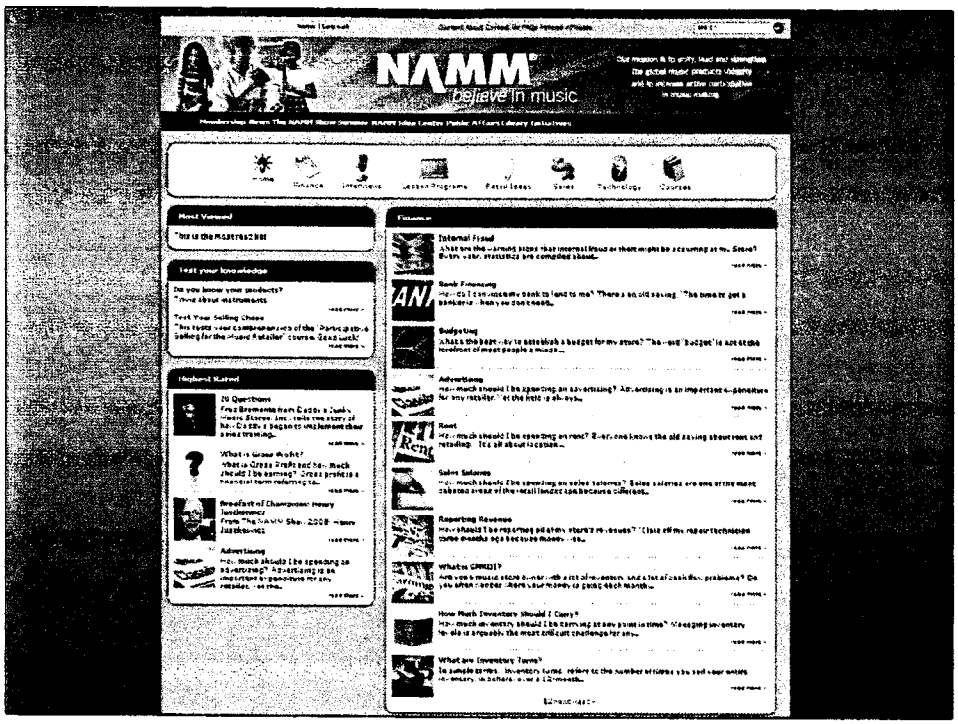

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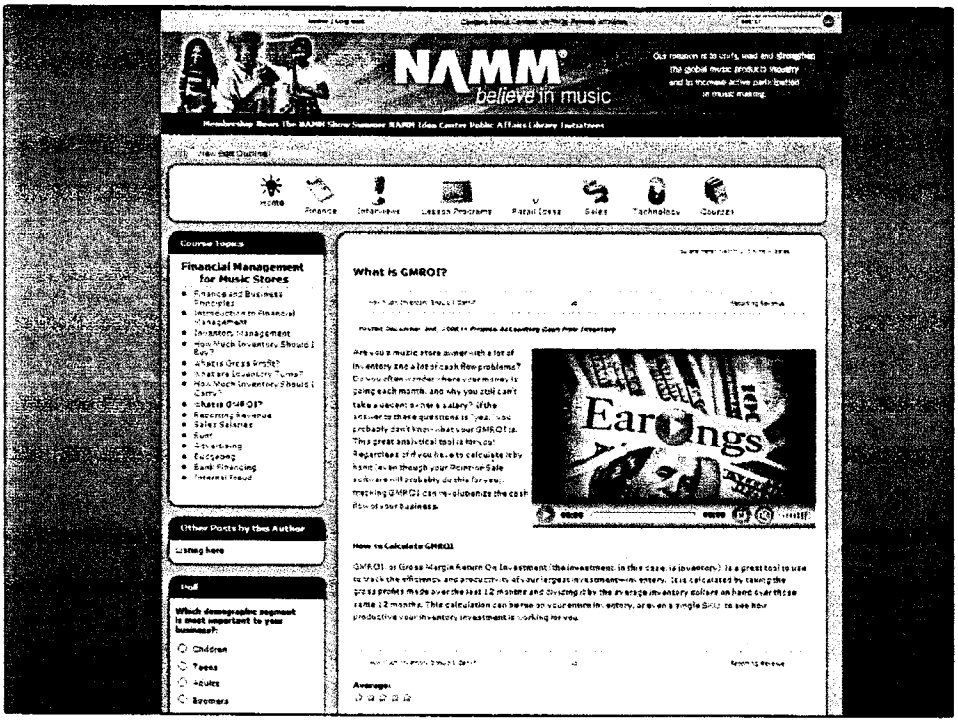

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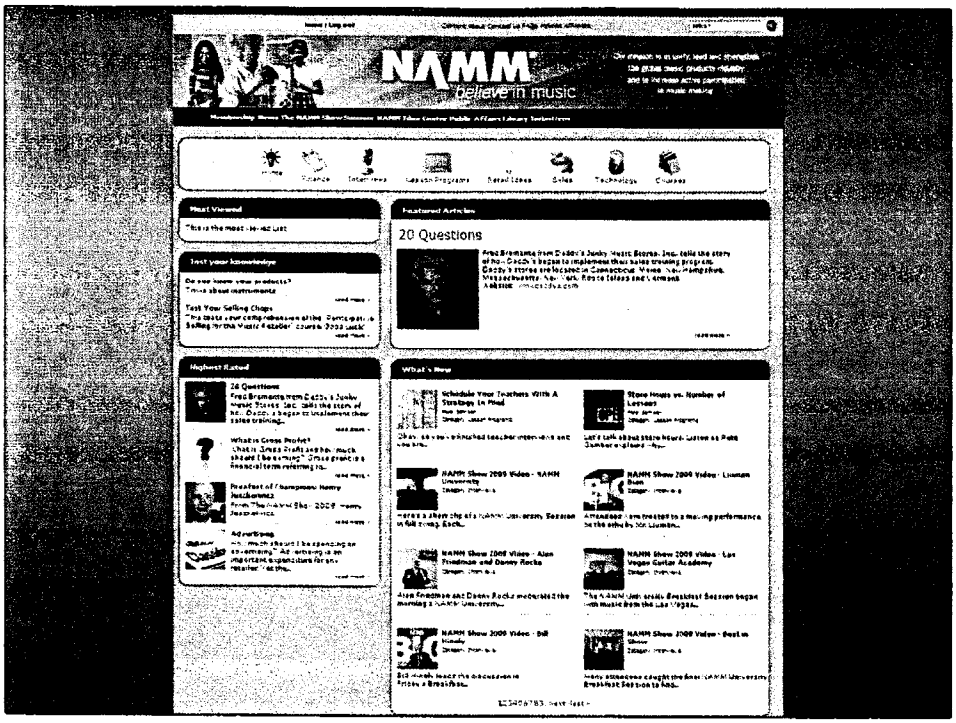
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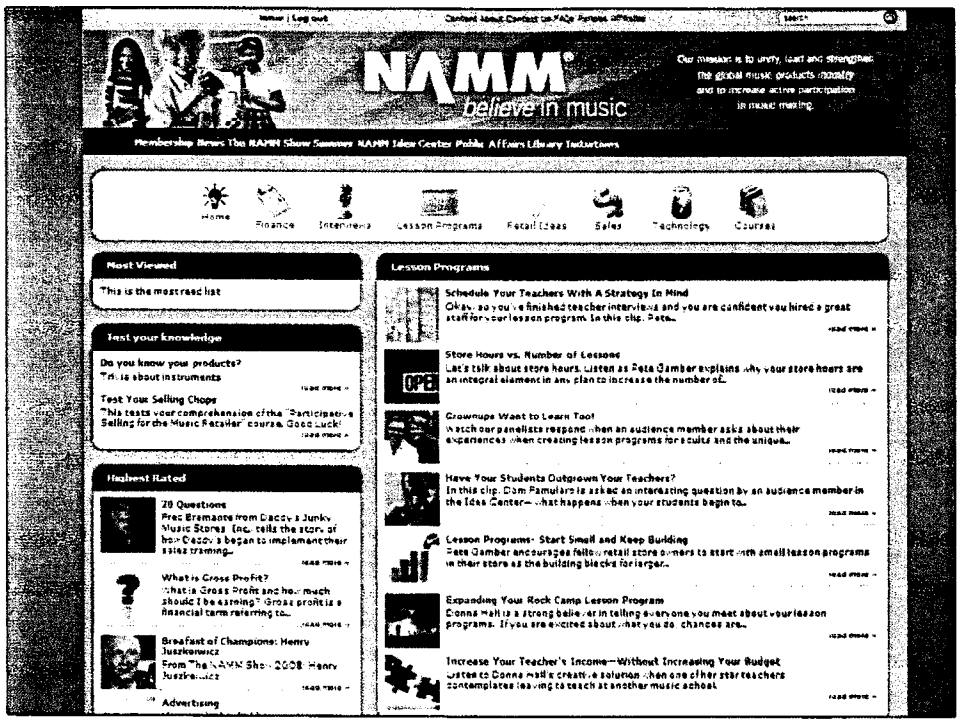

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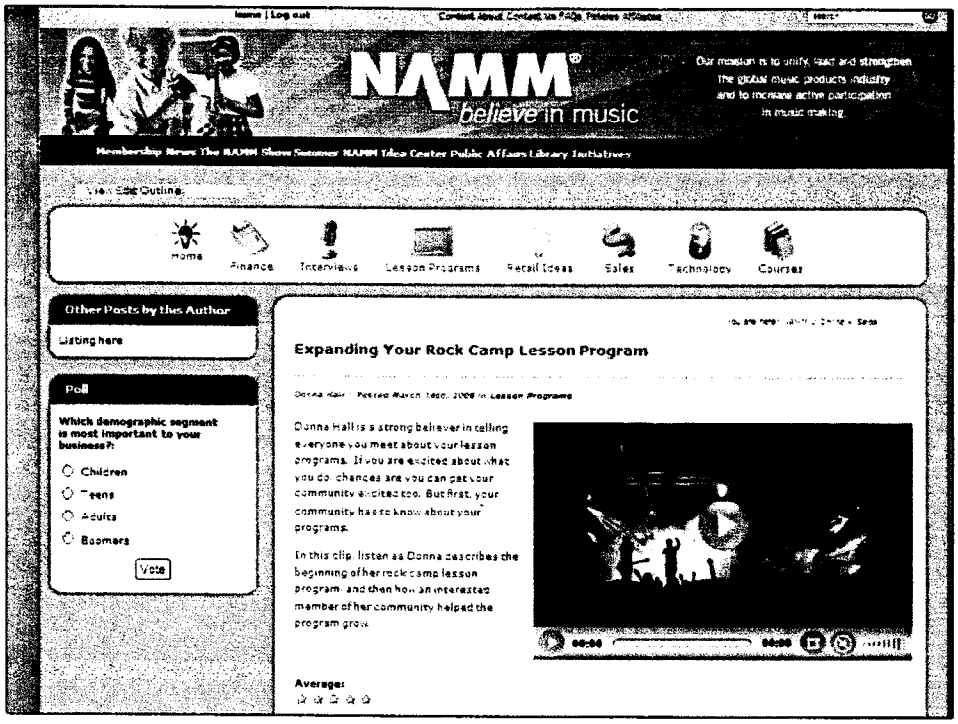

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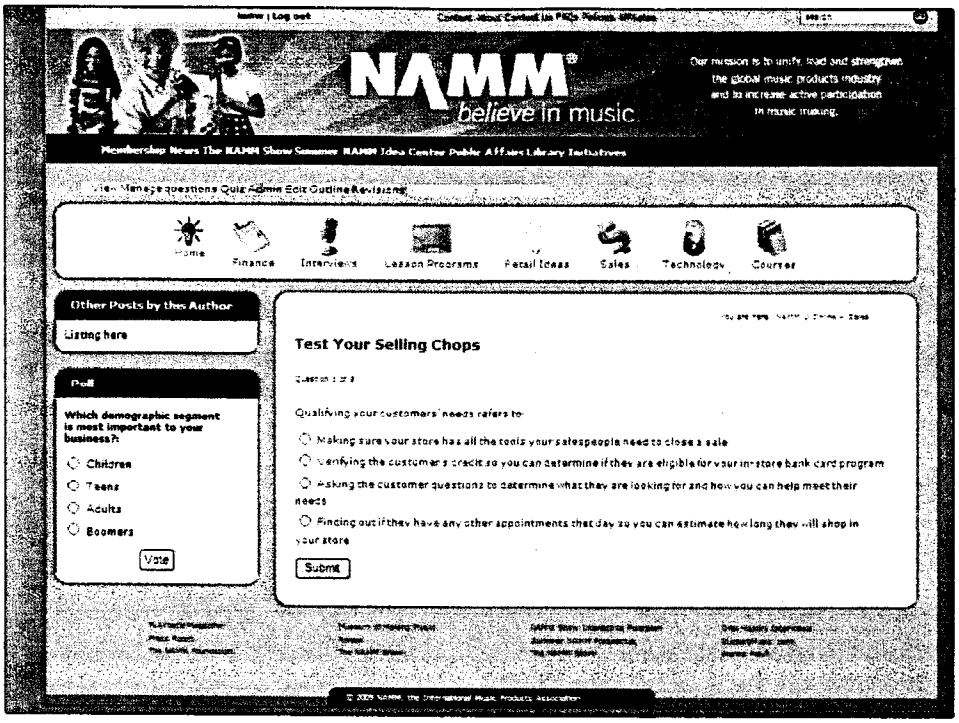
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Our mission is to unify, lead and strengthen the global music products industry and to increase active participation in music making.
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Listing here
Poll
Which demographic segment is most important to your business?:
Children
Teens
Adults
Boomers
Vote
Test Your Selling Chops
Qualifying your customers' needs refers to:
Making sure your store has all the tools your salespeople need to close a sale
Verifying the customer's credit so you can determine if they are eligible for your in-store bank card program
Asking the customer questions to determine what they are looking for and how you can help meet their needs
Finding out if they have any other appointments that day so you can estimate how long they will shop in your store
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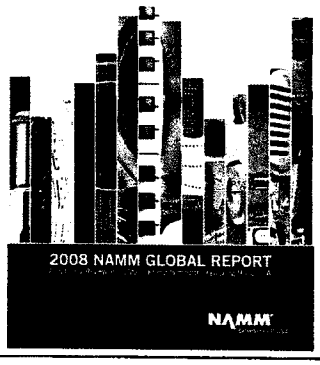
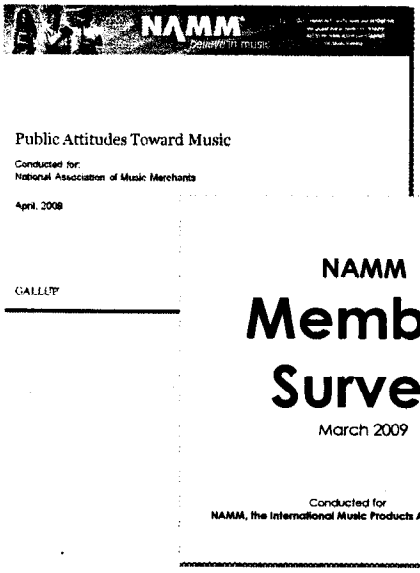
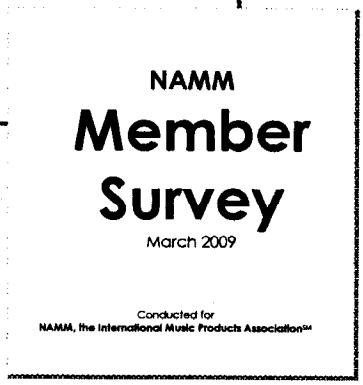
- ☑ Annual Member Survey
- ☑ Gallup Poll
- ☑ NAMM Global Report







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Kevin Johnstone

Director of Trade Show

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the NAMM® show 09

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Tradeshow Week

TSW

MARCH 23, 2009

GET BREAKING NEWS AT TRADESHOWWEEK.COM

Las Vegas Doubles Down on Dismal

Convention numbers down; Las Vegas CC renovation postponed

By Doug Taylor

The numbers break on our very essence.

Hong Kong Shows Lose a Little Luster

Typically busy jewelry shows draw buyers, but sales are slower

By Ramon Wentzel

Show Launches In a Tough News Industry

NAA transforms show in middle of downturn for suffering industry

By Lisa Pursell

Our members want to get together, talk to each other and learn from their customers.

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APRIL 13, 2009 GET BREAKING NEWS AT TRADESHOWWEEK.COM

Tradeshow Week

TSW

THE ASSOCIATION MARKET

Happy Days – Not Quite, Not Just Yet

SIBO CEOs accept bad news, make plans to stave past recession

By Rhonda Hunt

SAN DIEGO—As party-goers streamed into the March 20 opening session of this year's Society of Independent Show Organizers CEO Summit, their small talk and chatter was drowned out by speakers blaming the ruins to "Happy Days Are Here Again."

SISO Chairman Brittan Lewis opened the summit by saying of the tradeshow industry, "While we are certainly not recession-proof, we are holding our own and doing better than other B-to-B media."

Then reality set in.

A few moments later, Galen Penn, president of Hanley Wood Exhibitions and moderator of the day's first panel, cited "Putting Wind Into Your Sails," asked every-

Doug Ducati, CEO!!

"If the last point of '02, overall the industry was down 6 percent, and we're probably going to see somewhere similar by the end of '09,

to do better this year than last year to stand up.

Four people stood.

Up on the last day of the summit, Center for Exhibition Industry Research President and CEO Doug Thomas was narrated his group's annual index report. Every metric CEIR analyzed was down in 2008, compared with 2007, by an average 8.1 percent.

In fact, Thomas said, the decline in growth may parallel last experienced by the tradeshow industry in 2002.

(Go to p. 9)

WSA Shrinks, Small Shows Grow

Regional shoe events see losses in numbers as WSA struggles

By Rachel Weissner

At The WSA Show (see main headline), by several measures

One big shoe show's losses have become several other smaller shoe shows' gains.

The annual The WSA Show, whose 2007 editions were ranked Nos. 3 and 5 on the years; run in Undersheets, March 2008, saw dips in square footage, number of exhibitors, and attendees at both of last year's editions, according to the TSW Onsemble Report of Tradeshow Business.

Its first show this year, held Feb. 12-14 at the Las Vegas Sands Mega-Center and Mandalay Bay Resort & Casino, also appeared less crowded than usual, though FNK Intl., the show's owner, declined to provide show statistics in TSW.

Unfortunately, the downturn in the economy is a major catalyst for The WSA

show losing some of its footing on the shoe show crossroads, according to organizers of other smaller, regional shoe shows, exhibitors who once crowded the

(Go to p. 7)

Christian Book Expo Disappoints

Show has thousands of fewer attendees than anticipated

By Stephanie Gomez

Not every show that's performed poorly this year is attributing it to the economy.

At the inaugural Christian Book Expo, held March 19-22 at the Dallas Convention Center, the "hugely disappointing" turnout of Lord people—instead of the anticipated 15,000 to 20,000, wasn't because the United States is in the middle of a recession, said Mark Kuyper, president of the Evangelical

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CAROLINA FIRST CENTER

www.carolinafirstcenter.com

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MARCH 16, 2009 ■ GET BREAKING NEWS AT TRADESHOWWEEK.COM

Tradeshow Week

TSW

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THE INDUSTRY THIS WEEK
Access Intelligence acquires shows 2
Smaller destinations still draw shows, attendees 5
High-priced destinations cope with misperceptions 6
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Hong Kong Casts Wary Eye on China

AsiaWorld-Expo, Hong Kong CC tied to China's economic health

By Rachel Wasserman

HONG KONG—Even in a city filled with gleaming skyscrapers, stores of every kind packed with crowds of people buying goods and 15,000 factories nearby churning out even more products, the global economic crisis has begun to make its mark.

Here we are getting 40 percent more space in the middle of the economic downturn.

Long a symbol of financial health and prosperity, Hong Kong's good fortunes intrinsically are tied to China's, and companies on the mainland have started to falter.

Med Shows Survive

By Jennifer Jonsson

Health care shows held their own in 2008, taking into consideration the economic downturn, even if there were no major gains in any particular sales, with not upper footage up 0.6 percent, number of exhibiting companies down 0.5 percent and attendance up 0.1 percent.

However, the industry may not be as resilient as previously thought by some. The sector certainly had a better year in 2007, when average net square footage saw increases of 2 percent, number of exhibiting

2008 ANNUAL RATE OF GROWTH

0.6%
Net sq. ft.

0.5%
Exhibiting firms

0.1%
Attendance

Even 0.9 percent and attendance 3.1 percent – and 2006 was even better

Low-flow Time for Bureaus

By Rachel Wasserman

It doesn't take an advanced degree in mathematics to calculate that, with the downturn in the economy, there's been a decline in bonds on hosts. That, in turn, has translated to less bad leads collected by most convention and visitors bureaus.

With corporate meeting cancellations and fewer attendees on shoulders, because all over the United States suddenly have had to cope with a reduction in money flowing into their coffers and adjust their budgets accordingly.

One of the harder hit chiefs, so far, has been Atlanta.

Gregory Pierce, chief administrative officer and COO of the Atlanta Convention & Visitors

Everyone pursed it nearly dive collected through and there goes to the bureaus—so goes the industry, so go we.

ALSO IN THE NEWS

CeBIT to shrink by a day 2

Impact of economy is uneven 3

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EXHIBIT MARKETING

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MARCH 2, 2009

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Tradeshow Week

TSW

Annual Performance

EXHIBIT SPACE

EXHIBITING FIRMS

ATTENDANCE

2004 2005 2006 2007 2008

Attendance Declines Begin to Slow Down

Consumer shows had 1.3-percent fewer attendees in 2008

Vegas Victim of Bailout Backlash

Goldman Sachs moves, Wells Fargo cancels Vegas events

You can't take a trip to Las Vegas or go down to the Super Bowl on the taxpayer's dime.

Little More Peace, A Quieter MAGIC

Exhibitors, attendees happy with smaller fashion show standby

People seem to be buying, but they're buying in lower quantities.

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TSW Tradeshow Week

Tradeshow Week's 2009 IN ASSOCIATION WITH...

All Quiet on Builders' Front

Attendance at Intl. Builders' Show down 29 percent from '08

Intl. CES Picks Macworld's Apple

CEA will launch pavilion with Apple iPod, iPhone focus in 2010

NAMM Still Making a Lot of Music

Showfloor, exhibitor figures are relatively in line with last year

We're getting the leads. We're getting qualified, focused customers.

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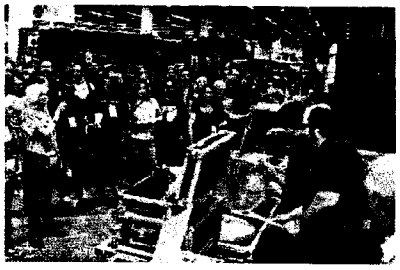

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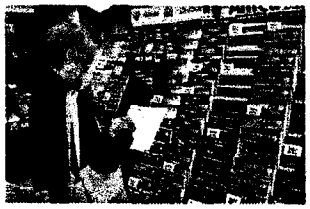

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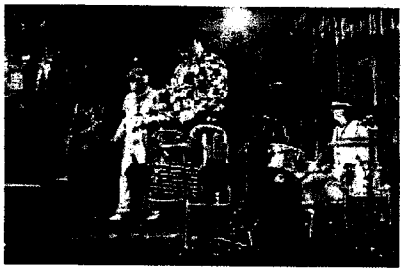

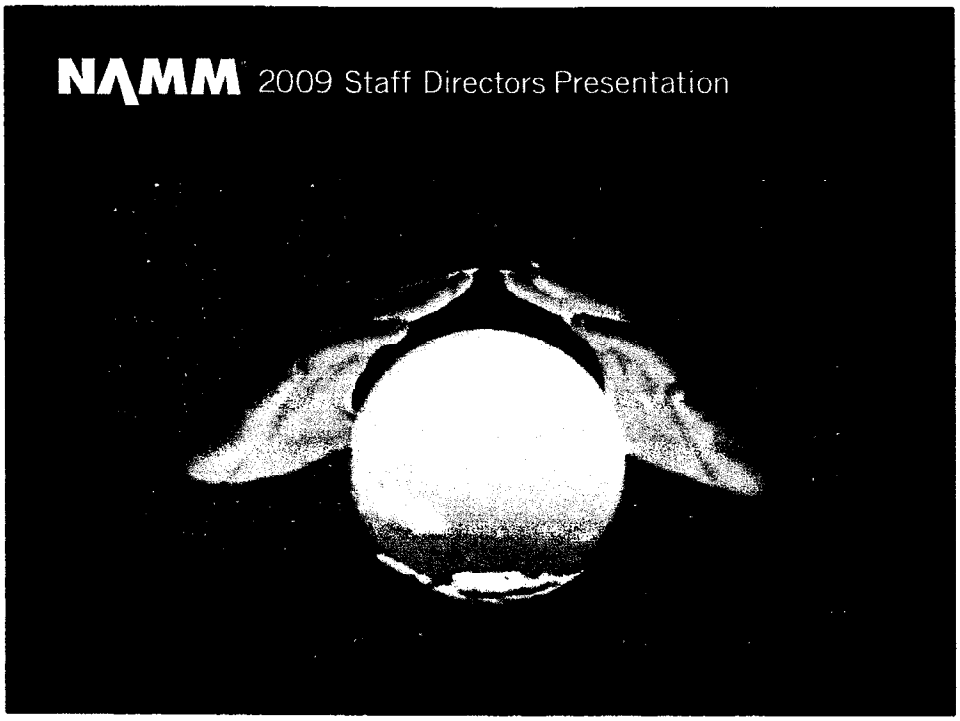

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Summer NAMM
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Join Us July 17-19 in Nashville for New Gear, Ideas and Networks
Music Calls Us Home
Gabe Dixon Band with Jeremy
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Partnerships

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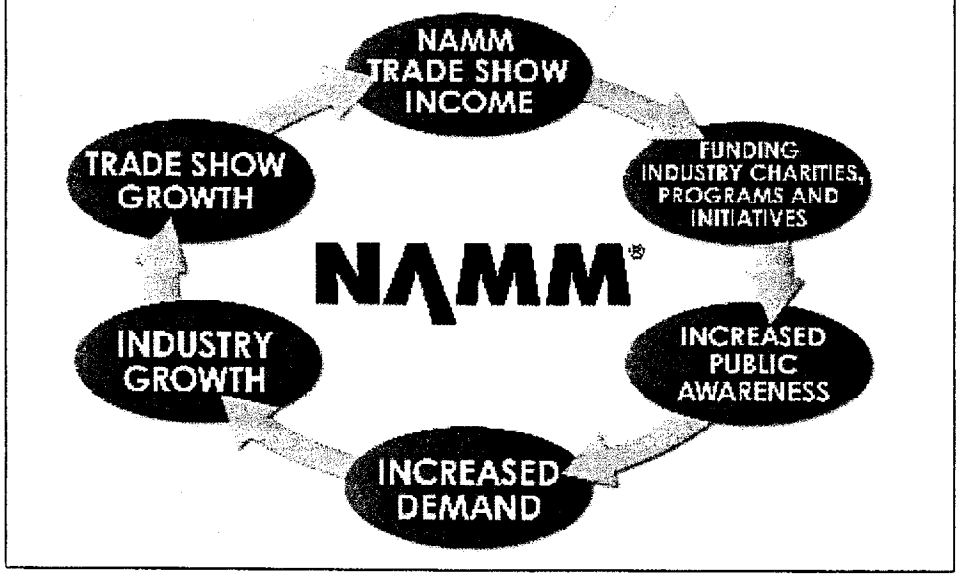

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Betty Heywood

Director of International Affairs

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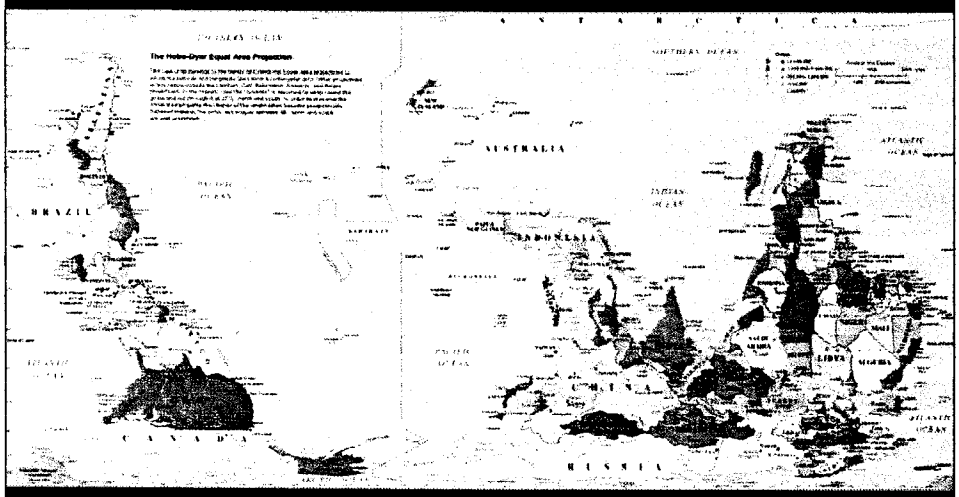

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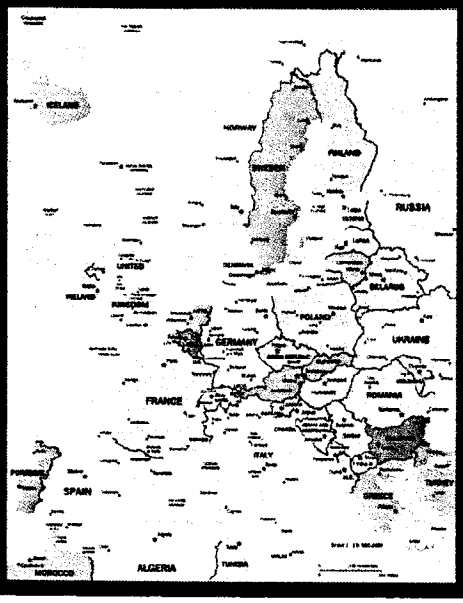

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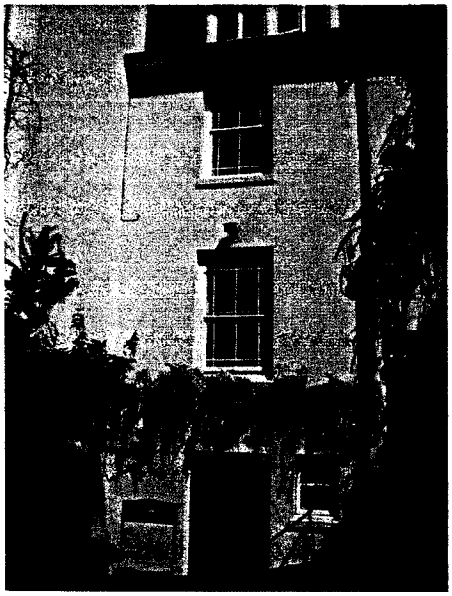

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NEWS INSIGHT

Open sesame

NAMM has elected to base its new international office in the UK. *Gez Kahan* ***pops in for afternoon tea***

With the establishment of NAMM International, a UK-based office run by Betty Heywood, its Director of International Affairs, NAMM has taken concrete steps to acknowledge the increasingly global nature of its operations.

NAMM® 2009 Staff Directors Presentation

NAMM heads for Europe

The team behind the California trade show looks to establish Portsmouth offfice

The NAMM organisation (actual name, the International Music Products Association) has announced the formation of NAMM International, LLC, a new branch – to be based in Portsmouth, UK – intended 'to service the needs of Members abroad'. Betty Heywood, NAMM's director of international affairs, who will run the operation, explains the rationale to PSNE.

PSNE: Some people will inevitably jump to the conclusion that 'NAMM is trying to take over'...

BH: I know it has been received as big news in some circles, particularly in those who think we want to take over the world, and we're aware of that whole angle. I get very tired of it, personally. We've so far done nothing outside (or inside) the US that didn't involve close co-operation with our partners. What will happen is that future co-operations, such as the one with Music China, or events, such as the Beijing Music Education Summit, will be officially undertaken by NAMM International.

Betty Heywood, NAMM mailer

this case reflects the growing number of international members we have, and, given time zone differences, makes logistical sense.

– among others – makers and sellers or installers of loudspeakers, signal processing, power amplifiers, mixing consoles, microphones, control and monitoring products, recording equipment, DJ equipment, cabling, test equipment and furniture.

Currently over 18% of our members – a quarter of whom are international – name pro audio as their main line of business and a further 2.6% say that they have some pro audio business. So overall around 4.7% of our membership deals with pro audio. It's the fastest growing segment, so much so that my colleague Dominique Aguew, our associate director of trade show sales, has problems fitting them into the hall.

PSNE: Is NAMM actively seeking members from the pro audio industry and what does it offer them?

BH: Currently, the biggest thing of course is the opportunity to exhibit at NAMM Shows, but these companies also benefit from our market growing activities. Our activities are designed to increase active participation in music making, which benefits all of NAMM's Members, including pro audio.

