

## Artistic Highland Guitars Line Redefines “Made In China”

WHATEVER STEREOTYPE the “Made in China” label is supposed to evoke, it probably isn’t this. In 2007 Ontario-based distributor Power Group introduced the Highland Guitars line to Canada, and later the United States. A year in, its most frequent criticism from dealers is, “You should charge more for that.”

“We wanted to embrace the idea that you can get a really nice instrument out of China these days,” says Power Group President Ron Larcombe. “We wanted to come up with instruments of tremendous value with unique features to set them apart.”

After a search for a manufacturer to



Highland’s “Spitfire” electric guitar features a flame maple top with bubinga inlay.

put its concept into production, Highland partnered with a factory in the Qingdao region of China, where the line’s distinctive look was born. Similar to familiar Fender-and Gibson-style models in form—“we weren’t trying to reinvent the wheel”—each guitar is distinguished by artistic features in premium woods. With their striking inlays in flame maple and bubinga, Highland Guitars have been described as “acoustic art.” Rosewood is used in place of plastic on the tone and volume knobs, while wood pickguards are engraved with Highland’s elegant trademark “H.” On arrival at Highland’s Ontario warehouse, each acoustic and electric guitar is examined for quality and restrung with Elixir premium coated strings. “They look as good as they sound,” says Larcombe. “And they sound as good as they look. It works both ways, doesn’t it?”

With a range of acoustics, basses, electric solid-bodies, R&B models, and archtop guitars all under \$800, Highland guitars are a solid option for first time players. “But we also feel these are instruments that experienced musicians would add to their collections very readily, and very happily,” says Larcombe. Acoustics are priced at between \$239 and \$499. Electrics start at \$479 and top out at \$749 for the top-of-the-line Titan, “which is really about a \$1,500 guitar,” Larcombe says.

Power Group holds exclusive distribution rights to Highland Guitars for the U.S. and Canada. The line launched in Canada at MIAC 2007, and debuted for a soft U.S. launch at summer NAMM 2008. At this writing Highland had just come off its second MIAC show, where signs indicated it had caught on among Canadian retailers. “Suddenly we have dealers in all the major cities,” says Larcombe. “Everyone wanted to be the next dealer; they were almost fighting over it.”

Highland Guitars now has about 30 dealers in Canada and 50 in the U.S., where it’s due for a hard launch at winter NAMM. Within a year, the company hopes to have between 200 and 300 U.S. dealers. In preparation for the hard launch, Highland is at work upgrading its website with detailed “beauty shots” of the instruments, product specifications, and audio/video samples.

### SHARE PRICES OF PUBLICLY TRADED INDUSTRY FIRMS

	PRICE AS OF SEP. 8, 2008	P/E RATIO	52-WEEK RANGE HIGH-LOW	MARKET CAPITALIZATION
<b>Apple Computer Inc.</b>	\$155.21	30.35	\$202.96-\$115.44	\$137.51 Bill
<b>Avid Technology</b> (Divisions: Digidesign, M-Audio)	\$24.82	n/a	\$31.05-\$16.60	\$920.25 Mill
<b>Best Buy Co. Inc.</b>	\$46.29	14.41	\$53.90-\$36.10	\$19.08
<b>eBay</b>	\$23.40	61.42	\$40.73-\$23.24	\$30.43 Bill
<b>ExchangeBlvd.com, Inc.</b> (InstrumentExchange.com)	\$0.05	n/a	\$0.21-\$0.02	n/a
<b>Harman International</b> (Divisions: JBL, Digitech, Lexicon, AKG)	\$33.98	19.55	\$113.71-\$32.09	\$1.98 Bill
<b>Kawai Instruments Ltd.</b>	\$1.09	8.39	\$1.65-\$1.04	\$89.59 Mill
<b>Loud Technologies</b> (Divisions: Mackie, Tapco, EAW, RCF)	\$3.15	n/a	n/a	\$15.30 Mill
<b>MakeMusic!</b> (Brands: Finale Software)	\$7.00	59.32	\$10.80-\$6.10	\$32.44 Mill
<b>Phonic Corp.</b>	\$0.48	n/a	\$0.70-\$0.45	n/a
<b>QRS Music Technologies</b>	\$0.40	n/a	\$0.95-\$0.30	n/a
<b>Roland Corporation</b>	\$14.97	11.48	\$29.45-\$14.95	\$384.73 Mill
<b>Samick Music Corp.</b>	\$0.65	n/a	\$0.65-\$0.63	n/a
<b>Singing Machine</b>	\$0.20	n/a	\$0.78-\$0.12	\$6.54 Mill
<b>Steinway Music</b> (Divisions: Steinway Pianos, Conn-Selmer)	\$28.99	15.85	\$35.40-\$22.41	\$247.52 Mill
<b>Winmark</b> (Divisions: Music Go Round Stores)	\$18.40	26.47	\$23.77-\$13.60	\$101.62 Mill
<b>Yamaha Corporation</b>	\$17.80	9.14	\$22.91-\$15.87	\$3.35 Bill

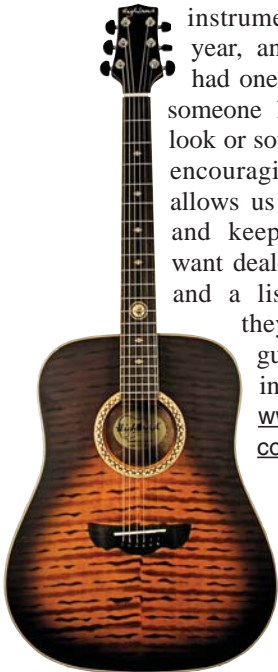
Share prices converted into U.S. dollars at the time of the price quote.

"It's almost scary that all the feedback so far has been good—I keep waiting to hear something *not* good," says

Larcombe. "We sold a lot of instruments in the first year, and we have never had one come back where someone has said it didn't look or sound right. It's very encouraging, and it just allows us to keep investing and keep going. We just want dealers to have a look and a listen, and I think they'll agree these guitars have a place in their store."

[www.highlandguitar-company.com](http://www.highlandguitar-company.com)

**An acoustic model from Highland's "Songwriter Series"**



## GODIN GUITARS

### MONTREAL GUITAR GRAND PRIX

CANADIAN-BASED GODIN Guitars presented the Montreal Guitar Grand Prix. In its third year, the free event, held September 27-28, was open to guitarists of all ages.

The SIMM (Montreal Musical Instrument Show), whose mission is