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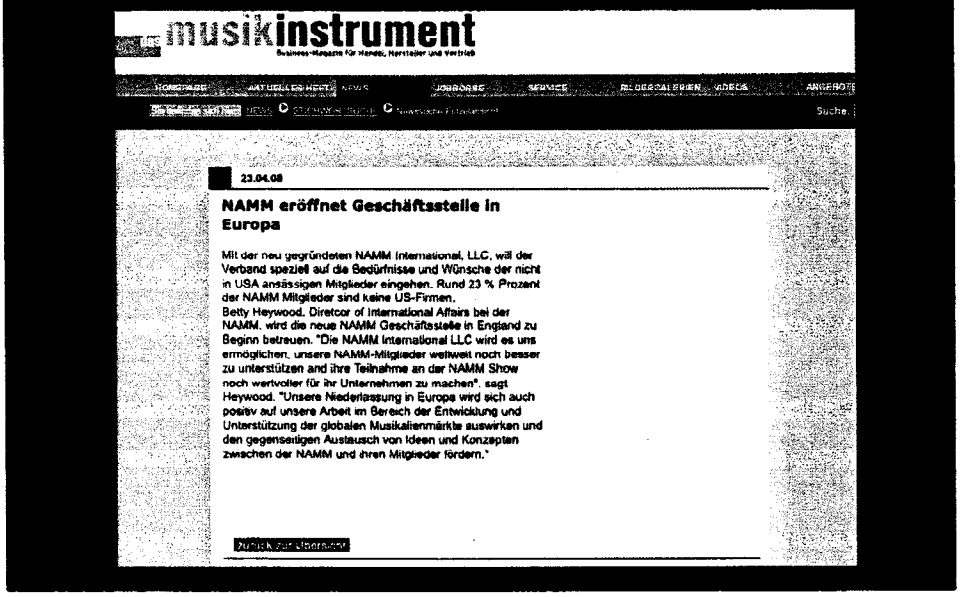

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HOMEPAGE AKTUELLES HEFT NEWS JOBBÖRSE SERVICE BUSINESSPARTNER VIDEOS ANGEBOTE

Suche

23.04.08

NAMM eröffnet Geschäftsstelle in Europa

Mit der neu gegründeten NAMM International, LLC, will der Verband speziell auf die Bedürfnisse und Wünsche der nicht in USA ansässigen Mitglieder eingehen. Rund 23 % Prozent der NAMM Mitglieder sind keine US-Firmen.
Betty Heywood, Diretcor of International Affairs bei der NAMM, wird die neue NAMM Geschäftsstelle in England zu Beginn betreuen. "Die NAMM International LLC wird es uns ermöglichen, unsere NAMM-Mitglieder weltweit noch besser zu unterstützen and ihre Teilnahme an der NAMM Show noch wertvoller für ihr Unternehmen zu machen", sagt Heywood. "Unsere Niederlassung in Europe wird sich auch positiv auf unsere Arbeit im Bereich der Entwicklung und Unterstützung der globalen Musikalienmärkte auswirken und den gegenseitigen Austausch von Ideen und Konzepten zwischen der NAMM und ihren Mitglieder fördern."

Zurück zur Übersicht

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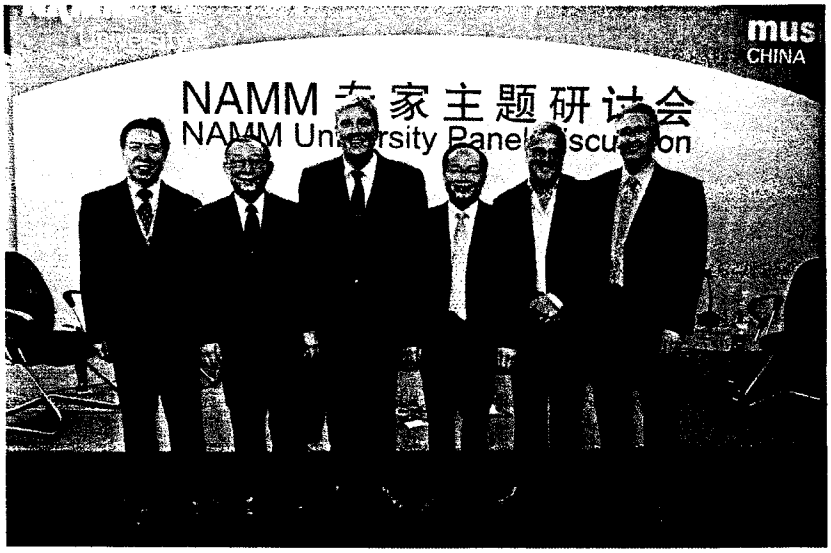

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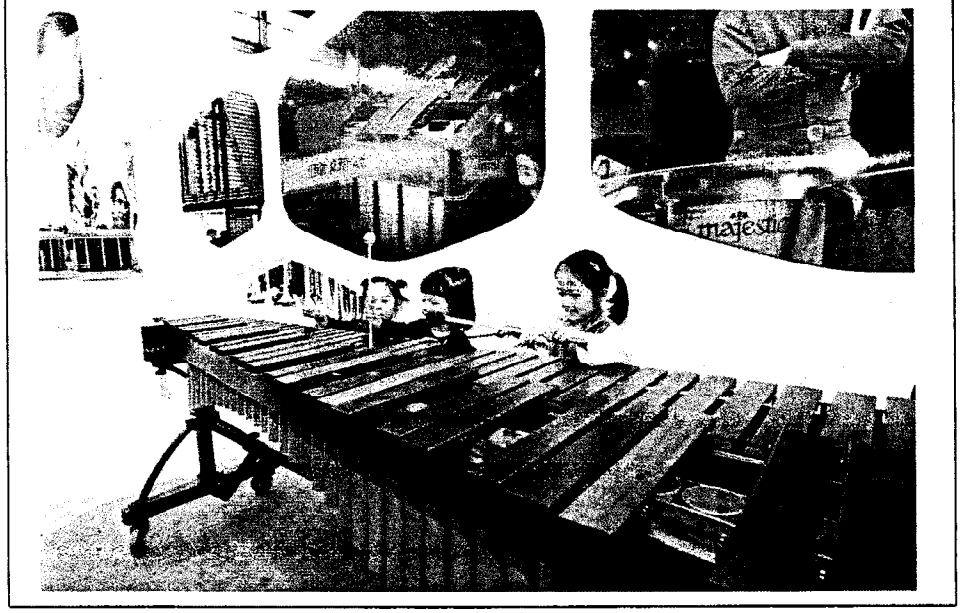

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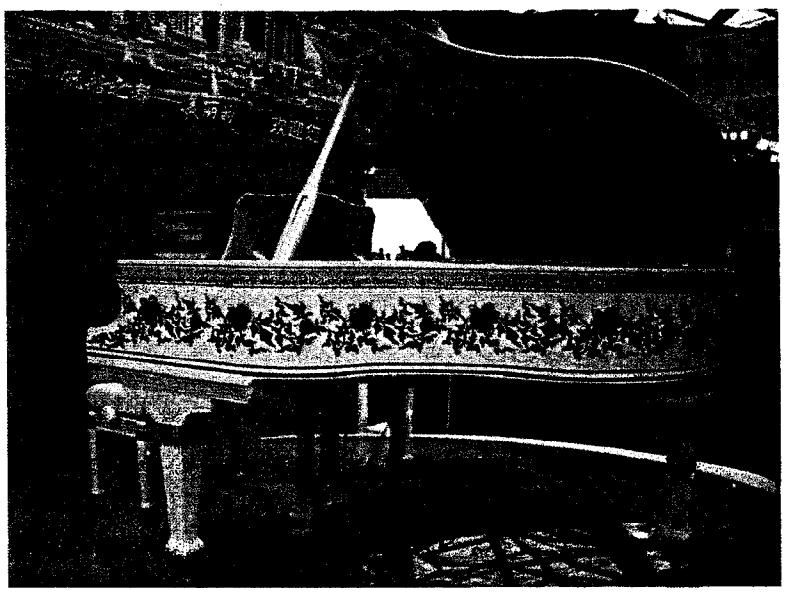

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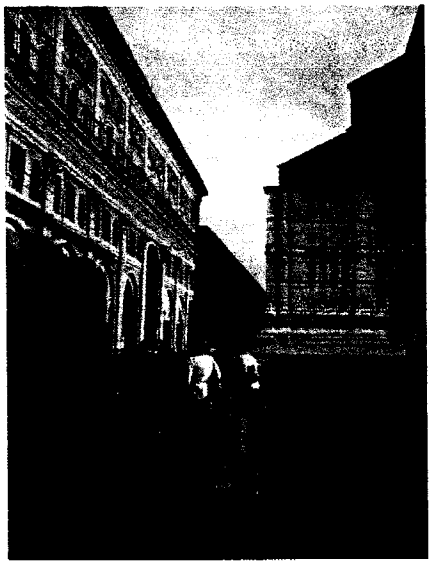

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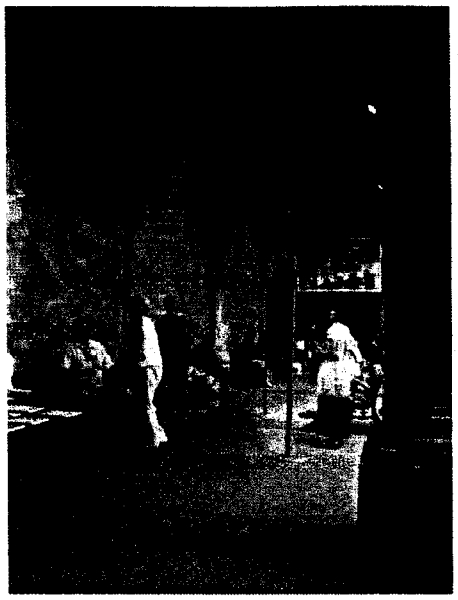

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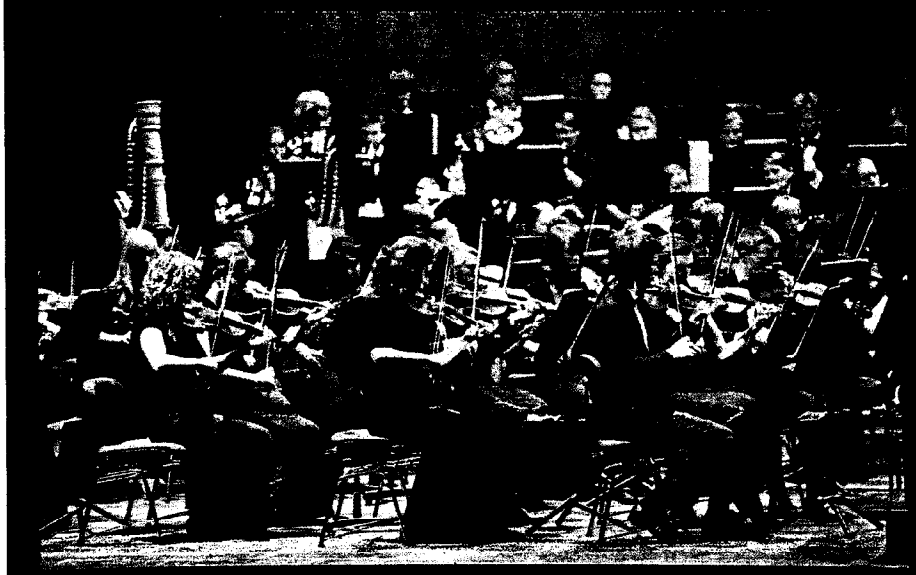

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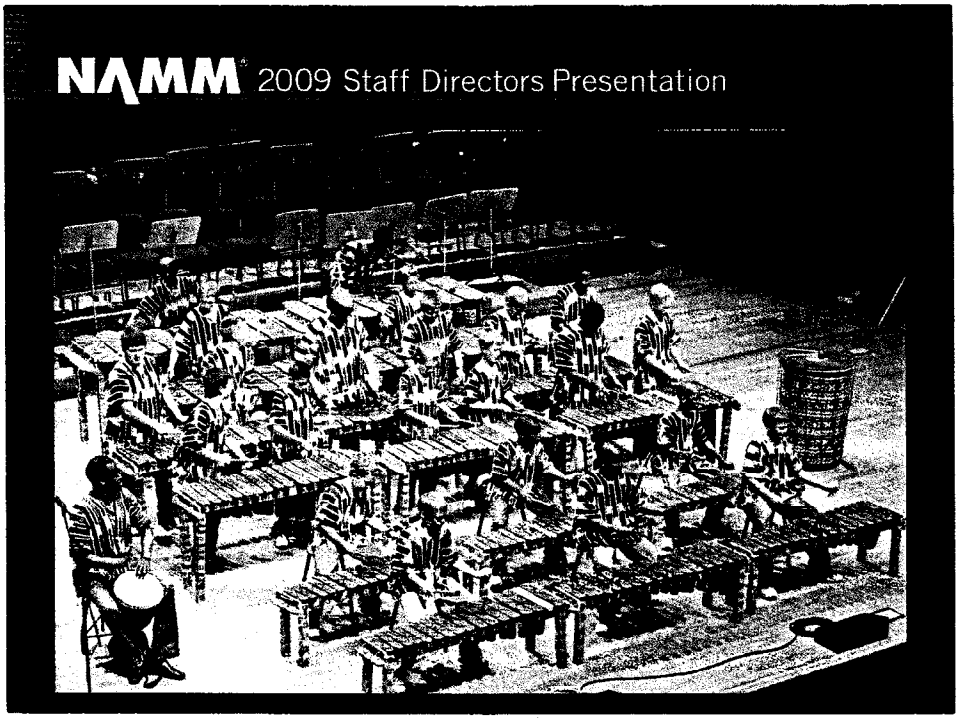

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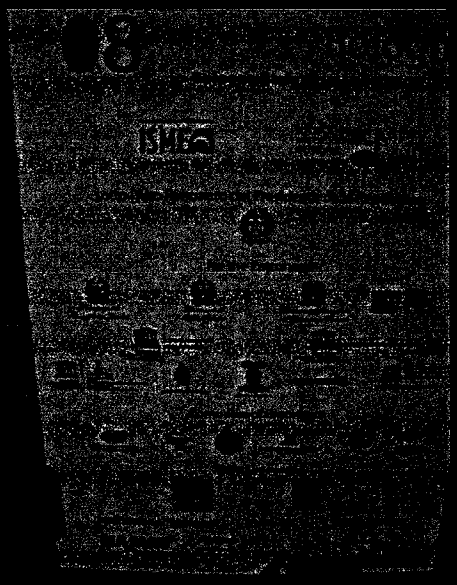
6-8-09 COMP REPORT
NAMM-000980

NAMM 2009 Staff Directors Presentation



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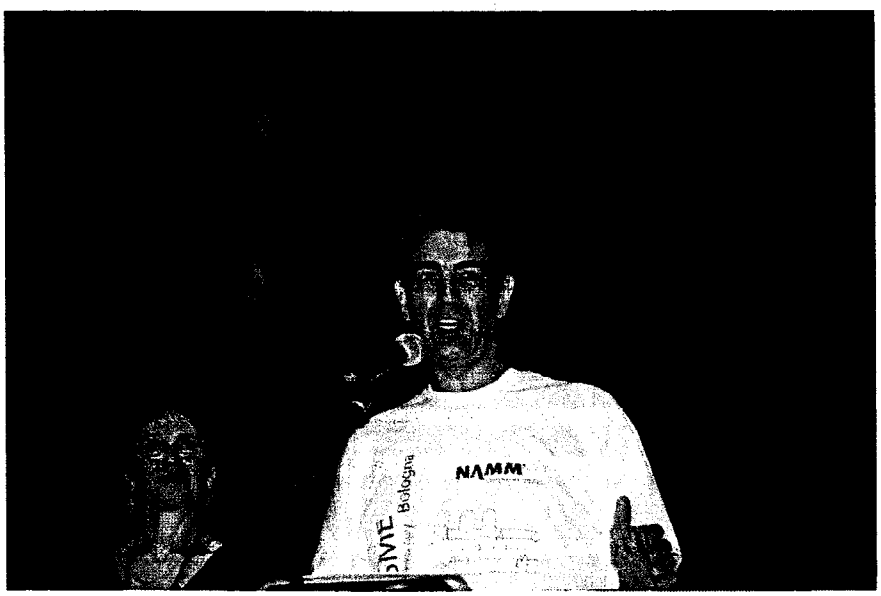
NAMM-000981

NAMM 2009 Staff Directors Presentation



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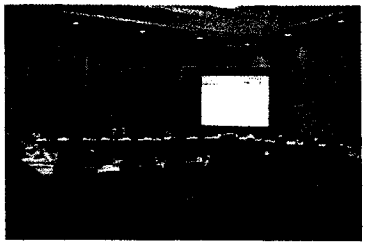
NAMM-000982

the NAMM show 09
COME TOGETHER
International Coalition
Meeting 2009

NAMM 2009 Staff Directors Presentation

NAMM 2009 Staff Directors Presentation



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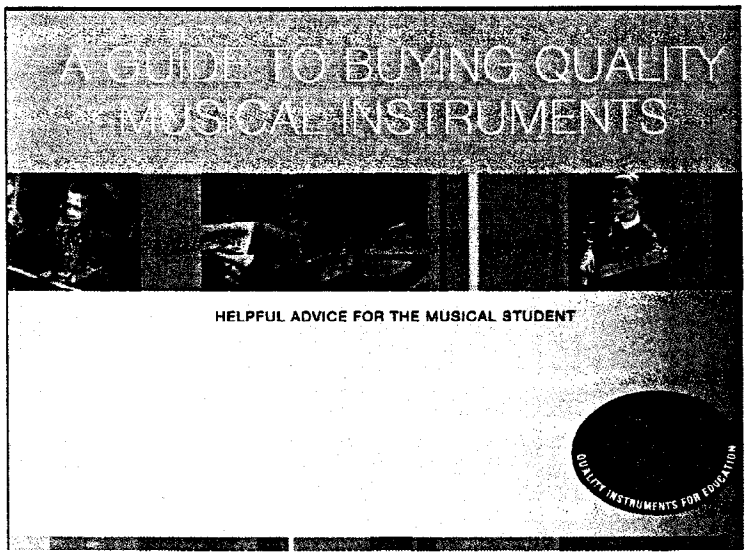
NAMM 2009 Staff Directors Presentation



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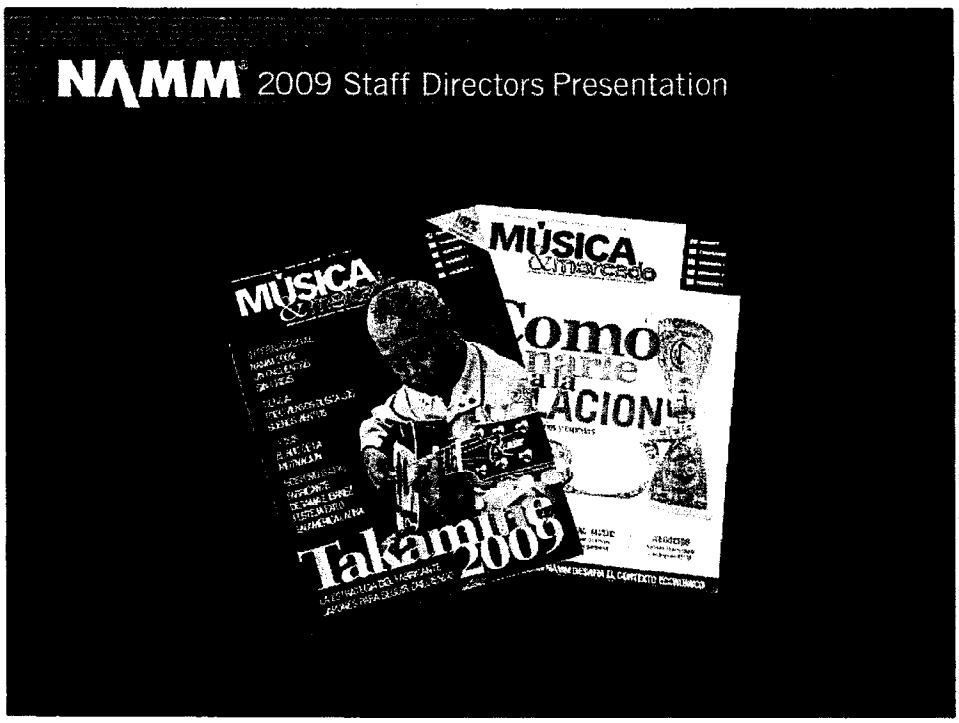
NAMM-000987

NAMM 2009 Staff Directors Presentation

London
International
Music
Show 09

mia


NAMM 2009 Staff Directors Presentation
MÚSICA & negocios
MÚSICA & mercado
Como
ACION
Takamine 2009

NAMM 2009 Staff Directors Presentation

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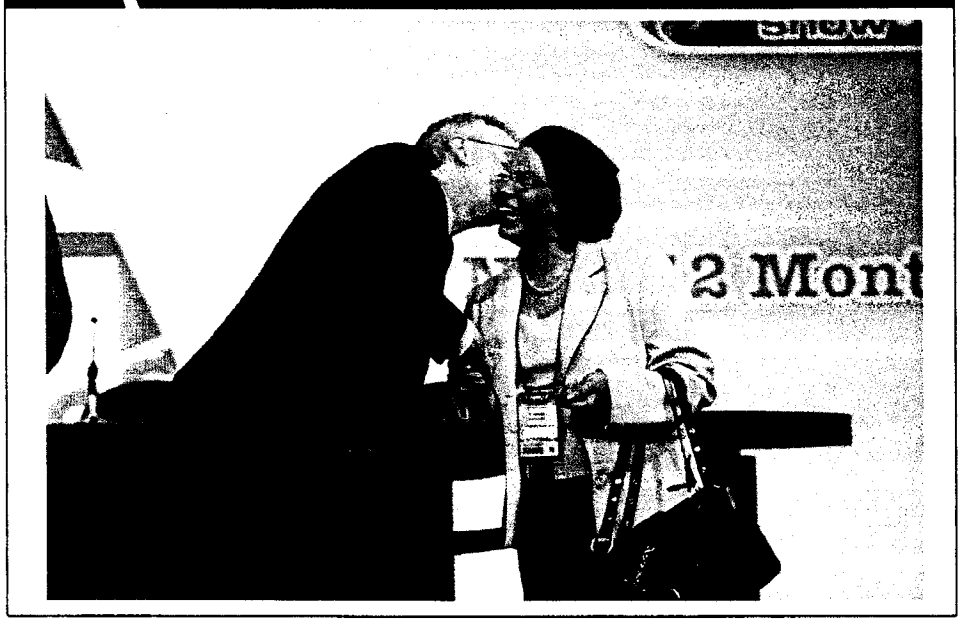
NAMM 2009 Staff Directors Presentation

SOMM
Society of Music Merchants

GDM

NAMM 2009 Staff Directors Presentation



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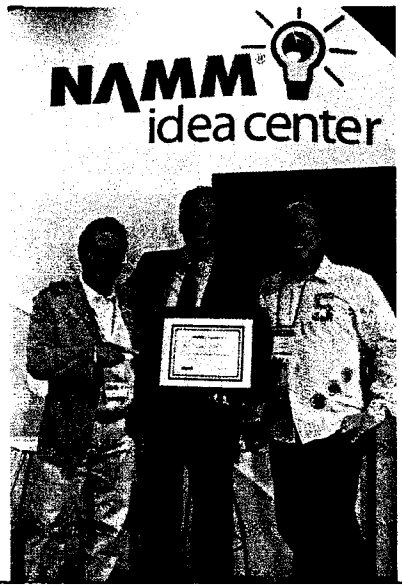

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NAMM-000993

NAMM 2009 Staff Directors Presentation

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000994

NAMM® 2009 Staff Directors Presentation

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NAMM-000995

I wanted to update you on the results of Wanna 'Play Music Week'; please find attached the latest media report. The links below will give you an idea of the type of coverage we received but with nearly 50 million media impressions it has been a great week for industry promotion. Scott and Kym really did well on this along with the Golan Harris team.

NAMM's National Wanna Play Music Week Broadcast Coverage Report (FOX, CBS, ABC, and Canadian coverage, etc):
http://media.vmsnews.com/MonitoringReports/050709/2414386/J001858587/

NAMM Kicks Off National Wanna Play Music Week, May 4-8, Encouraging People of All Ages to Experience the Proven Benefits of Playing Music
http://www.marketwatch.com/news/story/namm-kicks-off-national-wanna/story.aspx?guid={D38D4EAD-B305-457E-BB20-82021C4F5979}&dist=msr_2

(Reuters) Love for making music hits high note in recession
http://www.reuters.com/article/lifestyleMolt/idUSTRE53R2B320090428

Inc. Magazine: A Recession High Note
http://www.inc.com/magazine/20090501/a-recession-high-note.html?title=A+Recession+High+Note

Bacon Brothers Kick Off National Wanna Play Music Week on Fox and Friends
http://www.foxnews.com/search-results/m/22217307/wanna-play.htm#q=bacon+brothers

YOKO ONO AND THE JOHN LENNON EDUCATIONAL BUS, AN INTERACTIVE...
http://www.kxmb.com/News/369709.asp

Bacon Brothers UWS School of Rock
http://gothamist.com/2009/05/04/bacon_and_ono.php

NAMM's Sandy Jordan on KUSI talking about National Wanna Play Music Week
video here: http://www.kusi.com/news/goodmorning/44380932.html?video=YHI&t=a
story here: http://www.kusi.com/news/goodmorning/44380932.html

It's six degrees of perspiration for Kevin Bacon as actor jams with LaGuardia High school band
http://www.nydailynews.com/entertainment/2009/05/05/2009-05-05_its_six_degrees_of_perspiration_for_bacon_as_actor_jams_with_laguardia_high_band.html

Check out some of the cool entries to the Wanna Play Film Contest on OurStage
http://www.ourstage.com/video/channel/176-namm-wanna-play

Playing Music Continues to be Highly Important to Americans
http://www.kusi.com/entertainment/3705696.html

More great NAMM Foundation Best Communities for Music Education coverage:

http://www.ohio.com/news/43514107.html
http://blog.cleveland.com/newssun/2009/05/berea_and_olmsted_falls_school.html
http://www.timesdispatch.com/rtd/news/local/education/article/B4-MUSI03_20090502-210406/265382/
http://harfordneighbors.blogspot.com/2009/05/harford-county-named-one-of-best.html
http://amy-winehouse-fashion.com/blog/?p=8596
http://www.affiliateservicesmarketing.com/2009/05/katy-among-best-communities-for-music-education-katy-times.html

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6-8-09 COMP REPORT
NAMM-001030

http://69.59.175.44/~educatio/?p=91
http://www.timesdispatch.com/rtd/news/local/education/article/B4-MUSI03_20090502-210406/265382/
http://blog.cleveland.com/newssun/2009/05/berea_and_olmsted_falls_school.html
http://www.statesmanjournal.com/article/20090506/COMMUNITIES/905060392/1107
http://blog.cleveland.com/suncourier/2009/05/sun_courier_editorial_four_yea.html

We'll be in Washington all next week for the Industry Fly-In; it should be interesting to see the change that has occurred with the new administration. Mary and her team have done a great job organizing everything and the virtual fly-in on Tuesday will be another first for us. Liane Rockley has done a very interesting thing by sending this memo below out to all her music educator and music supporter contacts in her area. I encourage you to do the same. Let's see how many advocates we can get involved!

Letter from Liane to her contact list:

Dear Music Community Friends-

On Monday I will be flying to Wash DC to participate in a music advocacy effort with NAMM, the music products industry group. I will be meeting with Cong Perlmutter, Sen Bennet and Sen Udall to ask for music education to be given funding in the No Child Left Behind revision. You can log in online and particpate in the advocacy training and see what is going on! I have included the links below. We are also asking for as many individuals to call our members of congress on **WEDNESDAY, MAY 13** and let them know how important music education is in Colorado.

Here are the phone numbers for our Colorado representatives:

Senator Mark Udall: 202-224-5941
Senator Michael Bennet: 202-224-5852

US House of Reps:
Diana DeGette - 1st District 202- 225-4431
Jared Polis - 2nd District 202-225-2161
John Salazar - 3rd District 202-225-4761
Betsy Markey - 4th District 202-225-4676
Doug Lamborn - 5th District 202-225-4422
Mike Coffman - 6th District 202-225-4623
Ed Perlmutter - 7th District 202-225-2645

NAMM is hosting its first "Virtual Advocacy Days" event to allow you to participate in the association's annual advocacy efforts on Capitol Hill.

Now more than ever it's important to let your representative know that every child in America deserves to have a complete, well-rounded education that includes music and arts education. NAMM asks the music community for their support and participation.

On Tuesday, May 12th, visit the Virtual Advocacy Days forum to participate in briefing activities from Washington, D.C. The live Web cast starts at 8:45 AM Eastern Daylight Time. http://www.namm.org/news/press-releases/namm-host-first-virtual-advocacy-event-capitol-hil

On Wednesday, May 13th, NAMM representatives will be visiting members of Congress. Go to http://www.namm.org/publicaffairs/action-alerts/support-music-education to contact your Congressional representatives and LET YOUR VOICE TO BE HEARD!

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NAMM-001031

Please forward this invitation to friends, family and anyone who is interested. Local associaton presidents please forward this to your group! For those of you attending the CSMTA State Conference this year, I will be presenting about my trip to DC on Wednesday, June 3rd with pictures and handouts!

Let's make a difference together!

Liane Rockley
Rockley Music Center
(303) 233-4444 x105

Thanks again everyone, we appreciate your continued support and guidance.

Joe

Joe Lamond
President and CEO
NAMM, the International Music Products Association
Email: joel@namm.com
Phone: 760.438.8007 ext. 106
Mobile: 760.801.7942
FAX: 760.438.8639
http://www.namm.com

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believe in music | belong to NAMM

"The information in this e-mail is confidential and may be legally privileged. It is intended solely for the addressee, as indicated by the original author of this e-mail. Access to this e-mail by anyone else is unauthorized. If you are not the intended recipient, any disclosure, copying or distribution is strictly prohibited. If you are not the addressee indicated in this e-mail, please kindly reply to the sender indicating accordingly and delete all copies. Thanks for your cooperation."

WPMW Coverage

BROADCAST

Outlet	Date	Article/Story Focus	Author	Link	Audience
"Weekend Daybreak" WISH-TV (CBS; Indianapolis)	5/3/09	Scott Houston Interview			62,609
"America's Newsroom" (FOX; National)	5/4/09	Bacon Brothers Interview			1,072,358
"Fox and Friends" (FOX; National)	5/4/09	Bacon Brothers Interview		http://www.foxnews.com/search-results/m/22217307/wanna-play.htm#q=bacon+brothers	1,229,874
"Lori And Julia" WFMP-FM (Minneapolis/St. Paul)	5/4/09	Mention of Music Monday/WPMW and Jimmy Kimmel and Bacon Brothers bands			7,200
"Taxi Cab News" (syndicated from NBC, New York)	5/4/09	Footage of the Bacon Brothers playing at the NY event		*(estimated audience reach due to syndication)*	5,400
WABC-TV (ABC; New York)	5/4/09	Footage of the Bacon Brothers playing at the NY event			388,463
WNBC-TV (NBC; New York)	5/4/09	Footage of the Bacon Brothers playing at the NY event			102,082
"Good Morning San Diego" KUSI-TV (IND; San Diego)	5/5/09	Sandra Jordan Interview (first segment)		http://www.kusi.com/news/goodmorning/44380932.html	23,319
"Good Morning San Diego" KUSI-TV (IND; San Diego)	5/5/09	Sandra Jordan Interview (second segment)		http://www.kusi.com/news/goodmorning/44380932.html	23,319
"Eyewitness News" KYW-TV (CBS; Philadelphia)	5/5/09	Footage of the Bacon Brothers playing at the NY event			72,492
"Daily Buzz" (Syndicated, National)	5/6/09	Wanna Play Music? Week		*(estimated audience reach due to syndication)*	2,100,000

PRINT/WIRE

Outlet	Date	Article/Story Focus	Author	Circulation	Impressions
Reuters	4/28/09	Love for Making Music Hits High Note in Recession	Aarthi Sivaraman	*(pick up detailed in another grid -- total impressions included)*	8,936,200
Associated Press	5/4/09	New York Event Photos		http://hosted.ap.org/dynamic/files/photos/3/356dfc08-77bc-4005-87be-47f8ac2f01ff.html?SITE=MIDTN&SECTION=HOME&TEMPLATE=DEFAULT	N/A
USA Today	5/4/09	If You Wanna Play Music, Start Today		2,220,863	5,552,158
Daily News (NY)	5/5/09	It's Six Degrees of Perspiration for Kevin Bacon as Actor Jams with LaGuardia High School Band	Samantha Strong	602,857	1,507,143

INTERNET

Outlet	Date	Article/Story Focus	Author	Link	Unique Users Per Month
Consumer Electronics Net	4/28/09	Posted Gallup Poll Press Release		http://www.consumerelectronicsnet.com/articles/viewarticle.jsp?id=729003	33,800
Earthtimes	4/28/09	Posted Gallup Poll Press Release		http://www.earthtimes.org/articles/show/new-gallup-survey-by-namm,801919.shtml	323,500
KXMB-TV (CBS; Bismarck, ND) Web site	5/1/09	Posted NY Event AP article		http://www.kxmb.com/News/369709.asp	101,100
KXMC-TV (CBS; Minot, ND) Web site	5/1/09	Posted NY Event AP article		http://www.kxmc.com/News/369709.asp	109,100
PR-USA.net	5/1/09	Posted Gallup Poll Press Release		http://pr-usa.net/index.php?option=com_content&task=view&id=204797&Itemid=33	39,700

Trade Jim News Web site	5/1/09	Posted WPMW Launch Press Release		http://tradejim.com/namm-kicks-off-national-wanna-play-music-week-may-4-8-encouraging-people-of-all-ages-to-experience-the-proven-benefits-of-playing-music/	N/A
"Fox and Friends After the Show Show"	5/4/09	Bacon Brothers Interview		http://www.foxnews.com/search-results/m/22217402/after-the-show-show-5-4.htm#q=bacon+brothers	9,400,000
"Fox and Friends"	5/4/09	Bacon Brothers Interview		http://www.foxnews.com/search-results/m/22217307/wanna-play.htm#q=bacon+brothers	9,400,000
Creative Mac Web site	5/4/09	Posted WPMW Launch Press Release		http://creativemac.digitalmedianet.com/articles/viewarticle.jsp?id=734681	15,800
Gothamist Web site	5/4/09	Bacon Brothers UWS School of Rock	Jason Andra	http://gothamist.com/2009/05/04/bacon_and_ono.php	361,500
Learning to Play Piano Blog site	5/4/09	Posted WPMW Launch Press Release		http://www.pianolessonsbyvideo.com/wordpress/?p=3492	11,600
Market Watch Web site	5/4/09	Posted WPMW Launch Press Release		http://www.marketwatch.com/news/story/namm-kicks-off-national-wanna/story.aspx?guid=%7BD38D4EAD-B305-457E-BB20-82021C4F5979%7D&dist=msr_2	1,900,000
PR-Inside Web site	5/4/09	Posted WPMW Launch Press Release		http://www.pr-inside.com/namm-kicks-off-national-wanna-play-r1226657.htm	276,900
SYS-CON Media Web site	5/4/09	Posted WPMW Launch Press Release		http://au.sys-con.com/node/946432	N/A
Ulitzer Web site	5/4/09	Posted WPMW Launch Press Release		http://facebook.ulitzer.com/node/946432	N/A
"Good Morning San Diego" KUSI-TV (IND; San Diego)	5/5/09	Sandra Jordan Interview		http://www.kusi.com/news/goodmorning/44380932.html	61,700
Cinema Blend Web site	5/5/09	Kevin Bacon Rocks Out with School Band		http://www.cinemablend.com/celebrity/Kevin-Bacon-Rocks-Out-With-School-Band-17328.html	803,100
Contact Music Web site	5/5/09	Kevin Bacon - Bacon Rocks Out with School Band		http://www.contactmusic.com/news.nsf/article/bacon%20rocks%20out%20with%20school%20band_1102525	904,300
NAB365 News Web site	5/5/09	Posted WPMW Launch Press Release		http://nab365.bdmetrics.com/NewsHeadLines.aspx	2,400
New York Daily News Web site	5/5/09	It's Six Degrees of Perspiration for Kevin Bacon as Actor Jams with LaGuardia High School Band	Samantha Strong	http://www.nydailynews.com/entertainment/2009/05/05/2009-05-05_its_six_degrees_of_perspiration_for_bacon_as_actor_jams_with_laguardia_high_band.html	5,000,000
UK Express Web site	5/5/09	Bacon Rocks Out with School Band		http://www.express.co.uk/posts/view/99096/Bacon-rocks-out-with-school-band	30,300
WENN Blog site	5/5/09	Bacon Goes Back to School	Sarah Bunting	http://www.wenn.com/archives/6163	15,900
Imagine Peace Web site	5/6/09	Wanna Play Music? LaGuardia students, Yoko & Bacon Bros on Lennon Bus		http://imaginepeace.com/news/archives/6763	5,800
				TOTAL:	49,879,116

Tentative timeline from the House on moving health reform legislation

Week of June 15 – Draft bill language is released. This bill will be referred to three committees- Energy and Commerce, Ed and Labor, and Ways and Means.

Week of June 22 – Hearings in the 3 committees (possibly at subcommittee level).

Week of June 29 – Recess.

Week of July 6 -- Hearings in the 3 committees at full committee level.

Week of July 13 – Markup in 3 committees.

Week of July 27 – House floor consideration.

Thanks!

Michelle N. Dimarob
NFIB -- Manager, Legislative Affairs (House)
michelle.dimarob@NFIB.org
Office: 202.314.2091
Cell: 703.407.5599
www.NFIB.org
Solutions Start Here...because when healthcare is fixed for small business, it's fixed for America...learn more at
www.fixedforamerica.com

This is an email media report that Scott sends out daily with items from the news that might be of interest. If you would like to be included on the distribution list please send me an email. JL

CFB-ISD recognized for its music education for third year (another NAMM Foundation Best Communities hit)
http://carrolltonblog.dallasnews.com/archives/2009/06/cfb-isd-recognized-for-its-mus.html

Summer camp for adults? -- Helen Smith talks about her experiences at adult summer camp for the past 10 years. (thanks, Joe)
http://www.cnn.com/video/?/video/living/2009/05/29/dcl.smith.adult.summer.camp.cnn

Marching in the band as tough as playing sports
http://www.reuters.com/article/healthNews/idUSTRE5514O420090602

Music a 'mega-vitamin' for the brain
http://edition.cnn.com/2009/HEALTH/06/02/music.therapy/?imw=Y&iref=mpstoryemail

Stolen band instruments returned in Sacramento
http://www.nrtoday.com/article/20090603/NEWS/906039963/1063/NEWS&ParentProfile=1055

School Budget Battles
http://www.ebpublishing.com/*ws4d-db-query-Show.ws4d?*ws4d-db-query-Show***FDC-DC-080081087085089080-1364***-Database***-***sltimes(directory)***.ws4d?sltimes/column(R).html

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001038

Callers pledge thousands to fund high school arts, sports
http://www.mercurynews.com/centralcoast/ci_12507443?nclick_check=1

District budget saves many school programs (more on the SD unified school district situation)
http://www3.signonsandiego.com/stories/2009/jun/03/1m3cuts013123-district-budget-saves-many-school-pr/?education&zIndex=110084

11-year-old rocker plays on TODAY show as part of their "Wonder Kids" segments (thanks, Candace)
http://www.msnbc.msn.com/id/21134540/vp/31063443#31063443

Omagh choir to take on 'The Boss'
http://news.bbc.co.uk/1/hi/northern_ireland/8072155.stm

'U Rock 2' on Disney.com Invites Fans to Channel Their Inner Music Video Rock Star
http://www.businesswire.com/portal/site/home/email/headlines/?ndmViewId=news_view&newsLang=en&div=2005163351&newsId=20090602006518

Wanted: volunteers for musical instrument petting zoo during Make Music New York
http://themusicslut.com/2009/06/a-few-good-musicians/

SERVING SECONDS -- Chain specializing in selling used items thrives during economic downturn
http://www.lvbusinesspress.com/articles/2009/06/03/news/iq_29003741.txt

Pinched by economy, rappers tone down the 'bling' (thanks, Joy)
http://blogs.moneycentral.msn.com/topstocks/archive/2009/06/03/pinched-by-the-economy-some-rappers-are-toning-down-the-bling.aspx?GT1=33009

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6-8-09 COMP REPORT
NAMM-001039

Board meeting review
- Schedules, timelines
- Major issues, motions
- Panel discussions
- Budget review

Summer NAMM Update

Staff Updates

Industry News

New Business

Adjourn

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001052

EXECUTIVE COMMITTEE INTERNATIONAL MEETING

Tuesday, April 28, 2009
12:00 PM to 5:00 PM
The Breakers Hotel
Gulfstream Two Room

[lunch will be served]

AGENDA

1. Update of International Activities
2. Opportunities for Future
3. Adjourn

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6-8-09 COMP REPORT
NAMM-001053

EXECUTIVE COMMITTEE MEETING

Wednesday, April 29, 2009
9:00 AM to 12:45 PM
The Breakers Hotel
Gulfstream Two Mtg Room

[Continental breakfast served at 8:45 AM; lunch will be served at 11:45 AM]

AGENDA

1. ExCom Candidates
2. Review Financials
3. Goals 2009 Update
4. Dashboard Ideas and Discussion
5. Recap of International Thoughts
6. Board Communication Ideas
7. Staff Update
8. Industry News
9. New Business
10. Adjourn

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001077

Whistleblower Policy

This Whistleblower Policy of NAMM and the NAMM Foundation: (1) encourages staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of NAMM and the NAMM Foundation (2) specifies that NAMM and the NAMM Foundation will protect the person from retaliation; and (3) identifies where such information can be reported.

1. **Encouragement of reporting.** NAMM and the NAMM Foundation encourages complaints, reports or inquiries about illegal practices or serious violations of NAMM's and the NAMM Foundation's policies, including illegal or improper conduct by NAMM or the NAMM Foundation itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, harassment violations or other similar illegal or improper practices or policies.

2. **Protection from retaliation.** NAMM and the NAMM Foundation prohibits retaliation by or on behalf of the Organization against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. NAMM and the NAMM Foundation reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

3. **Where to report.** Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. They should be directed to the NAMM's and the NAMM Foundation's chief employed executive or Chairman of the Board of Directors; if both of those persons are implicated in the complaint, report or inquiry, it should be directed to NAMM's and the NAMM Foundation's director of administration. NAMM and the NAMM Foundation will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that NAMM and the NAMM Foundation may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.

NAMM ANTITRUST POLICY STATEMENT

THIS POLICY IS APPLICABLE TO ALL NAMM EVENTS AND ACTIVITIES

This Antitrust Policy Statement ("Policy") is applicable to all NAMM, the International Music Products Association ("Association"), events, activities and programs. It is required to be read and followed by all Members of the Association, the Association Staff, Association Agents, Board, Chairs and Members of all NAMM Committees, Councils and Divisions and all participants in NAMM-sponsored activities.

NAMM is committed to adhering to the antitrust laws and all of NAMM's activities must be conducted strictly in accordance with U.S. federal and state antitrust laws (including NAMM's obligations under the Federal Trade Commission's Decision and Order in *In re National Assoc. of Music Merchants, Inc.*, Docket No. C-4255, available at http://www.ftc.gov/os/caselist/0010203/index.shtm (hereinafter "FTC Order")) and foreign antitrust laws. This Antitrust Policy will familiarize you with the basics of antitrust law, but it is not a complete or definitive statement. Any specific questions related to antitrust compliance not addressed in this Policy should be forwarded to NAMM's counsel or to your company's legal counsel.

NAMM's Antitrust Counsel and Compliance Officer:

Paul C. Cuomo, Esq.
Howrey LLP
(202) 383-6547
cuomop@howrey.com

OVERVIEW OF THE ANTITRUST LAWS

Antitrust laws are intended to promote and protect competition, which benefits consumers. Competition leads to lower prices, higher quality, and increased output of goods and services. Associations like NAMM can promote competition by engaging in a variety of activities, including standard-setting, educating the public, conveying information to the government, and collecting and disseminating certain information about the industries in which they operate. On the other hand, associations like NAMM often bring competitors together in person and through information sharing, and the antitrust laws are always suspicious that competitors might agree to engage in behavior that hurts consumers. For that reason, NAMM has developed this Policy to help ensure that its activities are conducted consistently with the antitrust laws.

The United States, the individual states and many foreign countries have antitrust laws. The main antitrust laws at the federal level are the Sherman Act, the Clayton Act, the Robinson-Patman Act, and the Federal Trade Commission Act. The Department of Justice prosecutes some violations of the Sherman Act criminally. Criminal antitrust violations are felonies, and an individual is subject to as much as ten years in prison and a $1 million fine per violation. Almost all of the individual states have their own antitrust laws. More than 100 countries have their own antitrust laws (often referred to as "competition laws"). In addition, the European Union has its

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own antitrust laws and enforces them vigorously. Almost everywhere that people make music, there's an antitrust law governing business conduct.

IMPROPER ACTIVITIES AND PROGRAMS

Before covering particular circumstances and conduct that raises concerns under the antitrust laws, it is useful to set out a few very basic concepts.

Some conduct is considered unlawful under the antitrust laws of most countries regardless of (a) the reasons why it is undertaken, (b) the revenues or assets of the parties involved in the conduct or (c) the justifications that can otherwise be made for the conduct. Examples of such "per se" or "hard core" unlawful activities include: (1) price fixing with competitors, (2) bid rigging, (3) allocating customers or markets and (4) certain group boycotts of customers. These "per se" violations are illegal ***regardless of the circumstances.***

(1) Agreements on Prices or Output (Price or Output Fixing)

Agreements among competitors on price or output are per se unlawful, meaning that the agreements cannot be defended or justified. The agreement itself is illegal, even if it has no effect on price or output. "Price" is interpreted very broadly and includes:

- wholesale, retail and suggested prices for goods and services (including salaries, benefits and wages for employees or independent contractors)
- price ranges
- pricing formulas
- discount, rebate, warranty and credit terms
- minimum advertised prices ("MAP")
- reference prices (e.g., using one price as a take-off point for other prices)
- price increases or decreases
- margins

Antitrust violations can be based on circumstantial evidence and thus evidence of an explicit agreement is not needed. Therefore, comments that "signal" to competitors on these issues or that could otherwise result in exchanges of competitively sensitive information also must be avoided. For example:

- "If we don't come to our senses and rationalize prices, we're going to destroy the industry."
- "We're going to put each other out of business if we keep producing at this rate."
- "I don't care what others do, but we're raising prices next week."

Agreements among competitors on output or production are also per se unlawful. "Output" includes factors like:

- actual or proposed production or changes in production
- down-time at manufacturing facilities
- hours of operation (e.g., agreements to close on Sundays)

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(2) Agreements to Allocate Customers or Territories

Agreements among competitors to allocate, divide or assign customers, territories, products or services are also per se illegal. Agreements between a manufacturer and a dealer to limit that dealer to certain customers or a defined territory are treated differently under the antitrust laws; however, dealers cannot agree on allocations among themselves and have the manufacturer adopt them.

(3) Boycotts and Refusals to Deal

Agreements among competitors to boycott certain suppliers, customers or competitors are per se unlawful in some circumstances. In the trade association context, restrictions on membership and participation in shows or exhibitions, disciplinary proceedings and standard-setting activities generate most boycott issues. In particular, NAMM members should not engage in any discussion about whether to refuse to do business with any other entity or whether to limit or terminate any existing relationship.

(4) Information Exchange

The exchange of competitively sensitive information among competitors can lead to price fixing and other antitrust violations. NAMM members should not discuss any competitively sensitive information, including:

- individual company actual, suggested or proposed wholesale or retail prices; proposed price changes; discounts; warranty policies; credit terms; mark-ups; margins; costs; minimum advertised prices; price ranges; pricing formulas; and allowances
- actual production levels; plans to increase or decrease production
- costs for goods purchased for resale
- wages, salaries and benefits for employees and independent contractors

With appropriate safeguards, trade associations may collect some competitively sensitive business information from their members and provide members with data compilations and survey results. These safeguards may include the use of a third party vendor to collect and process the submissions, limiting access to the raw data, masking the identities of the submitters (even from association personnel) and aggregating data so that the identity of the submitters is not disclosed and cannot be inferred. Under no circumstances can an association ever provide one member with another's competitively sensitive business information.

CONDUCT OF ASSOCIATION BUSINESS

All officers, directors, employees and agents of NAMM will receive a copy of this Policy and acknowledge in writing (electronic acknowledgement is acceptable) that he or she has read and understands the Policy. A copy of this Policy will also be available to all NAMM members (and the general public) on NAMM's website and it will be printed in NAMM trade show directories.

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A copy of this Policy will also be provided to all speakers and presenters at any conference or meeting sponsored by or affiliated with NAMM; presentations on commercial topics must be made available in advance for review by NAMM's legal counsel. Notices and agendas of NAMM meetings shall be prepared and distributed in advance. Agendas should not include any subjects which are identified as improper for consideration or discussion under this Policy and should conform to rules established or approved by NAMM's legal counsel. At NAMM's direction, minutes of certain NAMM meetings will be prepared and certain NAMM events will be recorded (by audio and/or video).

Discussion that appears to be leading to a violation of this Policy should be discontinued until legal counsel determines whether any limitations and/or safeguards should be implemented. In addition, if any questions arise regarding the legality of any discussions or other activity, you should consult with counsel *before acting*.

COMPLIANCE WITH FTC ORDER

In addition to the obligation to follow and comply with the antitrust laws, NAMM also has specific obligations under the FTC Order. The obligations under the FTC Order apply to all officers, directors, representatives, committees, subcommittees, boards, divisions, employees and agents of NAMM. Participants at NAMM shows and events must also be aware of and comply with the terms of the FTC Order.

The FTC Order requires that NAMM refrain from certain activities including:

- Urging, encouraging, advocating, suggesting, coordinating, participating in, or facilitating in any matter the exchange of information between or among musical product manufacturers or musical product dealers relating to: (1) the retail price of musical products; or (2) any term, condition or requirement upon which any musical product manufacturer or musical product dealer deals, or is willing to deal, with any other musical product manufacturer or musical product dealer, including, but not limited to, price terms, margins, profits, or pricing policies, including but not limited to minimum advertised price policies or resale price maintenance policies.

- Entering into, adhering to, enforcing, urging, encouraging, advocating, suggesting, assisting or otherwise facilitating any musical product manufacturer or musical product dealer to enter into, adhere to or enforce any combination, conspiracy, agreement or understanding between or among any musical product manufacturers or musical product dealers relating to: (1) the retail price of any musical product; (2) any term, condition or requirement upon which any musical product manufacturer or musical product dealer deals, or is willing to deal, with any other musical product manufacturer or musical product dealer, including, but not limited to, price terms, margins, profits, or pricing policies, including but not limited to minimum advertised price policies or resale price maintenance policies; or (3) the refusal to do business, or the reduction of business, with particular musical product manufacturers or musical product dealers.

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NAMM also must implement certain policies and practices regarding its activities and events, including having antitrust counsel present at and reciting an antitrust statement before certain NAMM events. Finally, all scheduled speakers at NAMM events must certify in writing that they received antitrust guidance and agree to abide by NAMM's antitrust policies and obligations.

ANTITRUST COMPLIANCE REPORTING PROCEDURES AND DISCIPLINARY POLICY

NAMM is committed to adhering to the antitrust laws and its obligations under the FTC Order. The purpose of this section of the Antitrust Policy is to implement procedures for reporting potential violations and disciplining individuals that fail to comply with NAMM's Antitrust Policy, its obligations under the FTC Order and/or with the antitrust laws generally.

At the outset it should be noted that these reporting procedures only apply to conduct as it relates to NAMM's events and activities and/or NAMM's obligations under the FTC Order. To the extent information relates to individual companies or the industry generally, that information should be reported to your individual company counsel in the first instance.

INTERNAL REPORTING PROCESS

NAMM encourages prompt reporting of any incidents involving potential violations of NAMM's Antitrust Policy, the FTC Order and/or the antitrust laws generally so that corrective action may be taken. Any potential violations (including by any NAMM member, member of NAMM's Board of Directors, NAMM employee or NAMM agent) should be reported immediately by telephone to NAMM's Antitrust Counsel and Compliance Officer, Paul C. Cuomo, Esq. of Howrey, LLP, at (202) 383-6547, who is responsible for investigating these complaints.

It cannot be emphasized strongly enough that ALL COMPLAINTS OR INCIDENTS OF POTENTIAL VIOLATIONS OF NAMM'S ANTITRUST POLICY, THE FTC ORDER OR THE ANTITRUST LAWS GENERALLY MUST BE PROMPTLY REPORTED. NAMM cannot resolve a potential violation unless it knows about it. Moreover, in certain circumstances NAMM may avoid punishment under the antitrust laws if it promptly notifies the government of a suspected violation. Prompt notification could be the difference between no liability and paying significant fines and other criminal sanctions. Therefore, it is the responsibility of any NAMM member, member of NAMM's Board of Directors, NAMM employee or agent of NAMM who has information that gives rise to a belief of potential violations to bring the information to the attention of NAMM's Antitrust Counsel as promptly as possible.

Every reported potential violation will be investigated thoroughly and promptly. Depending on the facts and circumstances, the investigation may include the following steps: an interview of the person who reported the alleged violation to obtain complete details regarding the alleged violation; interviews of anyone who is alleged to have committed the acts of alleged

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violation to respond to the claims; and interviews of any employees who may have witnessed, or who may have knowledge of, the alleged violation. The investigation will be handled in as confidential a manner as possible consistent with a full, fair and proper investigation and subject to any applicable legal requirements.

NON-RETALIATION

NAMM takes all reports of potential antitrust issues seriously and will not penalize or retaliate against anyone in any way for providing information to NAMM's Antitrust Counsel. NAMM will not tolerate retaliation against anyone for reporting a potential violation of NAMM's Antitrust Policy, the FTC Order and the antitrust laws generally, or any other unlawful conduct, or for cooperating in an investigation. Any incidents of retaliation should be reported immediately to NAMM's Antitrust Counsel.

CORRECTIVE ACTION

NAMM does not consider conduct in violation of NAMM's Antitrust Policy to be within the course and scope of employment and does not sanction such conduct.

If, as a result of the investigation, NAMM concludes that a violation of NAMM's Antitrust Policy, the FTC Order, the antitrust laws generally or retaliation occurred in violation of this Policy, NAMM will take prompt and effective remedial action, including appropriate corrective action against the person or people involved in the violation and the retaliating party. The corrective action will depend on the particular facts and circumstances. Corrective action may include, for example: training, disciplinary action ranging from verbal or written warnings to termination of employment or membership, depending on the circumstances. The treatment of employees involved in questionable conduct will be decided on a case-by-case basis, depending on the degree of the involvement. "Self reporting" may weigh in an employee's favor depending on the actual facts and circumstances. If a member of NAMM's Board of Directors, a NAMM employee or an agent of NAMM engages in conduct in violation of the antitrust laws or NAMM's obligations under the FTC Order and is convicted or found civilly liable for such conduct and all appeals have run, that person shall be terminated or discharged, provided that such termination or discharge does not violate any applicable U.S. laws. With regard to violations by members, visitors, customers, vendors, suppliers or independent contractors, appropriate corrective action will be taken after consultation with the pertinent management personnel, and may include revocation of membership, denial of access to NAMM premises or personnel or termination of their business relationship with NAMM.

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RECEIPT OF ANTITRUST POLICY STATEMENT

I have received and read a copy of NAMM's Antitrust Policy Statement in its entirety, and agree to abide by this Policy and the procedures contained therein.

If I have any questions regarding the content or interpretation of NAMM's Antitrust Policy Statement, the FTC Order or the antitrust laws generally, I will immediately bring them to the attention of NAMM's Antitrust Counsel. I acknowledge that I fully understand the Policy and that it is my responsibility to review the Policy for revisions on a regular basis and abide by those revisions.

Name: _____ Date: _____

Signature: _____

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Summer 09 NAMM®

Executive Committee
Summer NAMM 2009
Schedule of Events

Wednesday, July 15

Noon – 5:00 pm	Executive Committee Meeting Renaissance Hotel Chip's Suite #2506
5:30 – 6:30 pm	NAMM All Staff Meeting *(CEO & Chairman only)* Nashville Convention Center NAMM Idea Center
6:30 pm (tbd)	ExCom Dinner ??? Restaurant

Thursday, July 16

7:00 – 8:00 am	Nominating Committee Renaissance Hotel Rhythm & Blues Room, Level Four
8:00 – 9:00 am	Board of Directors Breakfast Renaissance Hotel Grand Ballroom - West, Lobby Level
9:00 – 10:10 am	Board of Director's Meeting Renaissance Hotel Grand Ballroom – East & Center, Lobby Level
10:10 – 11:15 am	Board of Director's Committee Meeting Renaissance Hotel Grand Ballroom - West, Lobby Level
11:15 am – Noon	Board of Director's Meeting Renaissance Hotel Grand Ballroom – East & Center, Lobby Level
Noon – 1:00 pm	Board of Director's Lunch Renaissance Hotel Grand Ballroom - West, Lobby Level

Summer 09 NAMM®

Executive Committee
Summer NAMM 2009
Schedule of Events

Thursday, July 16 (continued)

5:30 – 7:00 pm	Chairman's Networking Reception Renaissance Hotel Grand Ballroom – East & Center, Lobby Level
7:00 – 10:00 pm	The Hang – NAMM's Pre-Show Party Grand Ballroom, Lobby Level

Friday, July 17

8:00 – 8:30 am	NAMM University Breakfast Renaissance Hotel Grand Ballroom - West, Lobby Level
8:30 – 9:30 am	NAMM University State of the Industry Address Renaissance Hotel Grand Ballroom - East & Center, Lobby Level
10:00 am – 6:00 pm	NAMM Show Hours Nashville Convention Center

Saturday, July 18

8:00 – 8:30 am	NAMM University Breakfast Renaissance Hotel Grand Ballroom - West, Lobby Level
8:30 – 9:30 am	NAMM University Session Renaissance Hotel Grand Ballroom - East & Center, Lobby Level
10:00 am – 6:00 pm	NAMM Show Hours Nashville Convention Center

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Summer 09 NAMM®

Executive Committee
Summer NAMM 2009
Schedule of Events

Sunday, July 19

8:00 – 8:30 am	NAMM University Breakfast Renaissance Hotel Grand Ballroom - West, Lobby Level
8:30 – 9:30 am	NAMM University Best in Show Renaissance Hotel Grand Ballroom - East & Center, Lobby Level
10:00 am – 4:00 pm	NAMM Show Hours Nashville Convention Center

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EXHIBIT F

NAMM Board of Directors

Name	Address	Email	Phone	Date Provided FTC Materials	Date Signed for Receipt of FTC Materials
Michael Kirman NAYMM President	Steve's Music Store 51 St-Antoine Street West Montreal, QC H2Z 1G9	mikek@stevesmusic.com	514-878-2216	04/23/09	04/24/09
Rosi Johnson	President Mississippi Music, Inc. 222 Main Street Hattiesburg, MS 39401	rosij@missmusic.com	601-544-5821	05/01/09	05/01/09
Brock Kaericher	President Remo, Inc. 28101 Industry Drive Valencia, CA 91355	bkaericher@remo.com	661-294-5677	05/01/09	04/30/09[1]
Joel Menchey	President Menchey Music Service, Inc. 80 Wetzel Drive Hanover, PA 17331	jmenchey@menchey.com	717-637-2185	05/01/09	05/02/09
Qian Ni	President Eastman Strings, Inc. 22525 Gateway Center Drive Clarksburg, MD 20871	qni@eastmanstrings.com	240-686-2050	05/01/09	04/30/09[1]

[1] Please note that it appears that this person made a mistake when dating the receipt form.

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Name	Address	Email	Phone	Date Provided FTC Materials	Date Signed for Receipt of FTC Materials
Barbara Paulsen	President/CFO Spoiled by Technology, Inc. 8S341 Indiana Avenue Naperville, IL 60540	barb@sbtreps.com	630-357-7742	05/01/09	05/01/09
John Paulson	MakeMusic, Inc. 7615 Golden Triangle Drive Suite M Eden Prairie, MN 55344	jpaulson@makemusic.com	952-937-9611	05/01/09	05/01/09
George Quinlan, Jr.	President Quinlan & Fabish Music Co. 166 Shore Drive Burr Ridge, IL 60527	gqjr@qandf.com	630-654-4111	05/01/09	05/01/09
Alan Rosen	President/CEO Bananas at Large 1504 4th Street San Rafael, CA 94901	alan.rosen@bananasmusic.com	415-457-7600 ext. 101	05/01/09	05/01/09
Jon Harris	President Harris/Teller, Inc. 7400 S. Mason Avenue Chicago, IL 60638	jharris@harristeller.com	708-496-2100	05/01/09	05/01/09
Neil Lilien	51 Boland Drive West Orange, NJ 07052	nrlilien@gmail.com	973-467-3220	05/01/09	05/08/09
Lee Paynter	COO J.W. Pepper & Sons, Inc.	lpaynter@jwpepper.com	610-648-0500	05/01/09	05/02/09

Name	Address	Email	Phone	Date Provided FTC Materials	Date Signed for Receipt of FTC Materials
	2480 Industrial Blvd. Paoli, PA 19301				
Liane Rockley	VP/Owner Rockley Music Co., Inc. 8555 W. Colfax Avenue Lakewood, CO 80215	lprockley@aol.com	303-233-4444	05/01/09	05/02/09
John Tarpley	Tarpley Music Co., Inc. P.O. Box 8150 Amarillo, TX 79114	john@tarpleymusic.com	806-355-0795	05/01/09	05/02/09
Joe Vasko	VP/GM Mapex USA, Inc. P.O. Box 1360 LaVergne, TN 37086	jvasko@mapexdrums.com	615-793-2050	05/01/09	05/01/09
Robin Walenta	President/CEO West Music Co., Inc. 1212 Fifth Street Coralville, IA 52241	rwalenta@westmusic.com	319-351-2000	05/01/09	05/01/09
Robert Wilson	Chairman Sound Technology Plc. Letchworth Point Lechtworth Garden City Hertfordshire SG6 1ND United Kingdom	r.wilson@soundtech.co.uk	44-1462-480000	05/01/09	05/02/09
Dick Boak	Director; Artist & P.R., C.F. Martin Archives C.F. Martin & Co., Inc. 510 Sycamore Street	dboak@martinguitar.com	610-759-2837 ext. 2295	05/01/09	04/31/09[1]

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Name	Address	Email	Phone	Date Provided FTC Materials	Date Signed for Receipt of FTC Materials
	P.O. Box 329 Nazareth, PA 18064				
Jeff Falgien	VP/Partner Keyboard Concepts, Inc. 5600 Van Nuys Blvd. Van Nuys, CA 91401	jeff.falgien@keyboardconcepts.com	818-787-0201	05/01/09	05/01/09
Gary Forkum	Owner Fork's Drum Closet 2701 12th Avenue S Nashville, TN 37204	gary@forksdrumcloset.com	615-383-8343	05/01/09	05/01/09
Kurt Listug	Co-Founder/CEO Taylor-Listug, Inc. 1980 Gillespie Way El Cajon, CA 92020	kurt.listug@taylorguitars.com	629-258-1207	05/01/09	05/01/09
Phil Rich	VP of Merchandise Guitars & Amplifiers Guitar Center, Inc. P.O. Box 5111 Thousand Oaks, CA 91359	prich@guitarcenter.com	818-735-8800 ext. 2714	05/01/09	05/01/09
Ray Van Straten	Dir., Entertainer Solutions QSC Audio Products, LLC 1675 MacArthur Blvd. Costa Mesa, CA 92626	ray_vanstraten@qscaudio.com	714-754-6175	05/01/09	05/01/09
Christopher White	President White House Music, Inc. 2101 N Springdale Road Waukesha, WI 53186	chris@whitehouseofmusic.cum	262-798-9700	05/01/09	05/02/09

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Name	Address	Email	Phone	Date Provided FTC Materials	Date Signed for Receipt of FTC Materials
Rick Young	Sr. VP Yamaha Corp of America 6600 Orangethorpe Avenue Buena Park, CA 90620	ryoung@yamaha.com	714-522-9109	05/01/09	05/01/09

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Name	Address	Email	Phone	Date Provided FTC Materials	Date Signed for Receipt of FTC Materials
	Bluemound Road Milwaukee, WI 58213				
Joe Lamond President/CEO	President/CEO NAMM 5790 Armada Drive Carlsbad, CA 92008	joel@namm.org	760-438-8007 ext. 106		

Garvin, Samantha

From: Pat Martin [PatM@namm.org]
Sent: Wednesday, April 15, 2009 7:39 PM
To: Cuomo, Paul; Garvin, Samantha
Subject: FW: [BULK] PLAYback Digital: Summer NAMM News, Wanna Play Music Week, NAMM Virtual Advocacy Day
Importance: Low

From: NAMM [mailto:info@namm.org]
Sent: Wednesday, April 15, 2009 4:25 PM
To: Pat Martin
Subject: [BULK] PLAYback Digital: Summer NAMM News, Wanna Play Music Week, NAMM Virtual Advocacy Day
Importance: Low

PLAYback Digital Newsletter for Retail Members

APRIL 15, 2009

2009 SUMMER NAMM: MUSIC, MEETINGS AND MOMENTUM!

Your Mid-Year Opportunity to Gain Momentum for the Fall and Holiday Selling Season, July 17-19

Summer NAMM

Remember the old saying, "When times get tough, the tough get going"? Easily said, but figuring out the right path for your business during a recession can be a challenge. And while there are many opportunities available today to market or grow your company, business owners are often hesitant to act given the current economic climate. However, many financial experts believe that instead of putting the brakes on your business efforts, now is the time to step on the gas by increasing your visibility, knowledge and marketing. When things improve, you'll come out ahead.

Summer NAMM is your opportunity to focus on the health of your business—now and in the future. You can check out new gear, set your store up for the fall selling season and spend quality time with your suppliers. And of the 300+ companies exhibiting at this year's show, a third are brand new! That's means there will be lots of exciting new products there for you to update your inventory for the holidays and gain the competitive advantage in your market.
With up-to-date NAMM U Breakfast Session topics like "Your Retail Stimulus Plan—Jump-Start Your Sales No Matter What's Happening in the Economy," we hope you'll make the decision to join us for this important gathering.

Housing and registration are now open for active NAMM Members. You can use the personalized housing link to make hotel reservations on the Nashville Housing Bureau Web site, or contact NAMM at **800-767-6266** or info@namm.org if you have any questions. Be sure to register for your badges—they're free until June 12.

Start planning now so you can take advantage of all the upcoming marketing opportunities!

MAKE THE MOST OF WANNA PLAY MUSIC WEEK

Tie Your Business In with This Exciting Celebration of Music Making, Take Advantage of the New Lesson Locator and More

Wanna Play?

NAMM's National Wanna Play Music Week (May 4-8, 2009) is about creating more music makers through a series of high-profile public relations events, activities, promotions and subsequent media coverage. Now you can stay current on everything that's happening—as it happens—by joining the Wanna Play Music Week group on Facebook.

Check Out All the Cool Wanna Play Music Week Events and Activities...

>Full Story

NAMM TO HOST FIRST VIRTUAL ADVOCACY EVENT FROM CAPITOL HILL

Live Web Cast from Washington, D.C., on May 12 Created to Help All Members Stay Up-to-Date and Support Music Education in U.S. Schools
NAMM will host the organization's first 'Virtual Advocacy Day' on May 12, allowing more U.S. NAMM Members to participate in the association's annual advocacy efforts on Capitol Hill. A listing of topics and speakers has just been released, including

>Full Story

FTC APPROVES FINAL CONSENT ORDER WITH NAMM

Following a public comment period, on April 8, 2009, the FTC voted 4-0 to approve a final consent order with NAMM.

>Learn More

NAMM PRESENTS AN OPPORTUNITY TO CONNECT YOUR STORE WITH THE POWERFUL YANNI: VOICES TOUR

NAMM and Disney's Pearl Series Give NAMM Members a Great Retail Opportunity
NAMM and Disney's Pearl Series recently partnered to present an exciting promotional opportunity for NAMM Member Retailers, featuring world-renowned pianist, Yanni...

>Full Story

DCI OPT-IN PROGRAM CONNECTS RETAILERS WITH LOCAL FANS

Free Event Tickets, Marketing Materials and Community Outreach Packs Help Promote Your Store and the Fun of Making Music

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This summer, more than 365,000 Drum Corps International (DCI) fans of every age and demographic will attend 100+ action-packed events across the United States. To help NAMM retailers like you take advantage of this momentum...

>Learn More

April 27
Pre-Show Party
Performance Request Due

June 12
Last Day For Free Badges

July 17–19
2009 Summer NAMM
Nashville, TN

January 14–17
2010 NAMM SHOW
Anaheim, CA

CALL FOR PLAY*back* STORIES
What things are you doing in your business to stay viable and defy the current economic downturn? If you have a success story to tell or strategies that are working for you, please share them with us and you may be included in the next edition of *PLAYback* magazine.

NAMM MEDIA REPORT
Music making is being featured in the media now, more than ever before—whether it's online, in a local newspaper, a national advertisement or the nightly news.

VIDEO CLIPS ABOUT MUSIC MAKING

A variety of video clips highlighting music making, including some great *Wanna Play?* stories featuring NAMM Members

Username: namm
Password: namm0895

ARTICLES ABOUT MUSIC MAKING

We're Jammin'? Workers Tune Out Stress with Music

The Who "Won't Get Fooled Again" Drum Cover by 4 Yr. Old

Call for More to Play 'Endangered' Instruments

Why We Are Shutting Children Out of Classical Music

Warren Buffet Teaches Girls How to Play the Ukulele

Michelle Obama Gives French First Lady a Musical Gift

INDUSTRY EVENT CALENDAR

APRIL
29–5/2
RPMDA 2009 Convention
Salt Lake City, Utah

JUNE
4–6
PALM India
Mumbai, India

JULY
17–19
2009 Summer NAMM
Nashville, Tennessee

AUGUST
20–22
PALMM
Manila, Philippines

23–24
MIAC 2009 & PAL Show
Toronto, Canada

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News

Press Releases
PLAYback Magazine
Cost of Doing Business
NAMM in the Media

Photo Galleries

The NAMM Show 2009
Summer NAMM 2008
The NAMM Show 2008
Summer NAMM 2007
The NAMM Show 2007
The NAMM Show 2006
Wanna Play Music

Check out the new NAMM corporate video

FTC Approves Final Consent Order with NAMM

| April 8, 2009

Following a public comment period, on April 14, 2009, the FTC voted 4-0 to approve a final consent order with NAMM.

To learn more, please download the attached documents or visit www.ftc.gov.

0010203
UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:
Jon Leibowitz, Chairman
Pamela Jones Harbour
William E. Kovacic
J. Thomas Rosch

Docket No. C
In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41 *et seq.*, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that the National Association of Music Merchants, Inc. has violated Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and it appearing to the Federal Trade Commission ("Commission") that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges as follows:

1. Respondent National Association of Music Merchants, Inc. ("NAMM" or "Respondent") is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, California 92008.
2. NAMM is a trade association composed of more than 9000 members that include manufacturers, distributors, and dealers of musical instruments and related products. Most U.S. manufacturers, distributors, and dealers of musical instruments are members of NAMM. NAMM serves the economic interests of its members by, *inter alia*, promoting consumer demand for musical instruments, lobbying the government, offering seminars, and organizing trade shows. In the United States, NAMM sponsors two major trade shows each year, where manufacturers introduce new products and meet with dealers. In addition, NAMM's trade shows provide competitors an opportunity to meet and discuss issues of concern to the industry.
3. The acts and practices of NAMM, including the acts and practices alleged herein, are in commerce or affect commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.
4. An ongoing subject of concern in the musical instruments industry has been the increased retail price competition for musical instruments. Commencing in 1999, and continuing thereafter, numerous leading musical instrument manufacturers adopted minimum advertised price policies.
5. Between 2005 and 2007, NAMM organized various meetings and programs at which competing retailers of musical instruments were permitted and encouraged to discuss strategies for implementing minimum advertised price policies, the restriction of retail price competition, and the need for higher retail prices. Representatives of NAMM determined the scope of discussion by selecting moderators and setting the agenda for these programs. At these NAMM-sponsored events, competitors discussed the adoption, implementation, and enforcement of minimum advertised price policies; the details and workings of such policies; appropriate and optimal retail prices and margins; and other competitively sensitive issues.
6. In many instances, the exchange of information and opinion arranged by NAMM, as set forth in Paragraph 5 above, served no legitimate business purpose for NAMM or its members.
7. The exchange of information among NAMM members, as alleged herein, had the purpose, tendency, and capacity to facilitate collusion and to restrain competition unreasonably.

Violations Alleged

8. As set forth in Paragraph 5 above, NAMM arranged and encouraged the exchange among its members of competitively sensitive information, in violation of Section 5 of the FTC Act, as amended.
9. The acts and practices of Respondent, as alleged herein, constitute unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. Such acts and practices, or the effects thereof, will continue or recur in the absence of appropriate relief.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this eighth day of April, 2009, issues its complaint against Respondent.

By the Commission.

Donald S. Clark
Secretary

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NAMM-001177

Wanna Play?
Museum of Making Music
Oral History Interviews
Summer NAMM Interactive
SupportMusic
The NAMM Store
© 2009 NAMM, the International Music Products Association
TEC Tracks Magazine
Summer NAMM Prospectus
NAMM Foundation
Renew
Press Room
The NAMM Show

0010203

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:
Jon Leibowitz, Chairman
Pamela Jones Harbour
William E. Kovacic
J. Thomas Rosch

Docket No. C
In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

DECISION AND ORDER

The Federal Trade Commission ("Commission") having initiated an investigation of certain acts and practices of the National Association of Music Merchants, Inc. (hereinafter "NAMM" or Respondent), and Respondent having been furnished thereafter with a copy of a draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued, would charge Respondent with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order ("Consent Agreement"), containing an admission by Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that Respondent has violated the said Act, and that a Complaint should issue stating its charges in that respect, and having accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby issues its Complaint, makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent NAMM is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, CA 92008.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Respondent, and the proceeding is in the public interest.

ORDER

I.

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

THE PARTIES

A. "Respondent" or "NAMM" means the National Association of Music Merchants, Inc., its successors and assigns, and its directors, trustees, officers, representatives, committees, subcommittees, boards, divisions, agents, and employees.

B. "Commission" means the Federal Trade Commission.

OTHER DEFINITIONS

C. "Antitrust Compliance Officer" means a person appointed under Paragraph II.B.1.(a) of this Order.

D. "Antitrust Counsel" means a lawyer admitted to practice law in one or more of the judicial districts of the courts of the United States. Antitrust Counsel may delegate obligations under this Order to another lawyer supervised by Antitrust Counsel.

E. "Antitrust Laws" means the Federal Trade Commission Act, as amended, 15 U.S.C. §41 *et. seq.*, and the Sherman Act, 15 U.S.C. §1 *et. seq.*

F. "Distribution"or "Distributed" means, with respect to Prepared Remarks or Written Materials, transmittal or delivery by any means.

G. "Global Economic Summit" or "Global Summit" means the particular recurring event attended by Musical Products industry leaders, media, and advisors, including those events held in Carlsbad, California, such as the Fifth Global Summit in 2004, the Sixth Global Summit in 2007, and any future event held where NAMM performs the same, or substantially the same, organizing and hosting role as it did for previous Global Summits.

H. "Member of the Board of Directors" means any member of Respondent's Board of Directors, including any Member of the Executive Committee, acting in an official capacity or having the apparent authority to act in an official capacity.

I. "Member of the Executive Committee" means any member of Respondent's Executive Committee, acting in an official capacity or having the apparent authority to act in an official capacity.

J. "Minimum Advertised Price Policy" means any Musical Product Manufacturer's policy, program, or provision of any program that conditions the sale or continued sale of its Musical Products to Musical Product Dealers upon the advertisement or display of Musical Products at or above a specified minimum dollar amount.

K. "Musical Product(s)" means any musical instrument or musical instrument accessory sold or offered for sale by Respondent's members.

L. "Musical Product Dealer" means any person, corporation, or entity that in the course of its business offers for sale or sells to consumers any Musical Product in or into the United States, including, but not limited to, retail establishments, catalogue sellers, and internet retail sites, and the officers, agents, and employees thereof.

M. "Musical Product Manufacturer" means any person, corporation, or entity that manufactures or distributes Musical Products to Musical Product Dealers for resale to consumers, and the officers, agents, and employees thereof.

N. "NAMM Event" includes any trade show, town hall meeting or any similar event that NAMM sponsors and organizes and for which NAMM has final authority over the list of invitees. NAMM Event also means any meeting or teleconference of Respondent's Board of Directors or Executive Committee to which the entire Board of Directors or Executive Committee has been invited to participate.

O. "Prepared Remarks" means the final version of any script, speech, or other statement prepared for Distribution at, or in advance of, a NAMM Event, a Global Summit, or an event at which any Member of the Board of Directors,

employee or agent of Respondent delivers a speech or statement.

P. "Price Terms" means:
   1. The retail or wholesale prices, resale prices, credit terms, or terms defining, setting forth, or relating to monetary or non-monetary compensation paid by or on behalf of any Musical Product Dealer or other person who acquires one or more Musical Products; or
   2. The retail or wholesale prices, resale prices, credit terms, return policies, volume or other discounts, rebates, or other policies, programs, conditions, or terms defining, setting forth, or relating to monetary or non-monetary compensation of any Musical Product Manufacturer.

   Provided, however, that Price Terms do not include purchase for personal use by an employee of Respondent or donation for charitable use.

Q. "Resale Price Maintenance Policy" means any Musical Product Manufacturer's policy, program, or provision of any program that conditions the sale or continued sale of its Musical Products to Musical Product Dealers upon the sale of Musical Products at or above a specified minimum dollar amount.

R. "Written Materials" means the final version of any written or paper document, or any electronic version of any document, audio recording, video recording, photograph, or other data, created on, included in, or stored on any computer, computer file, electronic mail, audio CD, DVD, or other electronic or magnetic storage media prepared for Distribution at, or in advance of, a NAMM Event, a Global Summit, or an event at which any Member of the Board of Directors, employee or agent of Respondent delivers a speech or statement.

II.

IT IS FURTHER ORDERED that:

A. Respondent, acting directly or indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined by the Federal Trade Commission Act, forthwith shall cease and desist from:
   1. Urging, encouraging, advocating, suggesting, coordinating, participating in, or facilitating in any manner the exchange of information between or among Musical Product Manufacturers or Musical Product Dealers relating to:
      a. the retail price of Musical Products; or
      b. any term, condition or requirement upon which any Musical Product Manufacturer or Musical Product Dealer deals, or is willing to deal, with any other Musical Product Manufacturer or Musical Product Dealer, including, but not limited to, Price Terms, margins, profits, or pricing policies, including but not limited to Minimum Advertised Price Policies or Resale Price Maintenance Policies.
   2. Entering into, adhering to, enforcing, urging, encouraging, advocating, suggesting, assisting or otherwise facilitating any Musical Product Manufacturer or Musical Product Dealer to enter into, adhere to or enforce any combination, conspiracy, agreement or understanding between or among any Musical Product Manufacturers or Musical Product Dealers relating to:
      a. the retail price of any Musical Product;
      b. any term, condition or requirement upon which any Musical Product Manufacturer or Musical Product Dealer deals, or is willing to deal, with any other Musical Product Manufacturer or Musical Product Dealer, including, but not limited to, Price Terms, margins, profits, or pricing policies, including but not limited to Minimum Advertised Price Policies, or Resale Price Maintenance Policies; or
      c. the refusal to do business, or the reduction of business, with particular Musical Product Manufacturers or Musical Product Dealers.

   Provided, however, that nothing in this Paragraph II.A prohibits Respondent from engaging in, participating in, coordinating, urging, encouraging, or suggesting to others to engage in any conduct protected by the *Noerr-Pennington* doctrine;

   Provided, further, however, that nothing in this Paragraph II.A prohibits the participants in Respondent's trade shows from conducting their commercial activities on the show floor in their ordinary and customary manner;

   Provided, further, however, that nothing in this Paragraph II.A applies to meetings of industry participants not attended by Respondent at which Respondent's role is limited to the provision of a venue, a speaker, administrative support, refreshments, or other incidentals; and

   Provided, further, however, that nothing in this Paragraph II.A prohibits Respondent from publishing or disseminating, by any means: (i) information relating to creditworthiness, product safety, and warranty service issues; (ii) links to individual web sites of Musical Product Manufacturers, Musical Product Dealers, distributors, sales representatives, consultants, industry associations, education and arts associations, societies, and organizations; (iii) NAMM or third-party publications or material containing advertisements, brand image, or public relations material; (iv) aggregated survey data, such as that published in Music Trades, The NAMM Global Report Featuring Music USA, and the Cost of Doing Business Survey; or (v) in the context of industry education, including the sharing of best practices and training materials, generic references to Price Terms, Resale Price Maintenance Policy, and the terms and conditions on which Musical Product Manufacturers and Musical Product Dealers do business.

B. Respondent shall:
   1. Institute a program to comply with this Order and with the Antitrust Laws, which program shall require:
      a. The appointment and maintenance of an Antitrust Compliance Officer for the duration of this Order. For the first three (3) years of this Order, the Antitrust Compliance Officer shall be Antitrust Counsel. After the third anniversary of the date this Order becomes final, a new Antitrust Compliance Officer may be appointed who shall be Antitrust Counsel, a Member of the Board of Directors, or the general counsel of Respondent. Respondent shall direct the Antitrust Compliance Officer to take reasonable steps to develop, implement, administer, monitor, and actively supervise a program to obtain Respondent's compliance with this Order and with the Antitrust Laws.
      b. The appointment and maintenance of Antitrust Counsel, who shall also serve as the Antitrust Compliance Officer until at least the third anniversary of the date this Order becomes final. Within fifteen (15) days of the date this Order becomes final, Respondent shall appoint Antitrust Counsel to provide legal advice to Respondent. Respondent shall direct Antitrust Counsel to take reasonable steps to develop, implement, administer, monitor, and actively supervise a program to obtain Respondent's compliance with this Order and with the Antitrust Laws. Antitrust Counsel shall also train an Antitrust Compliance Officer to take reasonable steps to obtain Respondent's compliance with this Order and with the Antitrust Laws.
      c. Annual in-person training of Respondent's Board of Directors concerning Respondent's obligations under this Order and an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct;
      d. Annual training of Respondent's employees and agents concerning Respondent's obligations under this Order and an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct;
      e. Review and written approval by the Antitrust Compliance Officer, prior to Distribution, of:
         i. All Written Materials and Prepared Remarks by any Member of the Board of Directors, or by any employee or agent of Respondent, acting in an official capacity or having the apparent authority to act in an official capacity, that concern or relate to the Price Terms, margins, profits, Minimum Advertised Price Policies, or Resale Price Maintenance Policies for Musical Products; and
         ii. All final agendas and materials Distributed at, in advance of, or after any meeting of Respondent's Board of Directors or Executive Committee.
      f. Provision of a written statement that provides context-appropriate guidance on compliance with the

Antitrust Laws to all Musical Product Manufacturers or Musical Product Dealers who are scheduled speakers at NAMM Events and Global Summits;

g. Certification, in writing, by each Musical Product Manufacturer or Musical Product Dealer who is a scheduled speaker at a NAMM Event or Global Summit that he or she is in receipt of, and has read, the written statement provided in Paragraph II.B.1(f);

h. Implementation and administration of a procedure to enable persons (including, but not limited to, Respondent's members, officers, directors, employees, and agents) to report violations of this Order and the Antitrust Laws to the Antitrust Compliance Officer and Antitrust Counsel, confidentially and without fear of retaliation of any kind; and

i. Implementation of internal policies and procedures that provide for discipline for members of Respondent's Board of Directors, employees, and agents for failure to comply fully with this Order, which policies and procedures shall require, among other steps, the termination or discharge of any such person who engages in such conduct only after conviction and all appeals have run or after civil liability and all appeals have run, provided that such termination or discharge does not violate any other applicable U.S. law.

2. Require the personal attendance of Antitrust Counsel at all NAMM Events and Global Summits for three (3) years from the date this Order becomes final.

3. Require that Antitrust Counsel be present at, or be a party to, any meeting or teleconference conducted by Respondent to which the entire Board of Directors or Executive Committee has been invited to participate, for three (3) years from the date this Order becomes final.

4. Require the recitation of a statement:
   a. At the commencement of each meeting of the Board of Directors and Executive Committee that summarizes Respondent's obligations under this Order and provides context-appropriate guidance on compliance with the Antitrust Laws; and
   b. At the commencement of each NAMM Event and Global Summit that provides context-appropriate guidance on compliance with the Antitrust Laws.

   Provided, however, that Respondent may satisfy the requirements of this Paragraph II.B.4 with respect to NAMM University or "NAMM U" sessions (other than NAMM U breakfast sessions) by enclosing in any materials provided to session attendees a copy of a written statement that provides context-appropriate guidance on compliance with the Antitrust Laws.

5. Require the audio or video recording of each panel discussion or presentation at all NAMM Events and Global Summits, prompt delivery of each such recording to the Antitrust Compliance Officer, and the retention of each such recording in the custody and control of the Antitrust Compliance Officer for five (5) years, provided that Respondent need not require the audio or video recording of meetings of the Board of Directors or Executive Committee.

6. Publish a copy of this Order and the Complaint issued by the Commission, and the Internet address of the link to the Commission's press release concerning this Order on the Commission's web site at www.FTC.gov, in the first electronic edition of NAMM's newsletter prepared for publication after this Order becomes final, in the same size and font as regularly featured items in NAMM's newsletter.

7. Within thirty (30) days after the date this Order becomes final:
   a. Distribute, electronically or by other means, return receipt requested, to each Member of the Board of Directors a copy of this Order and the Complaint issued by the Commission, and a letter in the form of the letter attached as Exhibit A to this Order; and,
   b. Publish on Respondent's official web site until the termination of this Order, a copy of this Order and the Complaint issued by the Commission, and a letter in the form of the letter attached as Exhibit A to this Order, with a link from NAMM's home or menu page, entitled "Antitrust Compliance," in the same size and font provided to other menu items. The Order shall remain accessible through common search terms and archives on the web site until the termination of Respondent's obligations under this Order.

8. Within thirty (30) days of the date any person becomes a Member of the Board of Directors, distribute electronically or by other means, return receipt requested, a copy of this Order and the Complaint issued by the Commission. In addition, a hard copy of this Order and the Complaint shall be provided to any new member at the first subsequent meeting of the Board of Directors, and any new member shall certify in writing that he or she is in receipt of, and has read, this Order and the Complaint.

   Provided, however, that nothing in this Paragraph II.B prohibits Respondent from instituting additional components to its compliance program; and

   Provided further, however, that full compliance with Paragraph II.B is not a defense to a violation of Paragraph II.A.

III.

IT IS FURTHER ORDERED that:

A. Within sixty (60) days after the date the Order becomes final, Respondent shall submit to the Commission a verified written report setting forth in detail the manner and form in which the Respondent has complied, is complying, and will comply with this Order. For the period covered by this report, the report shall include, but not be limited to:
   1. The names, business addresses, e-mail addresses, and business phone numbers of the Antitrust Compliance Officer and Antitrust Counsel;
   2. A description in reasonable detail of the program instituted by Respondent to comply with Paragraph II.B.1 of this Order;
   3. A list of the NAMM Events and Global Summits held within sixty (60) days after the date the Order became final, including the title of each NAMM Event and Global Summit, and the dates on which and the locations at which each was held;
   4. A copy of all Written Materials and Prepared Remarks Distributed by Respondent, and reviewed by the Antitrust Compliance Officer under Paragraph II.B.1(e), at each NAMM Event, Global Summit, or other event at which any Member of the Board of Directors, employee or agent of Respondent delivered a speech or statement within sixty (60) days after the date the Order became final;
   5. The names, business addresses, e-mail addresses, and business phone numbers of each Member of the Board of Directors and each Member of the Executive Committee;
   6. The name and business address of each Member of the Board of Directors to whom Respondent distributed, electronically or by other means, a copy of this Order and the Complaint issued by the Commission, the date Respondent distributed the documents, and the date each person signed for receipt or electronic receipt was received by Respondent;
   7. A copy of NAMM's newsletter in which Respondent published this Order and the Complaint issued by the Commission; and
   8. A description and explanation, in reasonable detail, of any affirmative action taken by Respondent with regard to Paragraph II.B.1(i) of this Order.

B. One (1) year after the date the Order becomes final, annually for the next nine (9) years on the anniversary of the date the Order becomes final, and at such other times as the Commission may require, Respondent shall file a verified written report with the Commission setting forth in detail the manner and form in which it has complied and is complying with the Order. For the periods covered by these reports, these reports shall include, but not be limited

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NAMM-001180

to:

1. The names, business addresses, e-mail addresses, and business phone numbers of the Antitrust Compliance Officer and Antitrust Counsel;
2. The name and business address of each Member of the Board of Directors to whom Respondent distributed, electronically or by other means, a copy of this Order and the Complaint issued by the Commission, the date Respondent distributed the documents, and the date each person signed for receipt or electronic receipt was received by Respondent;
3. The name, title, and business address of each person required to receive, and who has received, annual in-person training concerning Respondent's obligations under this Order, an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct, and the identity of the Antitrust Compliance Officer, and the name, title, and business address of the person who conducted the training; and
4. A description and explanation, in reasonable detail, of any affirmative action taken by Respondent with regard to Paragraph II.B.1(i) of this Order.

Provided, however, that nothing in this Paragraph III shall require the provision of information protected by the attorney-client privilege, work product doctrine, or other applicable privilege.

IV.

IT IS FURTHER ORDERED that Respondent shall notify the Commission at least thirty (30) days prior to:

A. Any proposed dissolution of Respondent;

B. Any proposed acquisition, merger or consolidation of Respondent; or

C. Any other change in Respondent that may affect compliance obligations arising out of this Order, including but not limited to assignment, the creation or dissolution of subsidiaries, or any other change in Respondent.

V.

IT IS FURTHER ORDERED that for the purpose of determining or securing compliance with this order, upon written request, Respondent shall permit any duly authorized representative of the Commission:

A. Access, during office hours and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of Respondent relating to any matters contained in this Order; and

B. Upon five (5) days' notice to Respondent and without restraint or interference from Respondent, to interview officers, directors, or employees of Respondent, who may have counsel present, regarding such matters.

VI.

IT IS FURTHER ORDERED that this Order shall terminate on April 8, 2029.

By the Commission.

Donald S. Clark
Secretary

NAMM
believe in music

April 14, 2009

Dear Member:

As many of you know, the Federal Trade Commission has conducted an investigation concerning Minimum Advertised Price policies ("MAP policies") and retail pricing in the music products industry.

To end the investigation expeditiously and to avoid disruption to its core functions, NAMM has voluntarily agreed, without admitting any violation of the law, to the entry of a Consent Agreement and a Decision and Order by the Federal Trade Commission pertaining to NAMM's practices with regard to NAMM events and programs and other related matters.

In general, the Federal Trade Commission has prohibited NAMM from engaging in certain activities involving information exchanges among its members relating to MAP policies, retail margins, and retail pricing in connection with the sale and marketing of musical products.

In addition, NAMM will be required to implement an antitrust compliance program. A copy of the Federal Trade Commission Decision and Order is enclosed and sets forth the specific requirements of the Order that apply to NAMM. The Decision and Order is also available on the Federal Trade Commission Web site at www.FTC.gov.

Sincerely,

Joe Lamond

Joe Lamond
President and CEO

NAMM, the International Music Products Association
5790 Armada Drive Carlsbad, CA 92008 | p.760.438.8001 f.760.438.7327 | www.namm.org

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Additional information regarding this matter, including the FTC's press relelase, is available at http://www.ftc.gov/opa/2009/04/namm.shtm.

Attachment	Size
FTC - Complaint	165.51 KB
FTC - Decision and Order	195.78 KB
Exhibit A.doc	191.5 KB

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6-8-09 COMP REPORT
NAMM-001181

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001182

Garvin, Samantha

From: Pat Martin [PatM@namm.org]
Sent: Wednesday, April 15, 2009 7:39 PM
To: Cuomo, Paul; Garvin, Samantha
Subject: FW: [BULK] PLAYback Digital: Summer NAMM News, Wanna Play Music Week, NAMM Virtual Advocacy Day
Importance: Low

From: NAMM [mailto:info@namm.org]
Sent: Wednesday, April 15, 2009 4:23 PM
To: Pat Martin
Subject: [BULK] PLAYback Digital: Summer NAMM News, Wanna Play Music Week, NAMM Virtual Advocacy Day
Importance: Low

PLAYback Digital Newsletter for Reps

APRIL 15, 2009

2009 SUMMER NAMM: MUSIC, MEETINGS AND MOMENTUM!

Your Mid-Year Opportunity to Gain Momentum for the Fall and Holiday Selling Season, July 17-19

Summer NAMM

Remember the old saying, "When times get tough, the tough get going"? Easily said, but figuring out the right path for your business during a recession can be a challenge. And while there are many opportunities available today to market or grow your company, business owners are often hesitant to act given the current economic climate. However, many financial experts believe that instead of putting the brakes on your business efforts, now is the time to step on the gas by increasing your visibility, knowledge and marketing. When things improve, you'll come out ahead.

What is NAMM doing for Exhibitors this year?

1. NAMM is reducing space costs for Summer NAMM exhibitors by 20%. That means a $4 per-square-foot credit on each company's final invoice.
2. NAMM is working with exhibiting companies to spread out payments into manageable amounts.
3. The price of membership in The Club has remained the same. Manufacturers and Distributors that want to support Summer NAMM can do so at a substantially reduced cost, giving them all the benefits of exhibiting without the expense of a booth.

With up-to-date Breakfast Session topics like "Your Retail Stimulus Plan—Jump-Start Your Sales No Matter What's Happening in the Economy," we hope you recognize the importance of meeting at Summer NAMM—the place where Opportunity Rocks for the music products industry. And, of the 300+ companies exhibiting at Summer NAMM, one third of them are brand new, so there will be lots of exciting new products and innovations there to help build the buzz about the show!

Reserve Your Spot!

Housing and registration are now open for active NAMM Members. Please use the personalized housing link to make hotel reservations on the Nashville Housing Bureau Web site, or contact NAMM at **800-767-6266** or info@namm.org if you have any questions. Be sure to register for your badges—they're free until June 12.

Make your plans now, so you can take advantage of all the upcoming marketing opportunities!

MAKE THE MOST OF WANNA PLAY MUSIC WEEK

Tie Your Business in with This Exciting Celebration of Music Making, Take Advantage of the New Lesson Locator and More

NAMM's National Wanna Play Music Week (May 4-8, 2009) is about creating more music makers through a series of high-profile public relations events, activities, promotions and subsequent media coverage. Now you can stay current on everything that's happening—as it happens—by joining the Wanna Play Music Week group on Facebook.

Check Out All the Cool Wanna Play Music Week Events and Activities...

>Full Story

NAMM TO HOST FIRST VIRTUAL ADVOCACY EVENT FROM CAPITOL HILL

Live Web Cast from Washington, D.C., on May 12 Created to Help All Members Stay Up-to-Date and Support Music Education in U.S. Schools

NAMM will host the organization's first "Virtual Advocacy Day" on May 12, allowing more U.S. NAMM Members to participate in the association's annual advocacy efforts on Capitol Hill. A listing of topics and speakers has just been released, including...

>Full Story

FTC APPROVES FINAL CONSENT ORDER WITH NAMM

Following a public comment period, on April 8, 2009, the FTC voted 4-0 to approve a final consent order with NAMM.

>Learn More

YANNI: VOICES TOUR CONNECTS RETAILERS WITH NEW CUSTOMERS

NAMM and Disney's Pearl Series Give NAMM Members a Great Retail Opportunity

NAMM and Disney's Pearl Series recently partnered to present a wonderful promotional opportunity for your dealers, featuring world-renowned pianist, Yanni...

>Full Story

June 12
Last Day For Free Badges

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NAMM-001183

July 17–19
2009 Summer NAMM
Nashville, TN

January 14–17
2010 NAMM SHOW
Anaheim, CA

CALL FOR NOMINATIONS
Do you know someone you think would represent our industry well as a Member of NAMM's Board of Directors? Now is the time to let your voice be heard!

To serve on NAMM's Board of Directors, a nominee must be an official voting representative of an active Retail, Commercial or Manufacturing NAMM Member company in good standing. Candidates should have a desire to serve a three-year term and provide input, ideas and counsel on issues including market growth/expansion, music education policy and professional development. Submissions must be received by **May 15, 2009**.

If you would like to nominate a potential Board candidate, please click here to learn more.

NAMM MEDIA REPORT
Music making is being featured in the media now, more than ever before—whether it's online, in a local newspaper, a national advertisement or the nightly news.

VIDEO CLIPS ABOUT MUSIC MAKING

A variety of video clips highlighting music making, including some great *Wanna Play?* stories featuring NAMM Members

Username: namm
Password: namm0995

ARTICLES ABOUT MUSIC MAKING

We're Jammin'? Workers Tune Out Stress with Music

The Who "Won't Get Fooled Again" Drum Cover by 4 Yr. Old

Call for More to Play 'Endangered' Instruments

Why We Are Shutting Children Out of Classical Music

Warren Buffet Teaches Girls How to Play the Ukulele

Michelle Obama Gives French First Lady a Musical Gift

INDUSTRY EVENT CALENDAR

APRIL
29–5/2
RPMDA 2009 Convention
Salt Lake City, Utah

JUNE
4–6
PALM India
Mumbai, India

JULY
17–19
2009 Summer NAMM
Nashville, Tennessee

AUGUST
20–22
PALMM
Manila, Philippines

23–24
MIAC 2009 & PAL Show
Toronto, Canada

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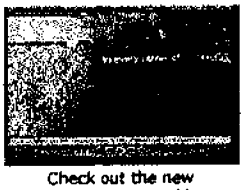

Check out the new NAMM corporate video

FTC Approves Final Consent Order with NAMM

| April 8, 2009

Following a public comment period, on April 14, 2009, the FTC voted 4-0 to approve a final consent order with NAMM.

To learn more, please download the attached documents or visit www.ftc.gov.

0010203
UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:
Jon Leibowitz, Chairman
Pamela Jones Harbour
William E. Kovacic
J. Thomas Rosch

Docket No. C
In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41 *et seq.*, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that the National Association of Music Merchants, Inc. has violated Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and it appearing to the Federal Trade Commission ("Commission") that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges as follows:

1. Respondent National Association of Music Merchants, Inc. ("NAMM" or "Respondent") is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, California 92008.
2. NAMM is a trade association composed of more than 9000 members that include manufacturers, distributors, and dealers of musical instruments and related products. Most U.S. manufacturers, distributors, and dealers of musical instruments are members of NAMM. NAMM serves the economic interests of its members by, *inter alia*, promoting consumer demand for musical instruments, lobbying the government, offering seminars, and organizing trade shows. In the United States, NAMM sponsors two major trade shows each year, where manufacturers introduce new products and meet with dealers. In addition, NAMM's trade shows provide competitors an opportunity to meet and discuss issues of concern to the industry.
3. The acts and practices of NAMM, including the acts and practices alleged herein, are in commerce or affect commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.
4. An ongoing subject of concern in the musical instruments industry has been the increased retail price competition for musical instruments. Commencing in 1999, and continuing thereafter, numerous leading musical instrument manufacturers adopted minimum advertised price policies.
5. Between 2005 and 2007, NAMM organized various meetings and programs at which competing retailers of musical instruments were permitted and encouraged to discuss strategies for implementing minimum advertised price policies, the restriction of retail price competition, and the need for higher retail prices. Representatives of NAMM determined the scope of discussion by selecting moderators and setting the agenda for these programs. At these NAMM-sponsored events, competitors discussed the adoption, implementation, and enforcement of minimum advertised price policies; the details and workings of such policies; appropriate and optimal retail prices and margins; and other competitively sensitive issues.
6. In many instances, the exchange of information and opinion arranged by NAMM, as set forth in Paragraph 5 above, served no legitimate business purpose for NAMM or its members.
7. The exchange of information among NAMM members, as alleged herein, had the purpose, tendency, and capacity to facilitate collusion and to restrain competition unreasonably.

Violations Alleged

8. As set forth in Paragraph 5 above, NAMM arranged and encouraged the exchange among its members of competitively sensitive information, in violation of Section 5 of the FTC Act, as amended.
9. The acts and practices of Respondent, as alleged herein, constitute unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. Such acts and practices, or the effects thereof, will continue or recur in the absence of appropriate relief.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this eighth day of April, 2009, issues its complaint against Respondent.

By the Commission.

Donald S. Clark
Secretary

Wanna Play?
Museum of Making Music
Oral History Interviews
Summer NAMM Interactive
SupportMusic
The NAMM Store
The International Music Products Association
Summer NAMM Prospectus
NAMM Foundation
Renew
Press Room
The NAMM Show

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0010203
UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:
Jon Leibowitz, Chairman
Pamela Jones Harbour
William E. Kovacic
J. Thomas Rosch

Docket No. C
In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

DECISION AND ORDER

The Federal Trade Commission ("Commission") having initiated an investigation of certain acts and practices of the National Association of Music Merchants, Inc. (hereinafter "NAMM" or Respondent), and Respondent having been furnished thereafter with a copy of a draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued, would charge Respondent with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order ("Consent Agreement"), containing an admission by Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that Respondent has violated the said Act, and that a Complaint should issue stating its charges in that respect, and having accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby issues its Complaint, makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent NAMM is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, CA 92008.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Respondent, and the proceeding is in the public interest.

ORDER

I.

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

THE PARTIES

A. "Respondent" or "NAMM" means the National Association of Music Merchants, Inc., its successors and assigns, and its directors, trustees, officers, representatives, committees, subcommittees, boards, divisions, agents, and employees.

B. "Commission" means the Federal Trade Commission.

OTHER DEFINITIONS

C. "Antitrust Compliance Officer" means a person appointed under Paragraph II.B.1.(a) of this Order.

D. "Antitrust Counsel" means a lawyer admitted to practice law in one or more of the judicial districts of the courts of the United States. Antitrust Counsel may delegate obligations under this Order to another lawyer supervised by Antitrust Counsel.

E. "Antitrust Laws" means the Federal Trade Commission Act, as amended, 15 U.S.C. §41 *et. seq.*, and the Sherman Act, 15 U.S.C. §1 *et. seq.*

F. "Distribution"or "Distributed" means, with respect to Prepared Remarks or Written Materials, transmittal or delivery by any means.

G. "Global Economic Summit" or "Global Summit" means the particular recurring event attended by Musical Products industry leaders, media, and advisors, including those events held in Carlsbad, California, such as the Fifth Global Summit in 2004, the Sixth Global Summit in 2007, and any future event held where NAMM performs the same, or substantially the same, organizing and hosting role as it did for previous Global Summits.

H. "Member of the Board of Directors" means any member of Respondent's Board of Directors, including any Member of the Executive Committee, acting in an official capacity or having the apparent authority to act in an official capacity.

I. "Member of the Executive Committee" means any member of Respondent's Executive Committee, acting in an official capacity or having the apparent authority to act in an official capacity.

J. "Minimum Advertised Price Policy" means any Musical Product Manufacturer's policy, program, or provision of any program that conditions the sale or continued sale of its Musical Products to Musical Product Dealers upon the advertisement or display of Musical Products at or above a specified minimum dollar amount.

K. "Musical Product(s)" means any musical instrument or musical instrument accessory sold or offered for sale by Respondent's members.

L. "Musical Product Dealer" means any person, corporation, or entity that in the course of its business offers for sale or sells to consumers any Musical Product in or into the United States, including, but not limited to, retail establishments, catalogue sellers, and internet retail sites, and the officers, agents, and employees thereof.

M. "Musical Product Manufacturer" means any person, corporation, or entity that manufactures or distributes Musical Products to Musical Product Dealers for resale to consumers, and the officers, agents, and employees thereof.

N. "NAMM Event" includes any trade show, town hall meeting or any similar event that NAMM sponsors and organizes and for which NAMM has final authority over the list of invitees. NAMM Event also means any meeting or teleconference of Respondent's Board of Directors or Executive Committee to which the entire Board of Directors or Executive Committee has been invited to participate.

O. "Prepared Remarks" means the final version of any script, speech, or other statement prepared for Distribution at, or in advance of, a NAMM Event, a Global Summit, or an event at which any Member of the Board of Directors,

employee or agent of Respondent delivers a speech or statement.

P. "Price Terms" means:
   1. The retail or wholesale prices, resale prices, credit terms, or terms defining, setting forth, or relating to monetary or non-monetary compensation paid by or on behalf of any Musical Product Dealer or other person who acquires one or more Musical Products; or
   2. The retail or wholesale prices, resale prices, credit terms, return policies, volume or other discounts, rebates, or other policies, programs, conditions, or terms defining, setting forth, or relating to monetary or non-monetary compensation of any Musical Product Manufacturer.

   Provided, however, that Price Terms do not include purchase for personal use by an employee of Respondent or donation for charitable use.

Q. "Resale Price Maintenance Policy" means any Musical Product Manufacturer's policy, program, or provision of any program that conditions the sale or continued sale of its Musical Products to Musical Product Dealers upon the sale of Musical Products at or above a specified minimum dollar amount.

R. "Written Materials" means the final version of any written or paper document, or any electronic version of any document, audio recording, video recording, photograph, or other data, created on, included in, or stored on any computer, computer file, electronic mail, audio CD, DVD, or other electronic or magnetic storage media prepared for Distribution at, or in advance of, a NAMM Event, a Global Summit, or an event at which any Member of the Board of Directors, employee or agent of Respondent delivers a speech or statement.

II.

IT IS FURTHER ORDERED that:

A. Respondent, acting directly or indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined by the Federal Trade Commission Act, forthwith shall cease and desist from:
   1. Urging, encouraging, advocating, suggesting, coordinating, participating in, or facilitating in any manner the exchange of information between or among Musical Product Manufacturers or Musical Product Dealers relating to:
      a. the retail price of Musical Products; or
      b. any term, condition or requirement upon which any Musical Product Manufacturer or Musical Product Dealer deals, or is willing to deal, with any other Musical Product Manufacturer or Musical Product Dealer, including, but not limited to, Price Terms, margins, profits, or pricing policies, including but not limited to Minimum Advertised Price Policies or Resale Price Maintenance Policies.
   2. Entering into, adhering to, enforcing, urging, encouraging, advocating, suggesting, assisting or otherwise facilitating any Musical Product Manufacturer or Musical Product Dealer to enter into, adhere to or enforce any combination, conspiracy, agreement or understanding between or among any Musical Product Manufacturers or Musical Product Dealers relating to:
      a. the retail price of any Musical Product;
      b. any term, condition or requirement upon which any Musical Product Manufacturer or Musical Product Dealer deals, or is willing to deal, with any other Musical Product Manufacturer or Musical Product Dealer, including, but not limited to, Price Terms, margins, profits, or pricing policies, including but not limited to Minimum Advertised Price Policies, or Resale Price Maintenance Policies; or
      c. the refusal to do business, or the reduction of business, with particular Musical Product Manufacturers or Musical Product Dealers.

   Provided, however, that nothing in this Paragraph II.A prohibits Respondent from engaging in, participating in, coordinating, urging, encouraging, or suggesting to others to engage in any conduct protected by the *Noerr-Pennington* doctrine;

   Provided, further, however, that nothing in this Paragraph II.A prohibits the participants in Respondent's trade shows from conducting their commercial activities on the show floor in their ordinary and customary manner;

   Provided, further, however, that nothing in this Paragraph II.A applies to meetings of industry participants not attended by Respondent at which Respondent's role is limited to the provision of a venue, a speaker, administrative support, refreshments, or other incidentals; and

   Provided, further, however, that nothing in this Paragraph II.A prohibits Respondent from publishing or disseminating, by any means: (i) information relating to creditworthiness, product safety, and warranty service issues; (ii) links to individual web sites of Musical Product Manufacturers, Musical Product Dealers, distributors, sales representatives, consultants, industry associations, education and arts associations, societies, and organizations; (iii) NAMM or third-party publications or material containing advertisements, brand image, or public relations material; (iv) aggregated survey data, such as that published in Music Trades, The NAMM Global Report Featuring Music USA, and the Cost of Doing Business Survey; or (v) in the context of industry education, including the sharing of best practices and training materials, generic references to Price Terms, Resale Price Maintenance Policy, and the terms and conditions on which Musical Product Manufacturers and Musical Product Dealers do business.

B. Respondent shall:
   1. Institute a program to comply with this Order and with the Antitrust Laws, which program shall require:
      a. The appointment and maintenance of an Antitrust Compliance Officer for the duration of this Order. For the first three (3) years of this Order, the Antitrust Compliance Officer shall be Antitrust Counsel. After the third anniversary of the date this Order becomes final, a new Antitrust Compliance Officer may be appointed who shall be Antitrust Counsel, a Member of the Board of Directors, or the general counsel of Respondent. Respondent shall direct the Antitrust Compliance Officer to take reasonable steps to develop, implement, administer, monitor, and actively supervise a program to obtain Respondent's compliance with this Order and with the Antitrust Laws.
      b. The appointment and maintenance of Antitrust Counsel, who shall also serve as the Antitrust Compliance Officer until at least the third anniversary of the date this Order becomes final. Within fifteen (15) days of the date this Order becomes final, Respondent shall appoint Antitrust Counsel to provide legal advice to Respondent. Respondent shall direct Antitrust Counsel to take reasonable steps to develop, implement, administer, monitor, and actively supervise a program to obtain Respondent's compliance with this Order and with the Antitrust Laws. Antitrust Counsel shall also train an Antitrust Compliance Officer to take reasonable steps to obtain Respondent's compliance with this Order and with the Antitrust Laws.
      c. Annual in-person training of Respondent's Board of Directors concerning Respondent's obligations under this Order and an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct;
      d. Annual training of Respondent's employees and agents concerning Respondent's obligations under this Order and an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct;
      e. Review and written approval by the Antitrust Compliance Officer, prior to Distribution, of:
         i. All Written Materials and Prepared Remarks by any Member of the Board of Directors, or by any employee or agent of Respondent, acting in an official capacity or having the apparent authority to act in an official capacity, that concern or relate to the Price Terms, margins, profits, Minimum Advertised Price Policies, or Resale Price Maintenance Policies for Musical Products; and
         ii. All final agendas and materials Distributed at, in advance of, or after any meeting of Respondent's Board of Directors or Executive Committee.
      f. Provision of a written statement that provides context-appropriate guidance on compliance with the

Antitrust Laws to all Musical Product Manufacturers or Musical Product Dealers who are scheduled speakers at NAMM Events and Global Summits;

g. Certification, in writing, by each Musical Product Manufacturer or Musical Product Dealer who is a scheduled speaker at a NAMM Event or Global Summit that he or she is in receipt of, and has read, the written statement provided in Paragraph II.B.1(f);

h. Implementation and administration of a procedure to enable persons (including, but not limited to, Respondent's members, officers, directors, employees, and agents) to report violations of this Order and the Antitrust Laws to the Antitrust Compliance Officer and Antitrust Counsel, confidentially and without fear of retaliation of any kind; and

i. Implementation of internal policies and procedures that provide for discipline for members of Respondent's Board of Directors, employees, and agents for failure to comply fully with this Order, which policies and procedures shall require, among other steps, the termination or discharge of any such person who engages in such conduct only after conviction and all appeals have run or after civil liability and all appeals have run, provided that such termination or discharge does not violate any other applicable U.S. law.

2. Require the personal attendance of Antitrust Counsel at all NAMM Events and Global Summits for three (3) years from the date this Order becomes final.

3. Require that Antitrust Counsel be present at, or be a party to, any meeting or teleconference conducted by Respondent to which the entire Board of Directors or Executive Committee has been invited to participate, for three (3) years from the date this Order becomes final.

4. Require the recitation of a statement:
   a. At the commencement of each meeting of the Board of Directors and Executive Committee that summarizes Respondent's obligations under this Order and provides context-appropriate guidance on compliance with the Antitrust Laws; and
   b. At the commencement of each NAMM Event and Global Summit that provides context-appropriate guidance on compliance with the Antitrust Laws.

   Provided, however, that Respondent may satisfy the requirements of this Paragraph II.B.4 with respect to NAMM University or "NAMM U" sessions (other than NAMM U breakfast sessions) by enclosing in any materials provided to session attendees a copy of a written statement that provides context-appropriate guidance on compliance with the Antitrust Laws.

5. Require the audio or video recording of each panel discussion or presentation at all NAMM Events and Global Summits, prompt delivery of each such recording to the Antitrust Compliance Officer, and the retention of each such recording in the custody and control of the Antitrust Compliance Officer for five (5) years, provided that Respondent need not require the audio or video recording of meetings of the Board of Directors or Executive Committee.

6. Publish a copy of this Order and the Complaint issued by the Commission, and the Internet address of the link to the Commission's press release concerning this Order on the Commission's web site at www.FTC.gov, in the first electronic edition of NAMM's newsletter prepared for publication after this Order becomes final, in the same size and font as regularly featured items in NAMM's newsletter.

7. Within thirty (30) days after the date this Order becomes final:
   a. Distribute, electronically or by other means, return receipt requested, to each Member of the Board of Directors a copy of this Order and the Complaint issued by the Commission, and a letter in the form of the letter attached as Exhibit A to this Order; and,
   b. Publish on Respondent's official web site until the termination of this Order, a copy of this Order and the Complaint issued by the Commission, and a letter in the form of the letter attached as Exhibit A to this Order, with a link from NAMM's home or menu page, entitled "Antitrust Compliance," in the same size and font provided to other menu items. The Order shall remain accessible through common search terms and archives on the web site until the termination of Respondent's obligations under this Order.

8. Within thirty (30) days of the date any person becomes a Member of the Board of Directors, distribute electronically or by other means, return receipt requested, a copy of this Order and the Complaint issued by the Commission. In addition, a hard copy of this Order and the Complaint shall be provided to any new member at the first subsequent meeting of the Board of Directors, and any new member shall certify in writing that he or she is in receipt of, and has read, this Order and the Complaint.

   Provided, however, that nothing in this Paragraph II.B prohibits Respondent from instituting additional components to its compliance program; and

   Provided further, however, that full compliance with Paragraph II.B is not a defense to a violation of Paragraph II.A.

III.

IT IS FURTHER ORDERED that:

A. Within sixty (60) days after the date the Order becomes final, Respondent shall submit to the Commission a verified written report setting forth in detail the manner and form in which the Respondent has complied, is complying, and will comply with this Order. For the period covered by this report, the report shall include, but not be limited to:
   1. The names, business addresses, e-mail addresses, and business phone numbers of the Antitrust Compliance Officer and Antitrust Counsel;
   2. A description in reasonable detail of the program instituted by Respondent to comply with Paragraph II.B.1 of this Order;
   3. A list of the NAMM Events and Global Summits held within sixty (60) days after the date the Order became final, including the title of each NAMM Event and Global Summit, and the dates on which and the locations at which each was held;
   4. A copy of all Written Materials and Prepared Remarks Distributed by Respondent, and reviewed by the Antitrust Compliance Officer under Paragraph II.B.1(e), at each NAMM Event, Global Summit, or other event at which any Member of the Board of Directors, employee or agent of Respondent delivered a speech or statement within sixty (60) days after the date the Order became final;
   5. The names, business addresses, e-mail addresses, and business phone numbers of each Member of the Board of Directors and each Member of the Executive Committee;
   6. The name and business address of each Member of the Board of Directors to whom Respondent distributed, electronically or by other means, a copy of this Order and the Complaint issued by the Commission, the date Respondent distributed the documents, and the date each person signed for receipt or electronic receipt was received by Respondent;
   7. A copy of NAMM's newsletter in which Respondent published this Order and the Complaint issued by the Commission; and
   8. A description and explanation, in reasonable detail, of any affirmative action taken by Respondent with regard to Paragraph II.B.1(l) of this Order.

B. One (1) year after the date the Order becomes final, annually for the next nine (9) years on the anniversary of the date the Order becomes final, and at such other times as the Commission may require, Respondent shall file a verified written report with the Commission setting forth in detail the manner and form in which it has complied and is complying with the Order. For the periods covered by these reports, these reports shall include, but not be limited

to:

1. The names, business addresses, e-mail addresses, and business phone numbers of the Antitrust Compliance Officer and Antitrust Counsel;
2. The name and business address of each Member of the Board of Directors to whom Respondent distributed, electronically or by other means, a copy of this Order and the Complaint issued by the Commission, the date Respondent distributed the documents, and the date each person signed for receipt or electronic receipt was received by Respondent;
3. The name, title, and business address of each person required to receive, and who has received, annual in-person training concerning Respondent's obligations under this Order, an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct, and the identity of the Antitrust Compliance Officer, and the name, title, and business address of the person who conducted the training; and
4. A description and explanation, in reasonable detail, of any affirmative action taken by Respondent with regard to Paragraph II.B.1(l) of this Order.

Provided, however, that nothing in this Paragraph III shall require the provision of information protected by the attorney-client privilege, work product doctrine, or other applicable privilege.

IV.

IT IS FURTHER ORDERED that Respondent shall notify the Commission at least thirty (30) days prior to:

A. Any proposed dissolution of Respondent;
B. Any proposed acquisition, merger or consolidation of Respondent; or
C. Any other change in Respondent that may affect compliance obligations arising out of this Order, including but not limited to assignment, the creation or dissolution of subsidiaries, or any other change in Respondent.

V.

IT IS FURTHER ORDERED that for the purpose of determining or securing compliance with this order, upon written request, Respondent shall permit any duly authorized representative of the Commission:

A. Access, during office hours and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of Respondent relating to any matters contained in this Order; and
B. Upon five (5) days' notice to Respondent and without restraint or interference from Respondent, to interview officers, directors, or employees of Respondent, who may have counsel present, regarding such matters.

VI.

IT IS FURTHER ORDERED that this Order shall terminate on April 8, 2029.

By the Commission.

Donald S. Clark
Secretary

NAMM
believe in music

April 14, 2009

Dear Member:

As many of you know, the Federal Trade Commission has conducted an investigation concerning Minimum Advertised Price policies ("MAP policies") and retail pricing in the music products industry.

To end the investigation expeditiously and to avoid disruption to its core functions, NAMM has voluntarily agreed, without admitting any violation of the law, to the entry of a Consent Agreement and a Decision and Order by the Federal Trade Commission pertaining to NAMM's practices with regard to NAMM events and programs and other related matters.

In general, the Federal Trade Commission has prohibited NAMM from engaging in certain activities involving information exchanges among its members relating to MAP policies, retail margins, and retail pricing in connection with the sale and marketing of musical products.

In addition, NAMM will be required to implement an antitrust compliance program. A copy of the Federal Trade Commission Decision and Order is enclosed and sets forth the specific requirements of the Order that apply to NAMM. The Decision and Order is also available on the Federal Trade Commission Web site at www.FTC.gov.

Sincerely,

Joe Lamond
President and CEO

NAMM, the International Music Products Association
5790 Armada Drive Carlsbad, CA 92008 | p.760.438.8001 f.760.438.7327 | www.namm.org

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Additional information regarding this matter, including the FTC's press release, is available at http://www.ftc.gov/opa/2009/04/namm.shtm.

Attachment	Size
FTC - Complaint	165.51 KB
FTC - Decision and Order	195.78 KB
Exhibit A.doc	191.5 KB

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001190

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001191

Garvin, Samantha

From: Pat Martin [PatM@namm.org]
Sent: Wednesday, April 15, 2009 7:39 PM
To: Cuomo, Paul; Garvin, Samantha
Subject: FW: [BULK] PLAYback Digital: Worship Market Comes to SN09, Reduction in Exhibit Space Costs, Interactive Floor
Importance: Low

From: NAMM [mailto:info@namm.org]
Sent: Wednesday, April 15, 2009 4:16 PM
To: Pat Martin
Subject: [BULK] PLAYback Digital: Worship Market Comes to SN09, Reduction in Exhibit Space Costs, Interactive Floor
Importance: Low

PLAYback Digital Newsletter for Commercial Members

APRIL 15, 2009

A NEW CONGREGATION OF CUSTOMERS COMES TO SUMMER NAMM

This year, in addition to the traditional retail buyers attending 2009 Summer NAMM, July 17-19, we're introducing a new audience to the show: the worship market.

Summer NAMM

When *Technologies for Worship Magazine* approached NAMM to offer clinics and training to their subscribers at Summer NAMM, we did a little research to determine the size of the market, potential number of attendees and the benefit to our Members of having these individuals at the show. The research provided some pretty amazing statistics!

There are 335,953 churches in North America

There are 12,500 houses of worship just in Tennessee

83% use electronic musical instruments in their worship services

98% use a live sound system

$7.7 billion was spent on church audio equipment alone during 2007

Learn more...

A 20% REDUCTION IN EXHIBITOR SPACE COSTS!

There has never been a more critical time to gather the industry than now. Business as usual has gone right out the window. Our Members are looking to NAMM to provide the information, tips and solutions they need to weather this crisis and prepare for an upcoming recovery.

What is NAMM doing for you?

1. NAMM is reducing space costs for Summer NAMM exhibitors by 20%. That means a $4 per-square-foot credit on each company's final invoice.
2. NAMM is working with exhibiting companies to spread out payments into manageable amounts.
3. The price of membership in The Club has remained the same. Manufacturers and Distributors that want to support Summer NAMM can do so at a substantially reduced cost, giving them all the benefits of exhibiting without the expense of a booth.

How can YOU make the most of this savings?

Take this savings and use it to get more dealers to Summer NAMM. Our not-for-profit status prohibits us from buying plane tickets, renting hotel rooms or paying expenses for our buyers to come to the show. BUT, there are things that you can do. It is our hope that you will use these savings toward programs, show specials and marketing efforts to re-enforce to your customers the importance of coming together at this important industry gathering.

Of the 300+ companies exhibiting at Summer NAMM, one third of them are brand new, so there will be lots of exciting new products and innovations there to help build the buzz about the show. We hope that if you haven't already booked your space, you'll do so now by calling us at **800-767-6266.**

INTERACTIVE FLOOR PLAN GOES LIVE MAY 8

Make the most of this convenient, new feature and have it linked to your Web site!

The Interactive Floor Plan for Summer NAMM goes live at www.namm.org on May 8. Be prepared to take full advantage of this value-added service to highlight your products and booth by having it linked to a show-specific page on your Web site. You can promote product launches, provide show specials, hype your event and extend your brand to the music enthusiast who cannot attend, giving them a virtual show experience. The benefits far outweigh the work! It's easy: Simply get your Web page URL to NAMM trade show sales, so it can be accessed when the Interactive Floor Plan is unveiled!

RESERVE YOUR ROOMS NOW!

Summer NAMM housing is now open for all active NAMM Members.

You can use the personalized housing link to make hotel reservations on the Nashville Housing Bureau Web site. Please contact NAMM at **800-767-6266** or info@namm.org if you have any questions, or visit www.namm.org/summer/hotels for more information (you must be logged into the NAMM Web site).

Make your plans now, so you can take advantage of all the upcoming marketing opportunities!

FTC APPROVES FINAL CONSENT ORDER WITH NAMM

Following a public comment period, on April 8, 2009, the FTC voted 4-0 to approve a final consent order with NAMM.

>Learn More

NAMM TO HOST FIRST VIRTUAL ADVOCACY EVENT FROM CAPITOL HILL

Live Web Cast from Washington, D.C., on May 12 Created to Help All Members Stay Up-to-Date and Support Music Education in U.S. Schools

NAMM will host the organization's first "Virtual Advocacy Day" on May 12, allowing more U.S. NAMM Members to participate in the association's annual advocacy efforts on Capitol Hill. A listing of topics and speakers has just been released, including...

>Full Story

MAKE THE MOST OF WANNA PLAY MUSIC WEEK

Tie Your Business In with This Exciting Celebration of Music Making, Take Advantage of the New Lesson Locator and More

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6-8-09 COMP REPORT
NAMM-001192

NAMM's National Wanna Play Music Week (May 4-8, 2009) is about creating more music makers through a series of high-profile public relations events, activities, promotions and subsequent media coverage. Now you can stay current on everything that's happening—as it happens—by joining the Wanna Play Music Week group on Facebook.

Check Out All the Cool Wanna Play Music Week Events and Activities...

>Full Story

NAMM MEMBERS NOW SAVE 68% ON EVERY FREIGHT SHIPMENT!
NAMM and PartnerShip announce the new discount for inbound and outbound shipments with UPS Freight and YRC through the NAMM Discount Shipping Program.

>Learn More

April 27
Pre-Show Party
Performance Request Due

May 8
Initial Assignment
Exhibitor Contract Mailing

May 29
Additional Directory Listings Due

June 12
Last Day For Free Badges

July 17–19
2009 Summer NAMM
Nashville, TN

January 14–17
2010 NAMM SHOW
Anaheim, CA

CALL FOR NOMINATIONS
Do you know someone you think would represent our industry well as a Member of NAMM's Board of Directors? Now is the time to let your voice be heard!

To serve on NAMM's Board of Directors, a nominee must be an official voting representative of an active Retail, Commercial or Manufacturing NAMM Member company in good standing. Candidates should have a desire to serve a three-year term and provide input, ideas and counsel on issues including market growth/expansion, music education policy and professional development. Submissions must be received by May 15, 2009.

If you would like to nominate a potential Board candidate, please click here to learn more.

CALL FOR PLAY*back* STORIES
What things are you doing in your business to stay viable and defy the current economic downturn? If you have a success story to tell or strategies that are working for you, please share them with us and you may be included in the next edition of PLAY*back* magazine.

NAMM MEDIA REPORT
Music making is being featured in the media now, more than ever before—whether it's online, in a local newspaper, a national advertisement or the nightly news.

VIDEO CLIPS ABOUT MUSIC MAKING

A variety of video clips highlighting music making, including some great *Wanna Play?* stories featuring NAMM Members

Username: namm
Password: namm0895

ARTICLES ABOUT MUSIC MAKING

We're Jammin'? Workers Tune Out Stress with Music

The Who "Won't Get Fooled Again" Drum Cover by 4 Yr. Old

Call for More to Play 'Endangered' Instruments

Why We Are Shutting Children Out of Classical Music

Warren Buffet Teaches Girls How to Play the Ukulele

Michelle Obama Gives *French* First Lady a Musical Gift

INDUSTRY EVENT CALENDAR

APRIL
29–5/2
RPMDA 2009 Convention
Salt Lake City, Utah

JUNE
4–6
PALM India
Mumbai, India

JULY
17–19
2009 Summer NAMM
Nashville, Tennessee

AUGUST
20–22

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PALMM
Manila, Philippines

23–24
MIAC 2009 & PAL Show
Toronto, Canada

SEPTEMBER
11–15
IBC
Amsterdam, Netherlands

13–16
PLASA09
London, U.K.

OCTOBER
13–16
Music China
Shanghai, China

NOVEMBER
5–8
Gakki Fair
Yokohama, Japan

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NAMM-001195

News

Press Releases
PLAYback Magazine
Cost of Doing Business
NAMM in the Media

Photo Galleries

The NAMM Show 2009
Summer NAMM 2008
The NAMM Show 2008
Summer NAMM 2007
The NAMM Show 2007
The NAMM Show 2006
Wanna Play Music

Check out the new NAMM corporate video

FTC Approves Final Consent Order with NAMM

| April 8, 2009

Following a public comment period, on April 14, 2009, the FTC voted 4-0 to approve a final consent order with NAMM.

To learn more, please download the attached documents or visit www.ftc.gov.

0010203
UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:
Jon Leibowitz, Chairman
Pamela Jones Harbour
William E. Kovacic
J. Thomas Rosch

Docket No. C
In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41 *et seq.*, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that the National Association of Music Merchants, Inc. has violated Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and it appearing to the Federal Trade Commission ("Commission") that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges as follows:

1. Respondent National Association of Music Merchants, Inc. ("NAMM" or "Respondent") is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, California 92008.
2. NAMM is a trade association composed of more than 9000 members that include manufacturers, distributors, and dealers of musical instruments and related products. Most U.S. manufacturers, distributors, and dealers of musical instruments are members of NAMM. NAMM serves the economic interests of its members by, *inter alia*, promoting consumer demand for musical instruments, lobbying the government, offering seminars, and organizing trade shows. In the United States, NAMM sponsors two major trade shows each year, where manufacturers introduce new products and meet with dealers. In addition, NAMM's trade shows provide competitors an opportunity to meet and discuss issues of concern to the industry.
3. The acts and practices of NAMM, including the acts and practices alleged herein, are in commerce or affect commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.
4. An ongoing subject of concern in the musical instruments industry has been the increased retail price competition for musical instruments. Commencing in 1999, and continuing thereafter, numerous leading musical instrument manufacturers adopted minimum advertised price policies.
5. Between 2005 and 2007, NAMM organized various meetings and programs at which competing retailers of musical instruments were permitted and encouraged to discuss strategies for implementing minimum advertised price policies, the restriction of retail price competition, and the need for higher retail prices. Representatives of NAMM determined the scope of discussion by selecting moderators and setting the agenda for these programs. At these NAMM-sponsored events, competitors discussed the adoption, implementation, and enforcement of minimum advertised price policies; the details and workings of such policies; appropriate and optimal retail prices and margins; and other competitively sensitive issues.
6. In many instances, the exchange of information and opinion arranged by NAMM, as set forth in Paragraph 5 above, served no legitimate business purpose for NAMM or its members.
7. The exchange of information among NAMM members, as alleged herein, had the purpose, tendency, and capacity to facilitate collusion and to restrain competition unreasonably.

Violations Alleged

8. As set forth in Paragraph 5 above, NAMM arranged and encouraged the exchange among its members of competitively sensitive information, in violation of Section 5 of the FTC Act, as amended.
9. The acts and practices of Respondent, as alleged herein, constitute unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. Such acts and practices, or the effects thereof, will continue or recur in the absence of appropriate relief.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this eighth day of April, 2009, issues its complaint against Respondent.

By the Commission.

Donald S. Clark
Secretary

Wanna Play?
Museum of Making Music
Oral History Interviews
Summer NAMM Interactive
SupportMusic
The NAMM Store
© 2009 NAMM, the International Music Products Association
TEC Buyer's Guide
Summer NAMM Prospectus
NAMM Foundation
Renew
Press Room
The NAMM Show

0010203
UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:
Jon Leibowitz, Chairman
Pamela Jones Harbour
William E. Kovacic
J. Thomas Rosch

Docket No. C
In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

DECISION AND ORDER

The Federal Trade Commission ("Commission") having initiated an investigation of certain acts and practices of the National Association of Music Merchants, Inc. (hereinafter "NAMM" or Respondent), and Respondent having been furnished thereafter with a copy of a draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued, would charge Respondent with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order ("Consent Agreement"), containing an admission by Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that Respondent has violated the said Act, and that a Complaint should issue stating its charges in that respect, and having accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby issues its Complaint, makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent NAMM is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, CA 92008.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Respondent, and the proceeding is in the public interest.

ORDER

I.

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

THE PARTIES

A. "Respondent" or "NAMM" means the National Association of Music Merchants, Inc., its successors and assigns, and its directors, trustees, officers, representatives, committees, subcommittees, boards, divisions, agents, and employees.

B. "Commission" means the Federal Trade Commission.

OTHER DEFINITIONS

C. "Antitrust Compliance Officer" means a person appointed under Paragraph II.B.1.(a) of this Order.

D. "Antitrust Counsel" means a lawyer admitted to practice law in one or more of the judicial districts of the courts of the United States. Antitrust Counsel may delegate obligations under this Order to another lawyer supervised by Antitrust Counsel.

E. "Antitrust Laws" means the Federal Trade Commission Act, as amended, 15 U.S.C. §41 *et. seq.*, and the Sherman Act, 15 U.S.C. §1 *et. seq.*

F. "Distribution" or "Distributed" means, with respect to Prepared Remarks or Written Materials, transmittal or delivery by any means.

G. "Global Economic Summit" or "Global Summit" means the particular recurring event attended by Musical Products industry leaders, media, and advisors, including those events held in Carlsbad, California, such as the Fifth Global Summit in 2004, the Sixth Global Summit in 2007, and any future event held where NAMM performs the same, or substantially the same, organizing and hosting role as it did for previous Global Summits.

H. "Member of the Board of Directors" means any member of Respondent's Board of Directors, including any Member of the Executive Committee, acting in an official capacity or having the apparent authority to act in an official capacity.

I. "Member of the Executive Committee" means any member of Respondent's Executive Committee, acting in an official capacity or having the apparent authority to act in an official capacity.

J. "Minimum Advertised Price Policy" means any Musical Product Manufacturer's policy, program, or provision of any program that conditions the sale or continued sale of its Musical Products to Musical Product Dealers upon the advertisement or display of Musical Products at or above a specified minimum dollar amount.

K. "Musical Product(s)" means any musical instrument or musical instrument accessory sold or offered for sale by Respondent's members.

L. "Musical Product Dealer" means any person, corporation, or entity that in the course of its business offers for sale or sells to consumers any Musical Product in or into the United States, including, but not limited to, retail establishments, catalogue sellers, and Internet retail sites, and the officers, agents, and employees thereof.

M. "Musical Product Manufacturer" means any person, corporation, or entity that manufactures or distributes Musical Products to Musical Product Dealers for resale to consumers, and the officers, agents, and employees thereof.

N. "NAMM Event" includes any trade show, town hall meeting or any similar event that NAMM sponsors and organizes and for which NAMM has final authority over the list of invitees. NAMM Event also means any meeting or teleconference of Respondent's Board of Directors or Executive Committee to which the entire Board of Directors or Executive Committee has been invited to participate.

O. "Prepared Remarks" means the final version of any script, speech, or other statement prepared for Distribution at, or in advance of, a NAMM Event, a Global Summit, or an event at which any Member of the Board of Directors,

employee or agent of Respondent delivers a speech or statement.

P. "Price Terms" means:
   1. The retail or wholesale prices, resale prices, credit terms, or terms defining, setting forth, or relating to monetary or non-monetary compensation paid by or on behalf of any Musical Product Dealer or other person who acquires one or more Musical Products; or
   2. The retail or wholesale prices, resale prices, credit terms, return policies, volume or other discounts, rebates, or other policies, programs, conditions, or terms defining, setting forth, or relating to monetary or non-monetary compensation of any Musical Product Manufacturer.

   Provided, however, that Price Terms do not include purchase for personal use by an employee of Respondent or donation for charitable use.

Q. "Resale Price Maintenance Policy" means any Musical Product Manufacturer's policy, program, or provision of any program that conditions the sale or continued sale of its Musical Products to Musical Product Dealers upon the sale of Musical Products at or above a specified minimum dollar amount.

R. "Written Materials" means the final version of any written or paper document, or any electronic version of any document, audio recording, video recording, photograph, or other data, created on, included in, or stored on any computer, computer file, electronic mail, audio CD, DVD, or other electronic or magnetic storage media prepared for Distribution at, or in advance of, a NAMM Event, a Global Summit, or an event at which any Member of the Board of Directors, employee or agent of Respondent delivers a speech or statement.

II.

IT IS FURTHER ORDERED that:

A. Respondent, acting directly or indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined by the Federal Trade Commission Act, forthwith shall cease and desist from:
   1. Urging, encouraging, advocating, suggesting, coordinating, participating in, or facilitating in any manner the exchange of information between or among Musical Product Manufacturers or Musical Product Dealers relating to:
      a. the retail price of Musical Products; or
      b. any term, condition or requirement upon which any Musical Product Manufacturer or Musical Product Dealer deals, or is willing to deal, with any other Musical Product Manufacturer or Musical Product Dealer, including, but not limited to, Price Terms, margins, profits, or pricing policies, including but not limited to Minimum Advertised Price Policies or Resale Price Maintenance Policies.
   2. Entering into, adhering to, enforcing, urging, encouraging, advocating, suggesting, assisting or otherwise facilitating any Musical Product Manufacturer or Musical Product Dealer to enter into, adhere to or enforce any combination, conspiracy, agreement or understanding between or among any Musical Product Manufacturers or Musical Product Dealers relating to:
      a. the retail price of any Musical Product;
      b. any term, condition or requirement upon which any Musical Product Manufacturer or Musical Product Dealer deals, or is willing to deal, with any other Musical Product Manufacturer or Musical Product Dealer, including, but not limited to, Price Terms, margins, profits, or pricing policies, including but not limited to Minimum Advertised Price Policies, or Resale Price Maintenance Policies; or
      c. the refusal to do business, or the reduction of business, with particular Musical Product Manufacturers or Musical Product Dealers.

   Provided, however, that nothing in this Paragraph II.A prohibits Respondent from engaging in, participating in, coordinating, urging, encouraging, or suggesting to others to engage in any conduct protected by the *Noerr-Pennington* doctrine;

   Provided, further, however, that nothing in this Paragraph II.A prohibits the participants in Respondent's trade shows from conducting their commercial activities on the show floor in their ordinary and customary manner;

   Provided, further, however, that nothing in this Paragraph II.A applies to meetings of industry participants not attended by Respondent at which Respondent's role is limited to the provision of a venue, a speaker, administrative support, refreshments, or other incidentals; and

   Provided, further, however, that nothing in this Paragraph II.A prohibits Respondent from publishing or disseminating, by any means: (i) information relating to creditworthiness, product safety, and warranty service issues; (ii) links to individual web sites of Musical Product Manufacturers, Musical Product Dealers, distributors, sales representatives, consultants, industry associations, education and arts associations, societies, and organizations; (iii) NAMM or third-party publications or material containing advertisements, brand image, or public relations material; (iv) aggregated survey data, such as that published in Music Trades, The NAMM Global Report Featuring Music USA, and the Cost of Doing Business Survey; or (v) in the context of industry education, including the sharing of best practices and training materials, generic references to Price Terms, Resale Price Maintenance Policy, and the terms and conditions on which Musical Product Manufacturers and Musical Product Dealers do business.

B. Respondent shall:
   1. Institute a program to comply with this Order and with the Antitrust Laws, which program shall require:
      a. The appointment and maintenance of an Antitrust Compliance Officer for the duration of this Order. For the first three (3) years of this Order, the Antitrust Compliance Officer shall be Antitrust Counsel. After the third anniversary of the date this Order becomes final, a new Antitrust Compliance Officer may be appointed who shall be Antitrust Counsel, a Member of the Board of Directors, or the general counsel of Respondent. Respondent shall direct the Antitrust Compliance Officer to take reasonable steps to develop, implement, administer, monitor, and actively supervise a program to obtain Respondent's compliance with this Order and with the Antitrust Laws.
      b. The appointment and maintenance of Antitrust Counsel, who shall also serve as the Antitrust Compliance Officer until at least the third anniversary of the date this Order becomes final. Within fifteen (15) days of the date this Order becomes final, Respondent shall appoint Antitrust Counsel to provide legal advice to Respondent. Respondent shall direct Antitrust Counsel to take reasonable steps to develop, implement, administer, monitor, and actively supervise a program to obtain Respondent's compliance with this Order and with the Antitrust Laws. Antitrust Counsel shall also train an Antitrust Compliance Officer to take reasonable steps to obtain Respondent's compliance with this Order and with the Antitrust Laws.
      c. Annual in-person training of Respondent's Board of Directors concerning Respondent's obligations under this Order and an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct;
      d. Annual training of Respondent's employees and agents concerning Respondent's obligations under this Order and an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct;
      e. Review and written approval by the Antitrust Compliance Officer, prior to Distribution, of:
         i. All Written Materials and Prepared Remarks by any Member of the Board of Directors, or by any employee or agent of Respondent, acting in an official capacity or having the apparent authority to act in an official capacity, that concern or relate to the Price Terms, margins, profits, Minimum Advertised Price Policies, or Resale Price Maintenance Policies for Musical Products; and
         ii. All final agendas and materials Distributed at, in advance of, or after any meeting of Respondent's Board of Directors or Executive Committee.
      f. Provision of a written statement that provides context-appropriate guidance on compliance with the

Antitrust Laws to all Musical Product Manufacturers or Musical Product Dealers who are scheduled speakers at NAMM Events and Global Summits;

g. Certification, in writing, by each Musical Product Manufacturer or Musical Product Dealer who is a scheduled speaker at a NAMM Event or Global Summit that he or she is in receipt of, and has read, the written statement provided in Paragraph II.B.1(f);

h. Implementation and administration of a procedure to enable persons (including, but not limited to, Respondent's members, officers, directors, employees, and agents) to report violations of this Order and the Antitrust Laws to the Antitrust Compliance Officer and Antitrust Counsel, confidentially and without fear of retaliation of any kind; and

i. Implementation of internal policies and procedures that provide for discipline for members of Respondent's Board of Directors, employees, and agents for failure to comply fully with this Order, which policies and procedures shall require, among other steps, the termination or discharge of any such person who engages in such conduct only after conviction and all appeals have run or after civil liability and all appeals have run, provided that such termination or discharge does not violate any other applicable U.S. law.

2. Require the personal attendance of Antitrust Counsel at all NAMM Events and Global Summits for three (3) years from the date this Order becomes final.

3. Require that Antitrust Counsel be present at, or be a party to, any meeting or teleconference conducted by Respondent to which the entire Board of Directors or Executive Committee has been invited to participate, for three (3) years from the date this Order becomes final.

4. Require the recitation of a statement:
   a. At the commencement of each meeting of the Board of Directors and Executive Committee that summarizes Respondent's obligations under this Order and provides context-appropriate guidance on compliance with the Antitrust Laws; and
   b. At the commencement of each NAMM Event and Global Summit that provides context-appropriate guidance on compliance with the Antitrust Laws.

   Provided, however, that Respondent may satisfy the requirements of this Paragraph II.B.4 with respect to NAMM University or "NAMM U" sessions (other than NAMM U breakfast sessions) by enclosing in any materials provided to session attendees a copy of a written statement that provides context-appropriate guidance on compliance with the Antitrust Laws.

5. Require the audio or video recording of each panel discussion or presentation at all NAMM Events and Global Summits, prompt delivery of each such recording to the Antitrust Compliance Officer, and the retention of each such recording in the custody and control of the Antitrust Compliance Officer for five (5) years, provided that Respondent need not require the audio or video recording of meetings of the Board of Directors or Executive Committee.

6. Publish a copy of this Order and the Complaint issued by the Commission, and the Internet address of the link to the Commission's press release concerning this Order on the Commission's web site at www.FTC.gov, in the first electronic edition of NAMM's newsletter prepared for publication after this Order becomes final, in the same size and font as regularly featured items in NAMM's newsletter.

7. Within thirty (30) days after the date this Order becomes final:
   a. Distribute, electronically or by other means, return receipt requested, to each Member of the Board of Directors a copy of this Order and the Complaint issued by the Commission, and a letter in the form of the letter attached as Exhibit A to this Order; and,
   b. Publish on Respondent's official web site until the termination of this Order, a copy of this Order and the Complaint issued by the Commission, and a letter in the form of the letter attached as Exhibit A to this Order, with a link from NAMM's home or menu page, entitled "Antitrust Compliance," in the same size and font provided to other menu items. The Order shall remain accessible through common search terms and archives on the web site until the termination of Respondent's obligations under this Order.

8. Within thirty (30) days of the date any person becomes a Member of the Board of Directors, distribute electronically or by other means, return receipt requested, a copy of this Order and the Complaint issued by the Commission. In addition, a hard copy of this Order and the Complaint shall be provided to any new member at the first subsequent meeting of the Board of Directors, and any new member shall certify in writing that he or she is in receipt of, and has read, this Order and the Complaint.

   Provided, however, that nothing in this Paragraph II.B prohibits Respondent from instituting additional components to its compliance program; and

   Provided further, however, that full compliance with Paragraph II.B is not a defense to a violation of Paragraph II.A.

III.

IT IS FURTHER ORDERED that:

A. Within sixty (60) days after the date the Order becomes final, Respondent shall submit to the Commission a verified written report setting forth in detail the manner and form in which the Respondent has complied, is complying, and will comply with this Order. For the period covered by this report, the report shall include, but not be limited to:
   1. The names, business addresses, e-mail addresses, and business phone numbers of the Antitrust Compliance Officer and Antitrust Counsel;
   2. A description in reasonable detail of the program instituted by Respondent to comply with Paragraph II.B.1 of this Order;
   3. A list of the NAMM Events and Global Summits held within sixty (60) days after the date the Order became final, including the title of each NAMM Event and Global Summit, and the dates on which and the locations at which each was held;
   4. A copy of all Written Materials and Prepared Remarks Distributed by Respondent, and reviewed by the Antitrust Compliance Officer under Paragraph II.B.1(e), at each NAMM Event, Global Summit, or other event at which any Member of the Board of Directors, employee or agent of Respondent delivered a speech or statement within sixty (60) days after the date the Order became final;
   5. The names, business addresses, e-mail addresses, and business phone numbers of each Member of the Board of Directors and each Member of the Executive Committee;
   6. The name and business address of each Member of the Board of Directors to whom Respondent distributed, electronically or by other means, a copy of this Order and the Complaint issued by the Commission, the date Respondent distributed the documents, and the date each person signed for receipt or electronic receipt was received by Respondent;
   7. A copy of NAMM's newsletter in which Respondent published this Order and the Complaint issued by the Commission; and
   8. A description and explanation, in reasonable detail, of any affirmative action taken by Respondent with regard to Paragraph II.B.1(i) of this Order.

B. One (1) year after the date the Order becomes final, annually for the next nine (9) years on the anniversary of the date the Order becomes final, and at such other times as the Commission may require, Respondent shall file a verified written report with the Commission setting forth in detail the manner and form in which it has complied and is complying with the Order. For the periods covered by these reports, these reports shall include, but not be limited

to:

1. The names, business addresses, e-mail addresses, and business phone numbers of the Antitrust Compliance Officer and Antitrust Counsel;
2. The name and business address of each Member of the Board of Directors to whom Respondent distributed, electronically or by other means, a copy of this Order and the Complaint issued by the Commission, the date Respondent distributed the documents, and the date each person signed for receipt or electronic receipt was received by Respondent;
3. The name, title, and business address of each person required to receive, and who has received, annual in-person training concerning Respondent's obligations under this Order, an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct, and the identity of the Antitrust Compliance Officer, and the name, title, and business address of the person who conducted the training; and
4. A description and explanation, in reasonable detail, of any affirmative action taken by Respondent with regard to Paragraph II.B.1(i) of this Order.

Provided, however, that nothing in this Paragraph III shall require the provision of information protected by the attorney-client privilege, work product doctrine, or other applicable privilege.

IV.

IT IS FURTHER ORDERED that Respondent shall notify the Commission at least thirty (30) days prior to:

A. Any proposed dissolution of Respondent;

B. Any proposed acquisition, merger or consolidation of Respondent; or

C. Any other change in Respondent that may affect compliance obligations arising out of this Order, including but not limited to assignment, the creation or dissolution of subsidiaries, or any other change in Respondent.

V.

IT IS FURTHER ORDERED that for the purpose of determining or securing compliance with this order, upon written request, Respondent shall permit any duly authorized representative of the Commission:

A. Access, during office hours and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of Respondent relating to any matters contained in this Order; and

B. Upon five (5) days' notice to Respondent and without restraint or interference from Respondent, to interview officers, directors, or employees of Respondent, who may have counsel present, regarding such matters.

VI.

IT IS FURTHER ORDERED that this Order shall terminate on April 8, 2029.

By the Commission.

Donald S. Clark
Secretary

NAMM
believe in music

April 14, 2009

Dear Member:

As many of you know, the Federal Trade Commission has conducted an investigation concerning Minimum Advertised Price policies ("MAP policies") and retail pricing in the music products industry.

To end the investigation expeditiously and to avoid disruption to its core functions, NAMM has voluntarily agreed, without admitting any violation of the law, to the entry of a Consent Agreement and a Decision and Order by the Federal Trade Commission pertaining to NAMM's practices with regard to NAMM events and programs and other related matters.

In general, the Federal Trade Commission has prohibited NAMM from engaging in certain activities involving information exchanges among its members relating to MAP policies, retail margins, and retail pricing in connection with the sale and marketing of musical products.

In addition, NAMM will be required to implement an antitrust compliance program. A copy of the Federal Trade Commission Decision and Order is enclosed and sets forth the specific requirements of the Order that apply to NAMM. The Decision and Order is also available on the Federal Trade Commission Web site at www.FTC.gov.

Sincerely,

Joe Lamond

Joe Lamond
President and CEO

NAMM, the International Music Products Association
5790 Armada Drive Carlsbad, CA 92008 | p.760.438.8001 f.760.438.7327 | www.namm.org

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Additional information regarding this matter, including the FTC's press release, is available at http://www.ftc.gov/opa/2009/04/namm.shtm.

Attachment	Size
FTC - Complaint	165.51 KB
FTC - Decision and Order	195.78 KB
Exhibit A.doc	191.5 KB

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001200

Garvin, Samantha

From: Pat Martin [PatM@namm.org]
Sent: Wednesday, April 15, 2009 7:40 PM
To: Cuomo, Paul; Garvin, Samantha
Subject: FW: [BULK] PLAYback Digital: Exhibit Space Costs Cut for SN09, Milestone Anniversaries, NAMM Wanna Play Music W
Importance: Low

From: NAMM [mailto:info@namm.org]
Sent: Wednesday, April 15, 2009 4:20 PM
To: Pat Martin
Subject: [BULK] PLAYback Digital: Exhibit Space Costs Cut for SN09, Milestone Anniversaries, NAMM Wanna Play Music W
Importance: Low

PLAYback Digital Newsletter for Int. Members

APRIL 15, 2009

A NEW CONGREGATION OF CUSTOMERS COMES TO SUMMER NAMM

This year, in addition to the traditional retail buyers attending 2009 Summer NAMM, July 17-19, we're introducing a new audience to the show: the worship market.

When *Technologies for Worship Magazine* approached NAMM to offer clinics and training to their subscribers at Summer NAMM, we did a little research to determine the size of the market, potential number of attendees and the benefit to our Members of having these individuals at the show. The research provided some pretty amazing statistics!

There are 335,953 churches in North America

There are 12,500 houses of worship just in Tennessee

83% use electronic musical instruments in their worship services

98% use a live sound system

$7.7 billion was spent on church audio equipment alone during 2007

Learn more...

A 20% REDUCTION IN EXHIBITOR SPACE COSTS!

There has never been a more critical time to gather the industry than now. Business as usual has gone right out the window. Our Members are looking to NAMM to provide the information, tips and solutions they need to weather this crisis and prepare for an upcoming recovery.

What is NAMM doing for you?

1. NAMM is reducing space costs for Summer NAMM exhibitors by 20%. That means a $4 per-square-foot credit on each company's final invoice.
2. NAMM is working with exhibiting companies to spread out payments into manageable amounts.
3. The price of membership in The Club has remained the same. Manufacturers and Distributors that want to support Summer NAMM can do so at a substantially reduced cost, giving them all the benefits of exhibiting without the expense of a booth.

How can YOU make the most of this savings?

Take this savings and use it to get more dealers to Summer NAMM. Our not-for-profit status prohibits us from buying plane tickets, renting hotel rooms or paying expenses for our buyers to come to the show. BUT, there are things that you can do. It is our hope that you will use these savings toward programs, show specials and marketing efforts to re-enforce to your customers the importance of coming together at this important industry gathering.

Of the 300+ companies exhibiting at Summer NAMM, one third of them are brand new, so there will be lots of exciting new products and innovations there to help build the buzz about the show. We hope that if you haven't already booked your space, you'll do so now by calling us at **800-767-8266.**

NAMM CELEBRATES MILESTONE ANNIVERSARIES AT MESSE

The Association Acknowledges Companies with More Than Two Centuries of Success in the Industry

At the recent Musikmesse in Frankfurt, NAMM's Director of International Affairs, Betty Heywood, had the honor of presenting congratulatory plaques to two international companies celebrating milestone anniversaries. One plaque went to Annekathrin Mascus and Liselotte Sievers of Breitkopf and Härtel, the world's oldest music publishing company founded in 1719, which celebrated its 290th anniversary. The other plague was given to Hans-Joerg Andre of Musikhaus Andre, a music publishing house founded in 1774, which was celebrating 235 years in business.

NAMM'S SECOND ANNUAL WANNA PLAY MUSIC WEEK

NAMM helps create a buzz in the U.S. by putting music making in the national spotlight.

NAMM's Wanna Play Music Week (May 4-8, 2009) is about creating more music makers through a series of high-profile public relations events, activities, promotions and subsequent media coverage. Now you can stay current on everything that's happening—as it happens—by joining the Wanna Play Music Week group on Facebook.

Check Out All the Cool Wanna Play Music Week Events and Activities Scheduled...

>Full Story

FTC APPROVES FINAL CONSENT ORDER WITH NAMM

Following a public comment period, on April 8, 2009, the FTC voted 4-0 to approve a final consent order with NAMM.

>Learn More

CALL FOR NOMINATIONS

Do you know someone who you think would well represent the industry as a Member of the NAMM Board of Directors? Now is the time to let your voice be heard. To serve on NAMM's Board of Directors, a nominee must be an official voting representative of an active Retail, Commercial or Manufacturing NAMM Member company in good standing. Candidates should have a desire to serve a three-year term and provide input, ideas and counsel on issues including market growth/expansion, music education policy and professional development. Submissions must be received by **May 15, 2009.**

If you would like to nominate a potential Board candidate, please click here to learn more.

April 27
Pre-Show Party
Performance Request Due

May 8
Initial Assignment
Exhibitor Contract Mailing

May 29
Additional Directory Listings Due

June 12
Last Day For Free Badges

July 17–19
2009 Summer NAMM
Nashville, TN

January 14–17
2010 NAMM SHOW
Anaheim, CA

CALL FOR PLAY*back* STORIES

What things are you doing in your business to stay viable and defy the current economic downturn? If you have a success story to tell or strategies that are working for you, please share them with us and you may be included in the next edition of PLAY*back* magazine.

NAMM MEDIA REPORT

Music making is being featured in the media now, more than ever before—whether it's online, in a local newspaper, a national advertisement or the nightly news.

VIDEO CLIPS ABOUT MUSIC MAKING

A variety of video clips highlighting music making, including some great *Wanna Play?* stories featuring NAMM Members

Username: namm
Password: namm0895

ARTICLES ABOUT MUSIC MAKING

We're Jammin'? Workers Tune Out Stress with Music

The Who "Won't Get Fooled Again" Drum Cover by 4 Yr. Old

Call for More to Play 'Endangered' Instruments

Why We Are Shutting Children Out of Classical Music

Warren Buffet Teaches Girls How to Play the Ukulele

Michelle Obama Gives French First Lady a Musical Gift

INDUSTRY EVENT CALENDAR

APRIL
29–5/2
RPMDA 2009 Convention
Salt Lake City, Utah

JUNE
4–6
PALM India
Mumbai, India

JULY
17–19
2009 Summer NAMM
Nashville, Tennessee

AUGUST
20–22
PALMM
Manila, Philippines

23–24
MIAC 2009 & PAL Show
Toronto, Canada

SEPTEMBER
11–15
IBC
Amsterdam, Netherlands

13–18
PLASA09
London, U.K.

OCTOBER
13–16

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001203

Music China
Shanghai, China

NOVEMBER
5–8
Gakki Fair
Yokohama, Japan

SUBSCRIBER TOOLS
Send Feedback | Unsubscribe

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001205

News

Press Releases
PLAYback Magazine
Cost of Doing Business
NAMM in the Media

Photo Galleries

The NAMM Show 2009
Summer NAMM 2008
The NAMM Show 2008
Summer NAMM 2007
The NAMM Show 2007
The NAMM Show 2006
Wanna Play Music

Check out the new NAMM corporate video

FTC Approves Final Consent Order with NAMM

| April 8, 2009

Following a public comment period, on April 14, 2009, the FTC voted 4-0 to approve a final consent order with NAMM.

To learn more, please download the attached documents or visit www.ftc.gov.

0010203
UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:
Jon Leibowitz, Chairman
Pamela Jones Harbour
William E. Kovacic
J. Thomas Rosch

Docket No. C
In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41 *et seq.*, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that the National Association of Music Merchants, Inc. has violated Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and it appearing to the Federal Trade Commission ("Commission") that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges as follows:

1. Respondent National Association of Music Merchants, Inc. ("NAMM" or "Respondent") is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, California 92008.
2. NAMM is a trade association composed of more than 9000 members that include manufacturers, distributors, and dealers of musical instruments and related products. Most U.S. manufacturers, distributors, and dealers of musical instruments are members of NAMM. NAMM serves the economic interests of its members by, *inter alia*, promoting consumer demand for musical instruments, lobbying the government, offering seminars, and organizing trade shows. In the United States, NAMM sponsors two major trade shows each year, where manufacturers introduce new products and meet with dealers. In addition, NAMM's trade shows provide competitors an opportunity to meet and discuss issues of concern to the industry.
3. The acts and practices of NAMM, including the acts and practices alleged herein, are in commerce or affect commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.
4. An ongoing subject of concern in the musical instruments industry has been the increased retail price competition for musical instruments. Commencing in 1999, and continuing thereafter, numerous leading musical instrument manufacturers adopted minimum advertised price policies.
5. Between 2005 and 2007, NAMM organized various meetings and programs at which competing retailers of musical instruments were permitted and encouraged to discuss strategies for implementing minimum advertised price policies, the restriction of retail price competition, and the need for higher retail prices. Representatives of NAMM determined the scope of discussion by selecting moderators and setting the agenda for these programs. At these NAMM-sponsored events, competitors discussed the adoption, implementation, and enforcement of minimum advertised price policies; the details and workings of such policies; appropriate and optimal retail prices and margins; and other competitively sensitive issues.
6. In many instances, the exchange of information and opinion arranged by NAMM, as set forth in Paragraph 5 above, served no legitimate business purpose for NAMM or its members.
7. The exchange of information among NAMM members, as alleged herein, had the purpose, tendency, and capacity to facilitate collusion and to restrain competition unreasonably.

Violations Alleged

8. As set forth in Paragraph 5 above, NAMM arranged and encouraged the exchange among its members of competitively sensitive information, in violation of Section 5 of the FTC Act, as amended.
9. The acts and practices of Respondent, as alleged herein, constitute unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. Such acts and practices, or the effects thereof, will continue or recur in the absence of appropriate relief.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this eighth day of April, 2009, issues its complaint against Respondent.

By the Commission.

Donald S. Clark
Secretary

Wanna Play?
Museum of Making Music
Oral History Interviews
Summer NAMM Interactive
SupportMusic
The NAMM Store
© 2009 NAMM, the International Music Products Association
Summer NAMM Prospectus
NAMM Foundation
Renew
Press Room
The NAMM Show

0010203
UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:
Jon Leibowitz, Chairman
Pamela Jones Harbour
William E. Kovacic
J. Thomas Rosch

Docket No. C
In the Matter of

NATIONAL ASSOCIATION OF MUSIC MERCHANTS, INC.

a corporation.

DECISION AND ORDER

The Federal Trade Commission ("Commission") having initiated an investigation of certain acts and practices of the National Association of Music Merchants, Inc. (hereinafter "NAMM" or Respondent), and Respondent having been furnished thereafter with a copy of a draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued, would charge Respondent with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order ("Consent Agreement"), containing an admission by Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that Respondent has violated the said Act, and that a Complaint should issue stating its charges in that respect, and having accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby issues its Complaint, makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent NAMM is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business located at 5790 Armada Drive, Carlsbad, CA 92008.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Respondent, and the proceeding is in the public interest.

ORDER

I.

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

THE PARTIES

A. "Respondent" or "NAMM" means the National Association of Music Merchants, Inc., its successors and assigns, and its directors, trustees, officers, representatives, committees, subcommittees, boards, divisions, agents, and employees.

B. "Commission" means the Federal Trade Commission.

OTHER DEFINITIONS

C. "Antitrust Compliance Officer" means a person appointed under Paragraph II.B.1.(a) of this Order.

D. "Antitrust Counsel" means a lawyer admitted to practice law in one or more of the judicial districts of the courts of the United States. Antitrust Counsel may delegate obligations under this Order to another lawyer supervised by Antitrust Counsel.

E. "Antitrust Laws" means the Federal Trade Commission Act, as amended, 15 U.S.C. §41 *et. seq.*, and the Sherman Act, 15 U.S.C. §1 *et. seq.*

F. "Distribution"or "Distributed" means, with respect to Prepared Remarks or Written Materials, transmittal or delivery by any means.

G. "Global Economic Summit" or "Global Summit" means the particular recurring event attended by Musical Products industry leaders, media, and advisors, including those events held in Carlsbad, California, such as the Fifth Global Summit in 2004, the Sixth Global Summit in 2007, and any future event held where NAMM performs the same, or substantially the same, organizing and hosting role as it did for previous Global Summits.

H. "Member of the Board of Directors" means any member of Respondent's Board of Directors, including any Member of the Executive Committee, acting in an official capacity or having the apparent authority to act in an official capacity.

I. "Member of the Executive Committee" means any member of Respondent's Executive Committee, acting in an official capacity or having the apparent authority to act in an official capacity.

J. "Minimum Advertised Price Policy" means any Musical Product Manufacturer's policy, program, or provision of any program that conditions the sale or continued sale of its Musical Products to Musical Product Dealers upon the advertisement or display of Musical Products at or above a specified minimum dollar amount.

K. "Musical Product(s)" means any musical instrument or musical instrument accessory sold or offered for sale by Respondent's members.

L. "Musical Product Dealer" means any person, corporation, or entity that in the course of its business offers for sale or sells to consumers any Musical Product in or into the United States, including, but not limited to, retail establishments, catalogue sellers, and internet retail sites, and the officers, agents, and employees thereof.

M. "Musical Product Manufacturer" means any person, corporation, or entity that manufactures or distributes Musical Products to Musical Product Dealers for resale to consumers, and the officers, agents, and employees thereof.

N. "NAMM Event" includes any trade show, town hall meeting or any similar event that NAMM sponsors and organizes and for which NAMM has final authority over the list of invitees. NAMM Event also means any meeting or teleconference of Respondent's Board of Directors or Executive Committee to which the entire Board of Directors or Executive Committee has been invited to participate.

O. "Prepared Remarks" means the final version of any script, speech, or other statement prepared for Distribution at, or in advance of, a NAMM Event, a Global Summit, or an event at which any Member of the Board of Directors,

employee or agent of Respondent delivers a speech or statement.

P. "Price Terms" means:
   1. The retail or wholesale prices, resale prices, credit terms, or terms defining, setting forth, or relating to monetary or non-monetary compensation paid by or on behalf of any Musical Product Dealer or other person who acquires one or more Musical Products; or
   2. The retail or wholesale prices, resale prices, credit terms, return policies, volume or other discounts, rebates, or other policies, programs, conditions, or terms defining, setting forth, or relating to monetary or non-monetary compensation of any Musical Product Manufacturer.

   Provided, however, that Price Terms do not include purchase for personal use by an employee of Respondent or donation for charitable use.

Q. "Resale Price Maintenance Policy" means any Musical Product Manufacturer's policy, program, or provision of any program that conditions the sale or continued sale of its Musical Products to Musical Product Dealers upon the sale of Musical Products at or above a specified minimum dollar amount.

R. "Written Materials" means the final version of any written or paper document, or any electronic version of any document, audio recording, video recording, photograph, or other data, created on, included in, or stored on any computer, computer file, electronic mail, audio CD, DVD, or other electronic or magnetic storage media prepared for distribution at, or in advance of, a NAMM Event, a Global Summit, or an event at which any Member of the Board of Directors, employee or agent of Respondent delivers a speech or statement.

II.

IT IS FURTHER ORDERED that:

A. Respondent, acting directly or indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined by the Federal Trade Commission Act, forthwith shall cease and desist from:
   1. Urging, encouraging, advocating, suggesting, coordinating, participating in, or facilitating in any manner the exchange of information between or among Musical Product Manufacturers or Musical Product Dealers relating to:
      a. the retail price of Musical Products; or
      b. any term, condition or requirement upon which any Musical Product Manufacturer or Musical Product Dealer deals, or is willing to deal, with any other Musical Product Manufacturer or Musical Product Dealer, including, but not limited to, Price Terms, margins, profits, or pricing policies, including but not limited to Minimum Advertised Price Policies or Resale Price Maintenance Policies.
   2. Entering into, adhering to, enforcing, urging, encouraging, advocating, suggesting, assisting or otherwise facilitating any Musical Product Manufacturer or Musical Product Dealer to enter into, adhere to or enforce any combination, conspiracy, agreement or understanding between or among any Musical Product Manufacturers or Musical Product Dealers relating to:
      a. the retail price of any Musical Product;
      b. any term, condition or requirement upon which any Musical Product Manufacturer or Musical Product Dealer deals, or is willing to deal, with any other Musical Product Manufacturer or Musical Product Dealer, including, but not limited to, Price Terms, margins, profits, or pricing policies, including but not limited to Minimum Advertised Price Policies, or Resale Price Maintenance Policies; or
      c. the refusal to do business, or the reduction of business, with particular Musical Product Manufacturers or Musical Product Dealers.

   Provided, however, that nothing in this Paragraph II.A prohibits Respondent from engaging in, participating in, coordinating, urging, encouraging, or suggesting to others to engage in any conduct protected by the *Noerr-Pennington* doctrine;

   Provided, further, however, that nothing in this Paragraph II.A prohibits the participants in Respondent's trade shows from conducting their commercial activities on the show floor in their ordinary and customary manner;

   Provided, further, however, that nothing in this Paragraph II.A applies to meetings of industry participants not attended by Respondent at which Respondent's role is limited to the provision of a venue, a speaker, administrative support, refreshments, or other incidentals; and

   Provided, further, however, that nothing in this Paragraph II.A prohibits Respondent from publishing or disseminating, by any means: (i) information relating to creditworthiness, product safety, and warranty service issues; (ii) links to individual web sites of Musical Product Manufacturers, Musical Product Dealers, distributors, sales representatives, consultants, industry associations, education and arts associations, societies, and organizations; (iii) NAMM or third-party publications or material containing advertisements, brand image, or public relations material; (iv) aggregated survey data, such as that published in Music Trades, The NAMM Global Report Featuring Music USA, and the Cost of Doing Business Survey; or (v) in the context of industry education, including the sharing of best practices and training materials, generic references to Price Terms, Resale Price Maintenance Policy, and the terms and conditions on which Musical Product Manufacturers and Musical Product Dealers do business.

B. Respondent shall:
   1. Institute a program to comply with this Order and with the Antitrust Laws, which program shall require:
      a. The appointment and maintenance of an Antitrust Compliance Officer for the duration of this Order. For the first three (3) years of this Order, the Antitrust Compliance Officer shall be Antitrust Counsel. After the third anniversary of the date this Order becomes final, a new Antitrust Compliance Officer may be appointed who shall be Antitrust Counsel, a Member of the Board of Directors, or the general counsel of Respondent. Respondent shall direct the Antitrust Compliance Officer to take reasonable steps to develop, implement, administer, monitor, and actively supervise a program to obtain Respondent's compliance with this Order and with the Antitrust Laws.
      b. The appointment and maintenance of Antitrust Counsel, who shall also serve as the Antitrust Compliance Officer until at least the third anniversary of the date this Order becomes final. Within fifteen (15) days of the date this Order becomes final, Respondent shall appoint Antitrust Counsel to provide legal advice to Respondent. Respondent shall direct Antitrust Counsel to take reasonable steps to develop, implement, administer, monitor, and actively supervise a program to obtain Respondent's compliance with this Order and with the Antitrust Laws. Antitrust Counsel shall also train an Antitrust Compliance Officer to take reasonable steps to obtain Respondent's compliance with this Order and with the Antitrust Laws.
      c. Annual in-person training of Respondent's Board of Directors concerning Respondent's obligations under this Order and an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct;
      d. Annual training of Respondent's employees and agents concerning Respondent's obligations under this Order and an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct;
      e. Review and written approval by the Antitrust Compliance Officer, prior to distribution, of:
         i. All Written Materials and Prepared Remarks by any Member of the Board of Directors, or by any employee or agent of Respondent, acting in an official capacity or having the apparent authority to act in an official capacity, that concern or relate to the Price Terms, margins, profits, Minimum Advertised Price Policies, or Resale Price Maintenance Policies for Musical Products; and
         ii. All final agendas and materials distributed at, in advance of, or after any meeting of Respondent's Board of Directors or Executive Committee.
      f. Provision of a written statement that provides context-appropriate guidance on compliance with the

Antitrust Laws to all Musical Product Manufacturers or Musical Product Dealers who are scheduled speakers at NAMM Events and Global Summits;

g. Certification, in writing, by each Musical Product Manufacturer or Musical Product Dealer who is a scheduled speaker at a NAMM Event or Global Summit that he or she is in receipt of, and has read, the written statement provided in Paragraph II.B.1(f);

h. Implementation and administration of a procedure to enable persons (including, but not limited to, Respondent's members, officers, directors, employees, and agents) to report violations of this Order and the Antitrust Laws to the Antitrust Compliance Officer and Antitrust Counsel, confidentially and without fear of retaliation of any kind; and

i. Implementation of internal policies and procedures that provide for discipline for members of Respondent's Board of Directors, employees, and agents for failure to comply fully with this Order, which policies and procedures shall require, among other steps, the termination or discharge of any such person who engages in such conduct only after conviction and all appeals have run or after civil liability and all appeals have run, provided that such termination or discharge does not violate any other applicable U.S. law.

2. Require the personal attendance of Antitrust Counsel at all NAMM Events and Global Summits for three (3) years from the date this Order becomes final.

3. Require that Antitrust Counsel be present at, or be a party to, any meeting or teleconference conducted by Respondent to which the entire Board of Directors or Executive Committee has been invited to participate, for three (3) years from the date this Order becomes final.

4. Require the recitation of a statement:
   a. At the commencement of each meeting of the Board of Directors and Executive Committee that summarizes Respondent's obligations under this Order and provides context-appropriate guidance on compliance with the Antitrust Laws; and

   b. At the commencement of each NAMM Event and Global Summit that provides context-appropriate guidance on compliance with the Antitrust Laws.

   Provided, however, that Respondent may satisfy the requirements of this Paragraph II.B.4 with respect to NAMM University or "NAMM U" sessions (other than NAMM U breakfast sessions) by enclosing in any materials provided to session attendees a copy of a written statement that provides context-appropriate guidance on compliance with the Antitrust Laws.

5. Require the audio or video recording of each panel discussion or presentation at all NAMM Events and Global Summits, prompt delivery of each such recording to the Antitrust Compliance Officer, and the retention of each such recording in the custody and control of the Antitrust Compliance Officer for five (5) years, provided that Respondent need not require the audio or video recording of meetings of the Board of Directors or Executive Committee.

6. Publish a copy of this Order and the Complaint issued by the Commission, and the internet address of the link to the Commission's press release concerning this Order on the Commission's web site at www.FTC.gov, in the first electronic edition of NAMM's newsletter prepared for publication after this Order becomes final, in the same size and font as regularly featured items in NAMM's newsletter.

7. Within thirty (30) days after the date this Order becomes final:
   a. Distribute, electronically or by other means, return receipt requested, to each Member of the Board of Directors a copy of this Order and the Complaint issued by the Commission, and a letter in the form of the letter attached as Exhibit A to this Order; and,

   b. Publish on Respondent's official web site until the termination of this Order, a copy of this Order and the Complaint issued by the Commission, and a letter in the form of the letter attached as Exhibit A to this Order, with a link from NAMM's home or menu page, entitled "Antitrust Compliance," in the same size and font provided to other menu items. The Order shall remain accessible through common search terms and archives on the web site until the termination of Respondent's obligations under this Order.

8. Within thirty (30) days of the date any person becomes a Member of the Board of Directors, distribute electronically or by other means, return receipt requested, a copy of this Order and the Complaint issued by the Commission. In addition, a hard copy of this Order and the Complaint shall be provided to any new member at the first subsequent meeting of the Board of Directors, and any new member shall certify in writing that he or she is in receipt of, and has read, this Order and the Complaint.

   Provided, however, that nothing in this Paragraph II.B prohibits Respondent from instituting additional components to its compliance program; and

   Provided further, however, that full compliance with Paragraph II.B is not a defense to a violation of Paragraph II.A.

III.

IT IS FURTHER ORDERED that:

A. Within sixty (60) days after the date the Order becomes final, Respondent shall submit to the Commission a verified written report setting forth in detail the manner and form in which the Respondent has complied, is complying, and will comply with this Order. For the period covered by this report, the report shall include, but not be limited to:
   1. The names, business addresses, e-mail addresses, and business phone numbers of the Antitrust Compliance Officer and Antitrust Counsel;

   2. A description in reasonable detail of the program instituted by Respondent to comply with Paragraph II.B.1 of this Order;

   3. A list of the NAMM Events and Global Summits held within sixty (60) days after the date the Order became final, including the title of each NAMM Event and Global Summit, and the dates on which and the locations at which each was held;

   4. A copy of all Written Materials and Prepared Remarks Distributed by Respondent, and reviewed by the Antitrust Compliance Officer under Paragraph II.B.1(e), at each NAMM Event, Global Summit, or other event at which any Member of the Board of Directors, employee or agent of Respondent delivered a speech or statement within sixty (60) days after the date the Order became final;

   5. The names, business addresses, e-mail addresses, and business phone numbers of each Member of the Board of Directors and each Member of the Executive Committee;

   6. The name and business address of each Member of the Board of Directors to whom Respondent distributed, electronically or by other means, a copy of this Order and the Complaint issued by the Commission, the date Respondent distributed the documents, and the date each person signed for receipt or electronic receipt was received by Respondent;

   7. A copy of NAMM's newsletter in which Respondent published this Order and the Complaint issued by the Commission; and

   8. A description and explanation, in reasonable detail, of any affirmative action taken by Respondent with regard to Paragraph II.B.1(l) of this Order.

B. One (1) year after the date the Order becomes final, annually for the next nine (9) years on the anniversary of the date the Order becomes final, and at such other times as the Commission may require, Respondent shall file a verified written report with the Commission setting forth in detail the manner and form in which it has complied and is complying with the Order. For the periods covered by these reports, these reports shall include, but not be limited

to:

1. The names, business addresses, e-mail addresses, and business phone numbers of the Antitrust Compliance Officer and Antitrust Counsel;
2. The name and business address of each Member of the Board of Directors to whom Respondent distributed, electronically or by other means, a copy of this Order and the Complaint issued by the Commission, the date Respondent distributed the documents, and the date each person signed for receipt or electronic receipt was received by Respondent;
3. The name, title, and business address of each person required to receive, and who has received, annual in-person training concerning Respondent's obligations under this Order, an overview of the Antitrust Laws as they apply to Respondent's activities, behavior, and conduct, and the identity of the Antitrust Compliance Officer, and the name, title, and business address of the person who conducted the training; and
4. A description and explanation, in reasonable detail, of any affirmative action taken by Respondent with regard to Paragraph II.B.1(l) of this Order.

Provided, however, that nothing in this Paragraph III shall require the provision of information protected by the attorney-client privilege, work product doctrine, or other applicable privilege.

IV.

IT IS FURTHER ORDERED that Respondent shall notify the Commission at least thirty (30) days prior to:

A. Any proposed dissolution of Respondent;
B. Any proposed acquisition, merger or consolidation of Respondent; or
C. Any other change in Respondent that may affect compliance obligations arising out of this Order, including but not limited to assignment, the creation or dissolution of subsidiaries, or any other change in Respondent.

V.

IT IS FURTHER ORDERED that for the purpose of determining or securing compliance with this order, upon written request, Respondent shall permit any duly authorized representative of the Commission:

A. Access, during office hours and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of Respondent relating to any matters contained in this Order; and
B. Upon five (5) days' notice to Respondent and without restraint or interference from Respondent, to interview officers, directors, or employees of Respondent, who may have counsel present, regarding such matters.

VI.

IT IS FURTHER ORDERED that this Order shall terminate on April 8, 2029.

By the Commission.

Donald S. Clark
Secretary

NAMM
believe in music

April 14, 2009

Dear Member:

As many of you know, the Federal Trade Commission has conducted an investigation concerning Minimum Advertised Price policies ("MAP policies") and retail pricing in the music products industry.

To end the investigation expeditiously and to avoid disruption to its core functions, NAMM has voluntarily agreed, without admitting any violation of the law, to the entry of a Consent Agreement and a Decision and Order by the Federal Trade Commission pertaining to NAMM's practices with regard to NAMM events and programs and other related matters.

In general, the Federal Trade Commission has prohibited NAMM from engaging in certain activities involving information exchanges among its members relating to MAP policies, retail margins, and retail pricing in connection with the sale and marketing of musical products.

In addition, NAMM will be required to implement an antitrust compliance program. A copy of the Federal Trade Commission Decision and Order is enclosed and sets forth the specific requirements of the Order that apply to NAMM. The Decision and Order is also available on the Federal Trade Commission Web site at www.FTC.gov.

Sincerely,

Joe Lamond
President and CEO

NAMM, the International Music Products Association
5790 Armada Drive Carlsbad, CA 92008 | p.760.438.8001 f.760.438.7327 | www.namm.org

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Additional information regarding this matter, including the FTC's press relelase, is available at http://www.ftc.gov/opa/2009/04/namm.shtm.

Attachment	Size
FTC - Complaint	165.51 KB
FTC - Decision and Order	195.78 KB
Exhibit A.doc	191.5 KB

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NAMM®
Board of Directors
Palm Beach, Florida • April 29-May 3, 2009

COMMITTEE RESPONSIBILITIES

In reality, none of the committees can determine policy. Our bylaws allow only the board to take such action. The purpose of each committee should be to research, discuss, conclude and make recommendations to the full board. While opinions are items on which it is OK to disagree, we should all trust and respect the time spent by committees to make these recommendations.

While it will be my intent to allow open discussion and interaction at the conclusion of each committee report on day three, there will be only a limited amount of time. We should all attempt to reinforce the energy of the committees and respect their recommendations.

The charge that I will give the committee chair people (and the committee) is to use the time allocated to identify the common needs of Membership. On day three when we reconvene from lunch, committees with motions should be prepared to explain how each recommendation is going to benefit a targeted group of Members and how we should allocate our resources to get the job done.

Revised

FUTURE NAMM MEETINGS

Revised April 2009

For planning purposes, the following is the current schedule for future NAMM Meetings & Events.

JANUARY TRADE SHOW: (The NAMM Show)

2010	Anaheim, Ca.	January 14-17	Anaheim Convention Center
2011	Anaheim, Ca.	January 13-16	Anaheim Convention Center
2012	Anaheim, Ca.	January 19-22	Anaheim Convention Center
2013	Anaheim, Ca.	January 17-20	Anaheim Convention Center

JANUARY ANNUAL MEETING OF MEMBERS:

2010	Anaheim, Ca.	January 16	Anaheim Hilton Hotel
2011	Anaheim, Ca.	January 15	Anaheim Hilton Hotel
2012	Anaheim, Ca.	January 21	Anaheim Hilton Hotel
2013	Anaheim, Ca.	January 19	Anaheim Hilton Hotel

The Annual Meeting of Members is currently held the Saturday during the January trade show.

SPRING BOARD MEETING: ***(please note these meetings end on Saturday)***

2010 San Diego, California — April 14 – April 18 The Grand Del Mar

Note: New Board Members arrive April 13

2011 Kamuela, Hawaii — April 13-April 17 The Fairmont Orchid

Note: New Board Members arrive April 12

SUMMER ANNUAL BOARD MEETING:

2009	Nashville, Tn.	July 16	Renaissance Hotel
2010	Nashville, Tn.	June 17	Renaissance Hotel
2011*	Nashville, Tn.	June 23	Renaissance Hotel

The Annual Board Meeting is currently held the Thursday before the summer trade show opens.

SUMMER TRADE SHOW: (NAMM Summer Session)

2009	Nashville, Tn.	July 17-19	Nashville Convention Center
2010	Nashville, Tn.	June 18-20	Nashville Convention Center
2011*	Nashville, Tn.	June 24-26	Nashville Convention Center

**Tentative Dates...not contracted*

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2009 Proposed NAMM Bylaw Amendments

It has been proposed that the NAMM bylaws be amended in two areas. Details are respectfully submitted here for your review and will be brought forward for a full board vote on Saturday, May 2nd, 2009 under New Business.

Individual NAMM Membership Category Amendment:

The addition of an Individual Membership category is proposed to allow for long-term NAMM Voting Members who are no longer the voting representative of or otherwise affiliated with a Voting Member to be accepted as NAMM Members in this new category. For example, an individual who owned a music products dealer firm that was a long-time Retail Member of NAMM, but who sold his business or passed it to his children might be accepted as a Member in this new category.

This category of Membership is not entitled to voting rights and would not be eligible for nomination or election to the Board of Directors. Primary benefit to this group would be access to trade show badges and receipt of electronic communications from NAMM. Annual dues for Members in this category would be $50.00.

This would be a bylaw amendment inserted immediately after the current section 3.07 and be titled 3.08 Individual Members.

NAMM Board of Director Diversity Amendment:

The proposed amendment to Sections 5.04 and 5.05 of the Bylaws is to (1) to increase the number of Members required to advance an "at large" nomination of a candidate for election to the board from 25 voting Members (as currently stated) to 5% of the Voting Members, (2) to specify that all nominations of candidates for election as directors must reflect the existing diversity of the NAMM Voting Members in terms of Membership classifications (retail, commercial, rep), and (3) to specify that the nominating committee will attempt to make its nominations reflect the diversity of NAMM Voting Members in terms of industry segment and geography.

INDIVIDUAL MEMBERSHIP CATEGORY

{proposed bylaw amendment}

SECTION 3.01. CLASSES OF MEMBERSHIP.

This Association shall have the following classes of members: Retail Members, Affiliate Retail Members, Commercial Members, Affiliate Commercial Members, Manufacturers Representative Members, Service Provider Members, Individual Members, and NAYMM Members.

SECTION 3.09. INDIVIDUAL MEMBERS.

Any person who has demonstrated a long-term contribution and commitment to the Music Products Industry over a career of employment by, or ownership of, a NAMM Voting Member firm but who is no longer eligible for NAMM Membership shall be eligible to apply for Individual membership in the Association.

SECTION 3.11. VOTING MEMBER RIGHTS.

(a) Retail Members, Commercial Members and Manufacturers Representative Members shall have the rights afforded members under the Association's Certificate of Incorporation (the "Certificate of Incorporation"), these Bylaws, and the New York Not-For-Profit Corporation Law (the "Law"). Retail Members, Commercial Members, and Manufacturers Representative Members shall vote and otherwise act as a single class of membership for voting and membership rights purposes, except as otherwise provided herein (and shall hereafter be referred to as "Voting Members.") No firm shall be permitted more than one vote as a Member of the Association, notwithstanding the fact that such firm may be eligible for admission in more than one of the classes of voting membership referred to in this Section 3.11. Nothing in this Section 3.11 shall be construed as limiting the right of the Association to refer to other persons or entities associated with it as "members" (such as Affiliate Retail Members, Affiliate Commercial Members, Service Provider Members, Individual Members, or NAYMM Members) even though such persons or entities are not members with voting rights under the Law, and no such reference shall confer any rights on such persons or entities other than as set forth in these Bylaws.

SECTION 4.09. VOTING RIGHTS OF OTHER MEMBERS.

Affiliate Retail Members, Affiliate Commercial Members, Service Provider Members, Individual Members, and NAYMM Members shall have the privilege of the floor at all meetings of Members, but such Members shall not vote.

NAMM BOARD OF DIRECTOR DIVERSITY

{proposed bylaw amendment}

SECTION 5.04. ***NOMINATION OF ELECTED DIRECTOR CANDIDATES.***

(a) Before the Nominating Committee presents any nominations of persons for election as Directors, the President or his staff shall determine the diversity of the Voting Members of NAMM, taking into account the membership classifications and industry segments of all Voting Members. The President or staff shall then assess the membership classifications represented by the elected Directors (other than those elected Directors whose terms are scheduled to end at the next Annual Meeting of Members). Based on such determination and assessment, the President or staff shall determine the permitted number of elected Director seats representing each membership classification to be filled at the time of the next Annual Meeting of Members to maintain representation among the elected Directors equal (plus or minus 1 seat) to the percentage of Voting Members in each such classification. The President's or staff's determination of such numbers and of representation of membership classifications shall be binding. The President or staff shall then assess the industry segments represented by the elected Directors (other than those elected Directors whose terms are scheduled to end at the next Annual Meeting of Members). The President or staff shall also determine a recommended number of elected Director seats representing each industry segment according to a similar process.

(b) At least six months before the Annual Meeting of the Members, the Chairman shall appoint a Nominating Committee consisting of eight (or such other number as the Board may establish) elected Directors and the members of the Executive Committee. The Nominating Committee's function shall be to select candidates to replace elected Directors whose terms will expire at the next Annual Meeting of Members. The Nominating Committee shall solicit the suggestions of the members of the Board of Directors and of Members of the Association. Based upon such suggestions and the Committee's own judgment and subject to Section 5.04(a), the Nominating Committee shall select a number of eligible persons equal to or greater than the number of elected Directors whose terms will expire at the time of the next ensuing Annual Meeting of Members. From among the persons so selected, the Nominating Committee shall designate a slate of nominees equal in number to the number of elected Directors whose terms will expire at the time of such Annual Meeting of Members and shall designate the remainder of such persons so selected as alternate nominees.

(c) The Nominating Committee's nominees and alternates shall each be approved or rejected by the Board of Directors. Any such nominees and

alternates rejected by the Board may be replaced by the Board, subject to Section 5.04(a), without further action by the Nominating Committee. From among the nominees and alternates approved by the Board and after verifying that such persons would accept and be eligible for nomination and after replacing any nominees who would not accept or be eligible with persons from the approved list of alternates who would accept and be eligible, the Nominating Committee shall nominate a slate of nominees equal in number to the number of elected Directors whose terms will expire at the time of the next ensuing Annual Meeting of Members and whose composition is consistent with Section 5.04(a) and shall report such slate of nominees to the Chairman or President. The Nominating Committee's or Board's nominations (pursuant to Section 5.04(b) and (c)) shall be consistent with the President's or staff's determination of permitted number of seats representing each membership classification and the Nominating Committee or Board shall attempt to maintain a diversity among elected Directors approximately representative of the diversity of Voting Members in terms of industry segments. Additionally, the Nominating Committee and Board shall take into account the geographic locations of the firms represented by their nominees and will attempt to avoid bunching elected Directors from a given geographic region of the country. The Nominating Committee's slate of nominees shall be announced to the Voting Members by written notice sent at least 40 days before the Annual Meeting of Members.

(d) Subject to Section 5.04(a), Voting Members in good standing in the Association may nominate other eligible individuals for election as Directors. Such nominations must be in writing signed or otherwise assented to on behalf of at least 5 percent of the Voting Members in good standing and must be delivered to the President at least 25 days before the Annual Meeting of Members. In the event of such additional nominations, the President shall send (or cause to be sent) written or electronic notice of such nominations to all Members entitled to vote thereon at least 20 days before the Annual Meeting of Members.

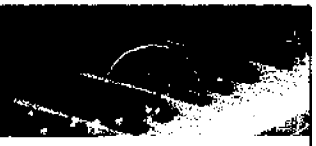
(e) To the extent the number of persons nominated (as provided in Section 5.04(b), (c), or (d)) for election as Directors who are Representatives of Voting Members in a given membership classification exceeds the permitted number determined by the President or staff pursuant to Section 5.04(a), all such nominees representing such membership classification shall be considered as nominated only for the number of seats so determined.

SECTION 5.05. ***ELECTION OF DIRECTORS.***

Only Representatives of Retail Members, Commercial Members, and Manufacturers Representative Members in good standing and who are at least 18 years of age are eligible to serve as elected Directors. In addition, only such Representatives who are not currently serving as elected members of the Board of Directors are eligible to be nominated or to be elected as elected Directors. A number of Directors equal to one-third of the elected members of the Board of Directors shall be elected at each Annual Meeting of Members. If the number of persons nominated for election as Directors as provided in Section 5.04 exceeds the number of elected Directors whose terms are scheduled to expire at the Annual Meeting of Member at which such election will occur (or if, as provided in Section 5.04(a), the number of persons nominated for election representing a given membership classification exceeds the permitted number of nominees representing such classification), common ballots shall be prepared, listing the names of all candidates property nominated for election to the Board of Directors (or nominated for election representing such membership classification). Each Voting Member of the Association present and properly qualified to vote at the Annual Meeting shall be entitled to cast the number of votes for nominated candidates equal to the number of open seats of elected members of the Board of Directors (or the number of open seats representing such membership classification). Members may not cumulate their votes or otherwise cast more than one vote for any single nominated candidate. The nominated candidate who receives the largest number of eligible and properly qualified votes (even though less than a majority) shall be declared elected to an open seat. The nominated candidate who receives the next largest number of eligible and properly qualified votes (even though less than a majority) shall be declared elected to the next open seat, and so on until all open seats (or all open seats representing such membership classification) are filled. In the case of a tie vote, the tie shall be broken by a majority vote of the Board of Directors as the first order of business at its first meeting following the voting by the Members. Directors whose terms of office would otherwise have expired at the end of such Annual Meeting of Members shall participate in such tie breaking vote. If no tie breaking vote of the Board is required, the newly elected Directors shall be deemed to be "qualified" and shall take office at the end of the Annual Meeting of Members at which they are elected. If a tie breaking vote of the Board of Directors is required, each of the newly elected Directors (whether elected with or without such a tie-breaking vote) shall take office as soon as all such ties are broken.

Move that the Board approve the Grants and Scholarships Committee slate of funding applications as presented during the Committee Report ($600,000 Total)

NAMM
Board of Directors



Motion: **Move that the NAMM Bylaws section 3.08 be amended to include the addition of a new Individual Membership category**

- The addition of an Individual Membership category is proposed to allow for long-term NAMM Voting Members who are no longer the voting representative of or otherwise affiliated with a Voting Member to be accepted as NAMM Members in this new category.
- This category of Membership is not entitled to voting rights and would not be eligible for nomination or election to the Board of Directors. Annual dues for Members in this category would be $50.00.

Strategic Direction #10: Organizational Competency (10.8)

Benefit: Identify and implement potential changes in NAMM's organizational structure that might be needed to serve Members more effectively and efficiently.

Resources: None required.

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Board of Directors

Motion: **Move that the NAMM Bylaws Sections 5.04 and 5.05 be amended to Protect NAMM Board Diversity**

- To increase the number of Members required to advance an "at large" nomination of a candidate for election to the board from 25 voting Members (as currently stated) to 5% of the Voting Members,
- To specify that all nominations of candidates for election as directors must reflect the existing diversity of the NAMM Voting Members in terms of Membership classifications (retail, commercial, rep), and
- To specify that the nominating committee will attempt to make its nominations reflect the diversity of NAMM Voting Members in terms of industry segment and geography.

Strategic Direction #10: Organizational Competency (10.8)

Benefit: Identify and implement potential changes in NAMM's organizational structure that might be needed to serve Members more effectively and efficiently.

Resources: None required.

Contact Information

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(b)(3):6(f),(b)(4)

[redacted]

****NAMM Foundation Booth at the 2009 NAMM Show**

Public Affairs and Government relations hosted the following partner organizations within our newly designed NAMM Foundation booth. The new format allowed for a dramatic increase in partner participation.

1. American String Teachers Association (NAMM Foundation grantee)
2. Bread and Roses (NAMM Foundation grantee)
3. Coalition for Music Education in Canada (NAMM Foundation grantee)
4. Guitar and Accessories Marketing Association (NAMM Foundation grantee)
5. Guitars in the Classroom (NAMM Foundation grantee)
6. Jazz Education Network
7. Little Kids Rock (NAMM Foundation grantee)

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8. Mr. Holland's Opus Foundation (NAMM Foundation grantee)
9. MENC: The National Association for Music Education (strategic partner)
10. Music For All, Inc (NAMM supports via sponsorship)
11. Musical Instrument Museum
12. Museum of Making Music, a Division of the NAMM Foundation
13. Music Teachers National Association
14. National Guild of Community Schools of the Arts (NAMM Foundation grantee)
15. National Piano Foundation (NAMM Foundation grantee)
16. National String Project Consortium (NAMM Foundation grantee)
17. New Horizons International Music Association (NAMM Foundation grantee)
18. Percussion Marketing Council (NAMM Foundation grantee)
19. Rock and Roll Camp for Girls (NAMM Foundation grantee)
20. Technology Institute for Music Educators (NAMM Foundation grantee)
21. VH1 Save the Music Foundation (advocacy and school music reinstatement partner)
22. VSA Arts (NAMM Foundation grantee)

(b)(3):6(f),(b)(4)

Music Education Day at the 2009 NAMM Show

With goals to increase exhibitor value of the NAMM Show and to acknowledge and celebrate music educators, NAMM hosted 322 music education professionals at the 2009 NAMM Show. Students from the Las Vegas Performing Arts Academy Guitar Ensemble performed classical guitar pieces as a welcome to the morning reception. Dr. Larry Livingston, professor of conducting for the University of Southern California's Thornton School of Music, provided an

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(b)(3):6(f),(b)(4)

In conjunction with Casa Veerkamp, Patricia Gonzalez and NAMM Foundation music researcher Gary McPherson participated in a national education policy conference in Mexico City in November 2008. Dr. McPherson spoke about the importance of music in children's education and the need for a broader approach to education in which music and the arts area the core of the creative process. Patricia Gonzalez reported on her PhD study results with Mexican students which provides evidence that students who are learning musical instruments are more motivated than students who are not learning musical instruments across all aspects of their education. The forum included prominent educational authorities, business leaders and politicians in Mexico and was convened to discuss state policies that strengthen or limit educational quality.

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(b)(3):6(f),(b)(4)

Registrants:	84,695	88,128	85,799

(b)(3):6(f),(b)(4)

	2007	2008	2009
Buyers	17,016	17,479	14,881

(b)(3):6(f),(b)(4)

Total Registrants:	86,818	88,128	85,799

(b)(3):6(f),(b)(4)

(b)(3):6(f),(b)(4)

(b)(3):6(f),(b)(4)

Registrants: 17,207 12,845 17,473

(b)(3):6(f),(b)(4)

NAMM FOUNDATION

RESEARCH DIVISION

Mary Luehrsen

The following grants were reviewed by the external reviewers and the Research Division Advisory committee that met in February 2009. The following grants are presented for final approval for funding to the NAMM Foundation Board of Directors at its April 2009 meeting:

Sounds of Learning Proposals

- **NORTHWESTERN UNIVERSITY BIENEN SCHOOL OF MUSIC**
  Effects of Music Experiences during School Years on Professional Creative Achievement among a Sample of Architects, Chemical Engineers, and Music Educators
  (b)(3):6(f),(b)(4)
- **REGENTS OF THE UNIVERSITY OF CALIFORNIA, LOS ANGELES OFFICE OF CONTRACTS AND GRANTS**
  The impact of music education on social communication, emotional functioning and musical skills in children with Autism Spectrum Disorders
  (b)(3):6(f),(b)(4)
- **SCHOOL OF MUSIC, CARNEGIE MELLON UNIVERSITY**
  An Urban Education Research Project to Study the Relationship of Kindergarten Keyboard Instruction to Neuropsychological Development
  (b)(3):6(f),(b)(4)

Sounds of Living Proposals:

- **UNIVERSITY OF SOUTH FLORIDA SCHOOL OF MUSIC**
  Senior Citizens Music Participation and Perception of Quality of Life
  (b)(3):6(f),(b)(4)

Scientific Grant Proposals

- **UNIVERSITY OF CALIFORNIA**
  Understanding the Combined Influences of Musical Training and Genetic Predisposition in the Development of Absolute Pitch
  (b)(3):6(f),(b)(4)

Research funding recommendation summary:

Sounds of Learning – 3 grants
Sounds of Living – 1 grant
Scientific – 1 grant

TOTAL (b)(3):6(f),(b)(4)

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Grants & Scholarships Committee
Funding Request Summary

American String Teachers Association (ASTA)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One Year

Program Type: Pilot

Program: ASTA seeks (b)(3):6(f), (b)(4) to launch "Increasing Access to Strings Piloting After School Music Programs," a pilot project that will serve elementary and middle school students in three of the nation's largest school districts by providing disadvantaged children the opportunity to take part in an after-school strings program.

Goals:

- Launch pilot programs in three underserved school districts providing young people with after-school instruction in strings
- Provide professional development to teachers in string teaching classroom techniques and community organizing; and
- Provide a toolkit for any school system interested in launching an after school string program

Submitted by:
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Grants & Scholarships Committee
Funding Request Summary

Australian Music Association

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Pilot

Program: The Australian Music Association requests (b)(3):6(f),(b)(4) to introduce the successful Musical Futures (MF) program from the UK into Australia as part of the process of renewing music education in schools.

Goals:

- Transfer Musical Futures program skills from UK staff to Australian Musical Futures (MF) leaders in 2009 and 2010
- Commence 16 MF pilot sites during 2000 to provide a Proof of Concept for the program
- Demonstrate to stakeholders this program's strength in engaging and supporting student music making
- Establish Australian resources through which Musical Futures can reach 1,000 schools and 100,000 students by 2015
- Connect and involve the industry to the new ways in which music education can be delivered

Submitted by:
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Grants & Scholarships Committee
Funding Request Summary

Coalition for Music Education in Canada (CMEC)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: CMEC requests (b)(3):6(f),(b)(4) to expand their annual public relations event Music Monday.

Goals:

- Celebrate the galvanizing power of music in Canada and demonstrate how that power is rooted in school music programs
- Engage the media to reflect events and stimulate interviews and dialogue
- Create interest and excitement with all music education stakeholders
- Create a vehicle that can be used as a platform to generate public awareness every year
- Drive traffic to their Web site for further resources
- Provide a tangible demonstration for the links between school music programs and the cultural vitality in Canada
- Encourage diversity in performance and participation
- Encourage the public, particularly parents, to support quality music programs in our public schools

Submitted by:
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Grants & Scholarships Committee
Funding Request Summary

Guitars in the Classroom (GITC)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: GITC requests (b)(3):6(f),(b)(4) to support "The AMIGO Project: Achievement through Music Integration," which introduces music making to educators whose K-6 general classrooms include more than 27% Hispanic "English Language Learners".

Goals:

- Integrate music into public schools serving, among all students, a large representation of Hispanic students
- Demonstrate a correlation between music integration and improved English Language Proficiency
- Utilize experienced AMIGO trainers to train GITC faculty throughout the US
- Provide half-day teacher in-service workshops and an 8 week training course for Pre-K through 8th grade classroom teachers in 6 new regions of California and in 9 additional cities (Tucson, AZ; Chicago, IL; Denver, CO; Las Vegas, NV; Taos, NM; Omaha, NE; New York, NY; Princeton, NJ; Washington, DC)
- Train 1,000 new K-6 educators to reach 67,000 students 2009-2010

Submitted by:
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GITC
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www.guitarsintheclassroom.com

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Grants & Scholarships Committee
Funding Request Summary

Levine School of Music

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: Levine School of Music requests (b)(3):6(f), (b)(4) to support their ongoing adult program offerings that include their New Horizons Band, Senior Chorales, special performances called MusicaliTeas, and a wide variety of music education classes serving adults 55 and older.

Levine's Adult Programs support their goals of promoting an active lifestyle, provide an opportunity for students to build relationships with the other participants, and experience an overall enhanced physical and mental well-being that creates a stronger community and quality of life.

Submitted by:
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Grants & Scholarships Committee
Funding Request Summary

Little Kids Rock, Inc. (LKR)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: New

Program: Little Kids Rock requests (b)(3):6(f),(b)(4) to launch its "Contemporary Band" Project, bringing student-centered, pop-oriented instrument classes into public schools. Contemporary Band is intended to be a fifth stream of music education in the public schools, complementing Orchestra, Marching Band, Chorus and Jazz Band programs.

Goals:

- Pilot a contemporary band program in cooperation with the LAUSD in 5-10 schools
- Train teachers in July 2009 in preparation for the launch in 2009-2010
- Reach 350 students in each pilot school-a total of 3,500 new students
- Conduct a six month assessment of the program and a joint evaluation with the LAUSD at year's end

Submitted by:
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LKR
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Grants & Scholarships Committee
Funding Request Summary

Merit School of Music

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: New

Program: The Merit School of Music seeks (b)(3):6(f),(b)(4) to expand its Band Builders initiative in five of the ten sites in the Chicago Public Schools. The program enriches school band programs by providing supplemental in-school and after-school music instruction.

Goals:

- Audition and recruit students to the ensembles and Improve student skills through sectionals at two existing Bridges band sites (10-12 weeks' instruction at each) in order to increase program participation by 25% and Spring MeritFest concert participation by 45%
- Conduct 1-2 parent/student program open houses and two public performance events per site
- Develop and establish a Latin Jazz program at one site (12-15 students); provide 10-12 weeks' jazz theory and improvisation techniques, introduce students to Latin Jazz repertoire and specialized Latin Jazz instrument training; include a culminating concert

Submitted by:
Jeffrey Georlett
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www.meritmusic.org

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Grants & Scholarships Committee
Funding Request Summary

Mr. Holland's Opus Foundation (MHOF)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: The Mr. Holland's Opus Foundation requests (b)(3):6(f), (b)(4) to expand their "Special Projects" program which helps after- school programs, community schools of the arts, youth orchestras and qualified music therapy programs, all serving underserved youth primarily attending Title 1 schools.

Funding will support the purchase of new instruments and/or repairing damaged instruments in their inventory. Student ethnicity is reflective of the community and Hispanic, African American and Asian youth are mostly helped.

Submitted by:
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www.mhopus.org

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Grants & Scholarships Committee
Funding Request Summary

National Guild of Community Schools of the Arts

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: New

Program: The National Guild of Community Schools of the Arts requests (b)(3):6(f),(b)(4) to launch the "Engaging Adolescents Initiative (EAI)". The Initiative's goal is to increase teen participation in music learning programs in member schools by enhancing the effectiveness and scope of existing programs and catalyzing the development of new programs.

Goals:

- Enhance schools' ability to engage adolescents so as to increase the number of teens participating in music and arts programs nationwide
- Recruit 8 member panel of expert advisors to guide them and assist with formative evaluation
- Pilot the institute in Minneapolis during their Conference for Community Arts Education in November 2009 and present a second institute in New York in 2010

Submitted by:
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Grants & Scholarships Committee
Funding Request Summary

National Piano Foundation (NPF)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: The National Piano Foundation requests (b)(3):6(f),(b)(4) to expand their successful Phase 1 RMM Piano Project increasing the number of music makers by providing a stress free environment for piano lessons.

Phase III focuses entirely on retailers with four regional seminars designed to help them implement and expand successful RMM programs in their sales territories. The goal is to illustrate how the enthusiasm of adult RMM students can be converted into sales and to generate a five-fold increase in the number of dealers participating in RMM teaching with thirty new dealers. They expect these new dealers, promoting active RMM teaching programs, to reach more than 7,000 new music makers.

Submitted by:
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CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000384

Grants & Scholarships Committee
Funding Request Summary

National String Project Consortium (NSPC)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One Year

Program Type: Expansion

Program: The National String Project Consortium requests (b)(3):6(f),(b)(4) to support the "Creating and Sustaining String Projects" program, which seeks to insure the future of string playing by increasing the number of children playing string instruments and that there are sufficient numbers of teachers who will be able to teach children the art of string playing.

Goal:

- to support current String Projects at Baylor University, Central Washington University, Virginia Tech, Wayne State University and one new site at Cleveland State University
- to sustain the current total enrollment of 251 children and 37 undergraduate student teachers in these four existing sites and establish a base of students and teachers for the new site

Submitted by:
Dr. Robert Jesselson
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http://www.stringprojects.org

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000385

Grants & Scholarships Committee
Funding Request Summary

New Horizons International Music Association (NHIMA)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: New Horizons International Music Association (NHIMA) requests (b)(3):6(f), (b)(4) to expand its "Lift-Off" project that will help establish eight to ten new New Horizons bands, orchestras or choruses in the US and Canada. Each group will create an environment for older adults to start, or resume group music-making.

Goals:

- Support two 1.5 day "Phase II Lift-Off" programs to be held in US or Canada providing information, coaching and encouragement to people who are keen to start New Horizons groups
- Anticipating launch 8 to 10 new New Horizons groups in areas with high concentrations of older adults

Submitted by:
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http://www.newhorizonsmusic.org

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000386

Grants & Scholarships Committee
Funding Request Summary

North Shore Boys & Girls Club

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: The North Shore Boys and Girls Club seeks (b)(3):6(f),(to expand its Rock Lobster Monthly Band Night program to included special needs young adults. RockLobster provides youth a unique music-making venue that encourages bands to perform by offering a accessible, alcohol-free venue where they can practice, gain stage experience, be mentored and even develop a following for their music.

Goals:

- Provide a monthly meeting with AHRC (Association for the Help of Retarded Children) and SCO (St. Christopher of Ottie)to create a unique type of monthly event where experienced teen musicians teach songs and instruments to young adults with special needs
- Put on a performance at the RockLobster with the long term goal of creating and collaborative band to perform monthly at the RockLobster
- Offer teens and special needs young adults exposure to rock music in a safe, substance-free environment to develop appreciation for this art

Submitted by:
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www.nsbgc.org

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000387

Grants & Scholarships Committee
Funding Request Summary

Percussion Marketing Council (PMC)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: The Percussion Marketing Council requests (b)(3):6(f),(b)(4) to further develop and expand the successful Roots of Rhythm and Percussion in the Schools programs.

Goals:

- Support up to four new ROR 2009 workshops scheduled for Austin, Boston, Cleveland and MENC headquarters in Washington DC
- Survey past and present ROR participants, measure effectiveness of program materials
- Provide complementary percussion music education materials to students provided by the members of the PMC
- Create opportunities for local retail music merchants to get involved and support these in-school programs while providing educational support and information to schools and parents
- Increase PMC-approved in-school concert presentation groups and individuals
- Design and create a recruitment campaign to attract qualified professional performing groups that have contacts in their local elementary and middle schools

Submitted by:
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CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000388

Grants & Scholarships Committee
Funding Request Summary

Percussive Arts Society (PAS)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Pilot

Program: Percussive Arts Society requests (b)(3):6(f), (b)(4) to support its "Recreational Drumming: Celebrating Health and Wellness" national event. The event is a two-week celebration and recognition of the health benefits of Recreational Music Making drumming.

Goals:

- Provide 100 professionally-facilitated recrational drumming events over a two-week period
- Establish a national PR event to promote recreational drumming events and the health benefits of participation in these types of activities
- Collect data through evaluation of participating institutions and participants
- Develp a communications strategy for faciliatators to leverage these events into continued programming
- Produce a final report publication and distribute to all participating institutions, partners and faciliators to foster support for future local training

Submitted by:
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www.pas.org

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000389

Grants & Scholarships Committee
Funding Request Summary

Rock 'N Roll Camp for Girls

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: New

Program: The Rock 'N Roll Camp for Girls seeks (b)(3):6(f), (b)(4) to launch its Girls Rock Institute, where girls learn audio engineering and digital, multi-track recording by recording their own and each other's bands.

Funding would support three sessions in 2009 serving 40 girls per session. GRI's goal is that every girl has the confidence to make music regardless of genre or instrument. They aim to overcome limiting stereotypes surrounding the participation of girls and women in music.

Submitted by:
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www.girlsrockcamp.org

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000390

Grants & Scholarships Committee
Funding Request Summary

Technology Institute for Music Educators (TI:ME)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: New

Program: The Technology Institute for Music Educators requests (b)(3):6(f),(b)(4) to launch the "Effective applications of technology in the music classroom: An action research model" project to create a much-needed body of research related to music technology that will identify "best practices" and efficacy related to student music learning and its impact on music making and music education.

Goals:

- Use action research in eight music technology classrooms as a means of addressing questions and problems
- Expand the music teacher's role as inquirer about teaching and learning and to provide music teachers with the technological knowledge and research skills necessary to embrace action research as a valuable tool to improve their teaching
- To compile the results of the eight action research projects in a way that can be shared with other music and education professionals using TI:ME resources, music conferences, music publications and a Web site devoted to allowing teachers direct access to results of these valuable research findings

Submitted by:
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www.ti-me.org

Grants & Scholarships Committee
Funding Request Summary

The Guitar and Accessories Marketing Association (GAMA)

Amount Requested: (b)(3):6(f),(b)(4)

Duration: One year

Program Type: Expansion

Program: GAMA requests (b)(3):6(f), (b)(4) to expand its successful Teacher Guitar Workshop program (Levels I and II) which provides quality guitar training for music educators in partnership with MENC.

Goals:

- Conduct twelve Teaching Guitar Workshops in the US and one in Canada
- Train 300 K - 12 school music educators in effective ways to introduce and sustain quality guitar ensemble programs in public schools
- Workshops slated for Reston, VA; Colorado Springs, CO; San Diego, CA; Gahanna, OH; St. Louis, MO; Fairfield, CT; Atlanta, GA; Pittsburgh, PA (Levels 1 & 2); Boise, ID (Levels 1 & 2); Halifax, NS, Canada.

Submitted by:
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CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000392

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

American String Teachers Association

Benefit:

ASTA is seeking support for their "Increasing Access to Strings: Piloting After School Music Programs" that will serve elementary and middle school students in three of the nation's largest school districts by providing disadvantaged children the opportunity to take part in an after-school strings program.

Recommended resources: (b)(3):6(f),(b)(4)

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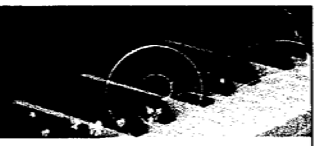
6-8-09 COMP REPORT
NAMM-000657

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida



Australian Music Association

Benefit:

The Australian Music Association is seeking support to launch Musical Futures in Australia. This innovative music education program, considered successful in the UK, will be introduced as part of the process of renewing music education in Australia's public schools.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000658

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Coalition for Music Education in Canada (CMEC)

Benefit:

CMEC seeks to strengthen and expand its "Music Monday" Program in Canada, engaging thousands of music-makers of all ages to experience and understand music's vital role in school and in life.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000659

NAMM Board of Directors

Meeting • April 29-May 3 • Palm Beach, Florida

Guitar and Accessories Marketing Association (GAMA)

Benefit:

With support from NAMM, the Teacher Guitar Workshop program will expand into twelve new communities and train new workshop facilitators, as well as provide advanced training for those already involved. Teacher Training Programs will also expand in Canada.

Recommended resources: (b)(3):6(f),(b)(4)

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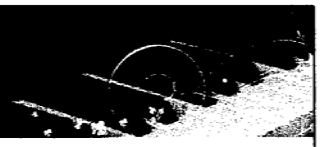
6-8-09 COMP REPORT
NAMM-000660

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida



Guitars in the Classroom (GITC)

Benefit:

GITC seeks support to expand "The AMIGO Project: Achievement through Music Integration" which introduces music making to educators whose K-6 general classrooms include more than 27% Hispanic English Language Learners.

Recommended resources: (b)(3):6(f),(b)(4)

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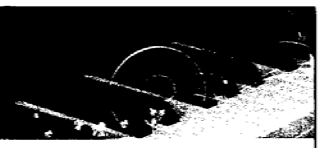
6-8-09 COMP REPORT
NAMM-000661

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida



Intercultural Family Services

Benefit:

Intercultural Family Services is seeking support for their "Music & Mentorship" program that will provide unique opportunities for community youth and families of diverse cultural groups to explore and develop their musical creativity, self-expression and self-esteem through musical appreciation and instruction.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000662

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Levine School of Music

Benefit:

This program seeks funding to expand its multiple recreational music programs for seniors over 55 years, offered daily under the title "A Little Day Music."

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000663

NAMM
Board of Directors
Meeting • Apr. 29-May 3 • Palm Beach, Florida

Little Kids Rock (LKR)

Benefit:

LKR proposes to launch a "Contemporary Band" Project with NAMM support, bringing student-centered, pop oriented instrument classes into public schools. Contemporary Band is positioned by LKR as a fifth stream of music education in public schools, complementing Orchestra, Marching Band, Chorus and Jazz Band programs.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000664

Merit School of Music

Benefit:

The Merit School of Music in Chicago seeks support to expand its Band Builders initiative, which enriches band programs in Merit's Bridges sites with in-school and after school music instruction.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000665

Mr. Holland's Opus Foundation (MHOF)

Benefit:

MHOF seeks support to expand their Special Projects Program which helps after-school programs, community schools of the arts, youth orchestras and qualified music therapy programs, all serving underserved youth primarily attending Title 1 schools.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000666

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

National Center for Creative Aging

Benefit:

The National Center for Creative Aging is seeking support to design, implement and evaluate the Creativity Matters National Arts and Aging Professional Development initiative. This training efforts brings to life the Creativity Matters: The Arts and Aging Toolkit (previously funded in part by NAMM through the National Guild of Community Schools of the Arts).

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000667

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

National Guild of the Community Schools of the Arts

Benefit:

National Guild wishes to launch a pilot "Engaging Adolescents Initiative (EAI)". The Initiative's goal is to increase teen participation in music learning programs in the Guild's member schools by enhancing the effectiveness and scope of existing programs and stimulating the development of new teen programs.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000668

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

National Piano Foundation

Benefit:

The National Piano Foundation seeks funding to expand their RMM Piano Project, training piano instructors to establish new informal learning methodologies for teaching recreational students.

Recommended resources: (b)(3):6(f),(b)(4)

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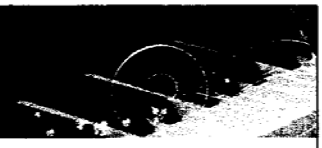
6-8-09 COMP REPORT
NAMM-000669

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida



National String Project Consortium (NSPC)

Benefit:

To address the shortage of qualified stringed instrument teachers, NSPC is seeking funds to sustain its "Creating and Sustaining String Projects" program and expand with the launch of a fifth string program site.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000670

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

New Horizons International Music Association (NHIMA)

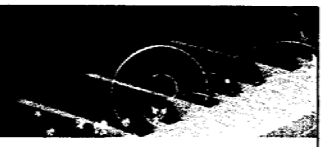
Benefit:

Funding will help sustain and expand the "Lift-Off" project that will help establish eight to ten new New Horizons bands, orchestras or choruses in the US and Canada. Each group will create an environment for older adults to start, or resume, group music making.

Recommended resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000671

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida



North Shore Boys & Girls Club

Benefit:

The North Shore Boys and Girls Club in eastern Long Island in New York state seeks funding to expand its Rock Lobster Monthly Band Night program in order to include special needs young adults. RockLobster provides youth with a unique music making venue that encourages bands to perform by offering an accessible, alcohol-free venue where they can practice, gain stage experience, be mentored and even develop a following for their music.

Recommended resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000672

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Percussive Arts Society

Benefit:

The Percussive Arts Society seeks funding to support its "Recreational Drumming: Celebrating Health and Wellness" national event. The event is a two-week celebration and recognition of the health benefits of Recreational Music Making drumming.

Recommended resources: (b)(3):6(f),(b)(4)

NAMM Board of Directors

Meeting • April 29-May 3 • Palm Beach, Florida

Percussion Marketing Council (PMC)

Benefit:

Funding would further develop and expand PMC's signature school percussion programs: the Roots of Rhythm program, with training workshops in Austin, Boston, Cleveland and MENC Headquarters in Washington DC; and with the Percussion in the Schools assembly program.

Recommended resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000674

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Performing Arts Center of LA County

Benefit:

The Performing Arts Center of LA County is seeking support to their "Active Arts Recreational Music Program" that includes instrumental music programs. These program elements align with the Center's key goal to engage recreational musicians in participatory arts experiences.

Recommended resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000675

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Raising the Blues

Benefit:

Raising the Blues is seeking support for its "Music, Memory & Healing" program which brings the making of blues music into in-patient pediatric hospitals, medical-needs and special needs summer camps. The program offers interactive musical opportunities, music access, music education and instruments to children undergoing medical treatment and recovery.

Recommended resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000676

Rock 'N Roll Camp for Girls

Benefit:

The program is seeking funding to launch its Girls Rock Institute, where girls learn audio engineering and digital, multi-track recording by recording their own and each other's bands. GRI's goal is that every girl has the confidence to make music regardless of genre or instrument.

Recommended resources: (b)(3):6(f),(b)(4)

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6-8-09 COMP REPORT
NAMM-000677

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Technology Institute for Music Educators (TI:ME)

Benefit:

TI:ME seeks funding to launch the "Effective applications of technology in the music classroom: An action research model" project to create a much-needed body of research related to music technology that will identify "best practices" and efficacy related to student music learning and its impact on music making and music education.

Recommended resources: (b)(3):6(f),(b)(4)

Research Division of the NAMM Foundation

Sounds of Learning:

Northwestern University,
Bienen School of Music

Regents of the Univ of Calif,
LA Office of Contracts & Grants

School of Music,
Carnegie Mellon University

Sounds of Living:

Univ of So Florida School of Music

Scientific Grants:

University of California

(b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000708

NAMM Foundation

Approved BOD Meeting Saturday, May 2, 2009
Summary of Grant Expenditures:
Grants and Scholarships

Recipient	Amount Approved
American String Teachers Association	(b)(3):6(f),(b)(4)
Australian Music Association	
Coalition for Music Education-Canada	
GAMA - Teacher Guitar Workshop	
Guitars in the Classroom	
Intercultural Family Services	
Levine School of Music	
Little Kids Rock	
Merit School of Music	
Mr. Holland's Opus Foundation	
National Center for Creative Aging	
Natl Guild of Community Schools of the Arts	
National Piano Foundation/PMAI	
National String Project Consortium	
New Horizons Intl Music Assn	
North Shore Boys & Girls Club	
Percussive Arts Society	
Percussion Marketing Council	
Performing Arts Center of LA County	
Raising the Blues	
Rock 'n Roll Camp for Girls	
Technology Institute for Music Educators	
Grand Total	

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from Australian Music Association

Benefit:

The Australian Music Association is seeking support to launch Musical Futures in Australia. This innovative music education program, considered successful in the UK, will be introduced as part of the process of renewing music education in Australia's public schools.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000715

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from Coalition for Music Education in Canada (CMEC)

Benefit:

CMEC seeks to strengthen and expand its "Music Monday" Program in Canada, engaging thousands of music-makers of all ages to experience and understand music's vital role in school and in life.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000716

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from Guitar and Accessories Marketing Association (GAMA)

Benefit:

With support from NAMM, the Teacher Guitar Workshop program will expand into twelve new communities and train new workshop facilitators, as well as provide advanced training for those already involved. Teacher Training Programs will also expand in Canada.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000717

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from Guitars in the Classroom (GITC)

Benefit:

GITC seeks support to expand "The AMIGO Project: Achievement through Music Integration" which introduces music making to educators whose K-6 general classrooms include more than 27% Hispanic English Language Learners.

Resources: (b)(3):6(f), (b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000718

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from Intercultural Family Services

Benefit:

Intercultural Family Services is seeking support for their "Music & Mentorship" program that will provide unique opportunities for community youth and families of diverse cultural groups to explore and develop their musical creativity, self-expression and self-esteem through musical appreciation and instruction.

Resources (b)(3):6(f),(b)(4)

NAMM Board of Directors

Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from Levine School of Music

Benefit:

This program seeks funding to expand its multiple recreational music programs for seniors over 55 years, offered daily under the title "A Little Day Music."

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000720

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from Little Kids Rock (LKR)

Benefit:

LKR proposes to launch a "Contemporary Band" Project with NAMM support, bringing student-centered, pop oriented instrument classes into public schools. Contemporary Band is positioned by LKR as a fifth stream of music education in public schools complementing Orchestra, Marching Band, Chorus and Jazz Band programs.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000721

Move that the Board approve the funding application from Merit School of Music

Benefit:

The Merit School of Music in Chicago seeks support to expand its Band Builders initiative, which enriches band programs in Merit's Bridges sites with in-school and after school music instruction.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000722

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from Mr. Holland's Opus Foundation (MHOF)

Benefit:

MHOF seeks support to expand their Special Projects Program which helps after-school programs, community schools of the arts, youth orchestras and qualified music therapy programs, all serving underserved youth primarily attending Title 1 schools.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000723

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from National Center for Creative Aging

Benefit:

The National Center for Creative Aging is seeking support to design, implement and evaluate the Creativity Matters National Arts and Aging Professional Development initiative. This training efforts brings to life the Creativity Matters: The Arts and Aging Toolkit (previously funded in part by NAMM through the National Guild of Community Schools of the Arts).

Recommended resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000724

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from National Guild of the Community Schools of the Arts

Benefit:

National Guild wishes to launch "Engaging Adolescents Initiative (EAI)". The Initiative's goal is to increase teen participation in music learning programs in the Guild's member schools by enhancing the effectiveness and scope of existing programs and stimulating the development of new teen programs.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000725

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from National Piano Foundation

Benefit:

The National Piano Foundation seeks funding to expand their RMM Piano Project, training piano instructors to establish new informal learning methodologies for teaching recreational students.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000726

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from National String Project Consortium (NSPC)

Benefit:

To address the shortage of qualified stringed instrument teachers, NSPC is seeking funds to expand its "Creating and Sustaining String Projects" program with the launch of a fifth string program site.

Resources: (b)(3):6(f),(b)(4)

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000727

NAMM
Board of Directors
Meeting • April 29-May 3 • Palm Beach, Florida

Move that the Board approve the funding application from New Horizons International Music Association

Benefit:

Funding will help sustain and expand the "Lift-Off" project that will help establish eight to ten new New Horizons bands, orchestras or choruses in the US and Canada. Each group will create an environment for older adults to start, or resume, group music making.

Resources: (b)(3):6(f),(b)(4)

Move that the Board approve the funding application from North Shore Boys & Girls Club

Benefit:

The North Shore Boys and Girls Club in eastern New York state seeks funding to expand its Rock Lobster Monthly Band Night program in order to include special needs young adults. RockLobster provides youth with a unique music making venue that encourages bands to perform by offering an accessible, alcohol free venue where they can practice, gain stage experience, be mentored and even develop a following for their music.

Resources: (b)(3):6(f),(b)(4)

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NAMM-000729

Move that the Board approve the funding application from Percussive Arts Society

Benefit:

The Percussive Arts Society seeks funding to support its "Recreational Drumming: Celebrating Health and Wellness" national event. The event is a two-week celebration and recognition of the health benefits of Recreational Music Making drumming.

Resources: (b)(3):6(f),(b)(4)

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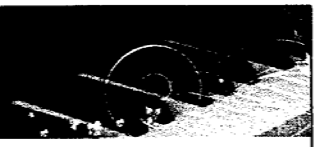

Move that the Board approve the funding application from Percussion Marketing Council (PMC)

Benefit:

Funding would further develop and expand PMC's signature school percussion programs: the Roots of Rhythm program, with training workshops in Austin, Boston, Cleveland and MENC Headquarters in Washington DC; and with the Percussion in the Schools assembly program.

Resources: (b)(3):6(f),(b)(4)

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NAMM-000731

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Move that the Board approve the funding application from Performing Arts Center of LA County

Benefit:

The Performing Arts Center of LA County is seeking support to their "Active Arts Recreational Music Program" that includes instrumental music programs. These program elements align with the Center's key goal to engage recreational musicians in participatory arts experiences.

Recommended resources: (b)(3):6(f),(b)(4)

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NAMM-000732

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Move that the Board approve the funding application from Raising the Blues

Benefit:

Raising the Blues is seeking support for its "Music, Memory & Healing" program which brings the making of blues music into in-patient pediatric hospitals, medical-needs and special needs summer camps. The program offers interactive musical opportunities, music access, music education and instruments to children undergoing medical treatment and recovery.

Recommended resources: (b)(3):6(f),(b)(4)

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NAMM-000733

Move that the Board approve the funding application from Rock 'N Roll Camp for Girls

Benefit:

The program is seeking funding to launch its Girls Rock Institute, where girls learn audio engineering and digital, multi-track recording by recording their own and each other's bands. GRI's goal is that every girl has the confidence to make music regardless of genre or instrument.

Resources: (b)(3):6(f),(b)(4)

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NAMM-000734

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Move that the Board approve the funding application from Technology Institute for Music Educators (TI:ME)

Benefit:

TI:ME seeks funding to launch the "Effective applications of technology in the music classroom: An action research model" project to create a much-needed body of research related to music technology that will identify "best practices" and efficacy related to student music learning and its impact on music making and music education.

Resources: (b)(3):6(f),(b)(4)

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NAMM-000735

NAMM Foundation

Approved BOD Meeting Saturday, May 2, 2009
Summary of Grant Expenditures:
Grants and Scholarships

Recipient	Amount Approved
American String Teachers Association	(b)(3) 6(f),(b)(4)
Australian Music Association	
Coalition for Music Education-Canada	
GAMA - Teacher Guitar Workshop	
Guitars in the Classroom	
Intercultural Family Services	
Levine School of Music	
Little Kids Rock	
Merit School of Music	
Mr. Holland's Opus Foundation	
National Center for Creative Aging	
Natl Guild of Community Schools of the Arts	
National Piano Foundation/PMAI	
National String Project Consortium	
New Horizons Intl Music Assn	
North Shore Boys & Girls Club	
Percussive Arts Society	
Percussion Marketing Council	
Performing Arts Center of LA County	
Raising the Blues	
Rock 'n Roll Camp for Girls	
Technology Institute for Music Educators	
Grand Total	

Garvin, Samantha

From: Cuomo, Paul
Sent: Monday, June 01, 2009 6:58 PM
To: Garvin, Samantha
Subject: FW: ExCom Teleconference Agenda for 4-22-09 8:00 AM PDT

Paul C. Cuomo
Partner

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Munich New York Northern Virginia Paris Salt Lake City San Francisco Taipei **Washington DC**

From: Joe Lamond [mailto:JoeL@namm.org]
Sent: Wednesday, April 22, 2009 10:27 AM
To: Cuomo, Paul
Subject: FW: ExCom Teleconference Agenda for 4-22-09 8:00 AM PDT

Hi Guys,

Here is our agenda for Wednesday's teleconference scheduled for 8:00 AM PDT. I imagine the bulk of the call will be spent reviewing all details for next week's board meeting. As usual, please feel free to add anything under new business.

Thanks, we're looking forward to seeing everyone in Florida next week!

Joe

Dial in number: (Please note we will use the new service below that we used last month…)

(b)(3):6(f),(b)(4)

Teleconference April 22, 2009 8:00 AM PDT

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-001051

- Committee chaired by (b)(3):6(f),(b)(4)
- Nominating Committee consists of the senior board members and the executive committee
- Complete and return forms before the end of the board meeting
- Slate presented to board at July board meeting

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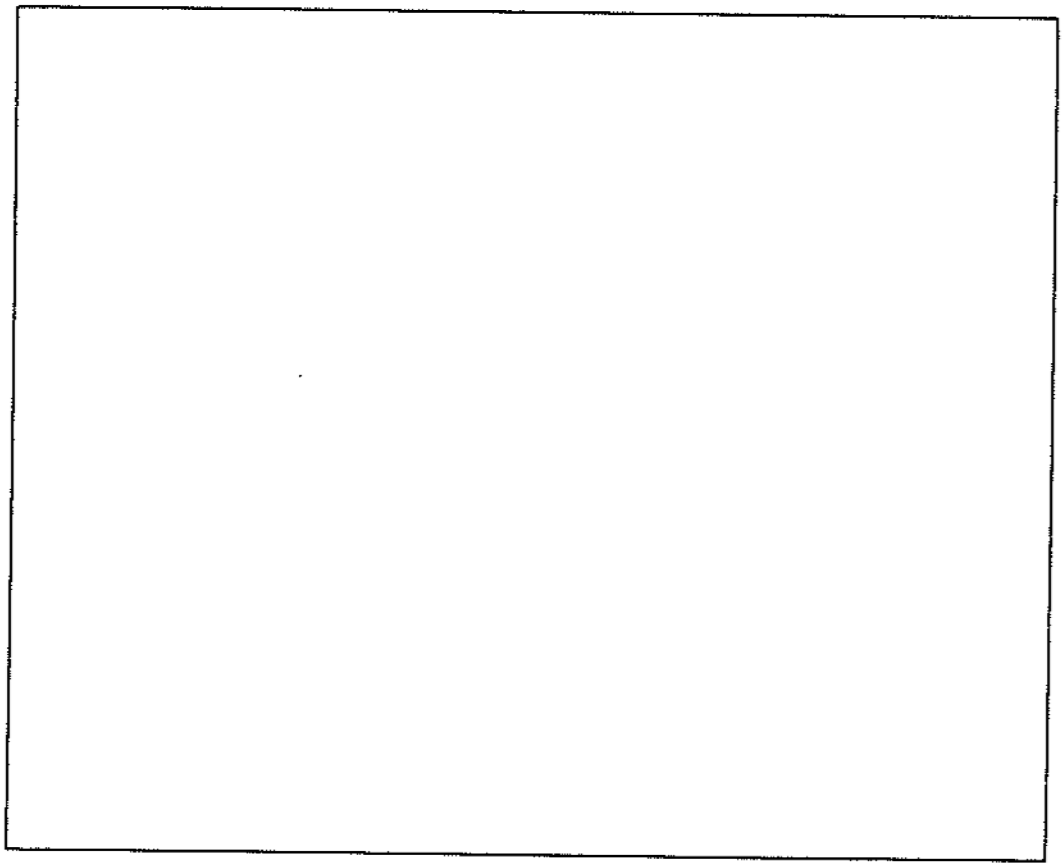
Market Development Committee Report

(b)(3):6(f),(b)(4)

Committee Chairman



CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000679

Professional Development Committee Report

(b)(3):6(f),(b)(4)

Committee Chairman

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6-8-09 COMP REPORT
NAMM-000687

Government Relations & Music Education Committee Report

(b)(3):6(f),(b)(4)

Committee Chairman

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6-8-09 COMP REPORT
NAMM-000695

Grants and Scholarships Committee

~ Motions ~

(b)(3):6(f),(b)(4)

Committee Chairman

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NAMM-000710

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Grants and Scholarships Committee

~ Motions ~

(b)(3):6(f),(b)(4)

Committee Chairman

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6-8-09 COMP REPORT
NAMM-000712

NAMM
Board of Directors

Research Division of the NAMM Foundation ~ MOTION ~

Move that the NAMM Foundation Board approve the funding of (b)(3):6(f),(b)(4) to the Research Division for **5 new grants.**

CONFIDENTIAL
6-8-09 COMP REPORT
NAMM-000709

NAMM Executive Committee

Name	Address	Email	Phone	Date Provided FTC Materials	Date Signed for Receipt of FTC Materials
R.F. "Chip" Averwater, Jr. Chairman	Chairman Amro Music Stores, Inc. 2918 Poplar Avenue Memphis, TX 38111	chipav@aol.com	901-474-6411	05/01/09	05/02/09
Tom Schmitt Vice Chairman	Chairman/CEO Schmitt Music Co. 2400 Freeway Blvd. Brooklyn Center, MN 55430	Tom.schmitt@schmittmusic.com	(b)(6)	05/01/09	05/01/09
Kevin Cranley Treasurer	President Willis Music Company 7380 Industrial Road Florence, KY 41042	Kevin@willis-music.com	859-283-2050 ext. 250	05/01/09	05/02/09
Larry Morton Secretary	President Hal Leonard Corporation 7777 W.	lmorton@halleonard.com	414-774-3630	05/01/09	05/01/09

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NAMM-001172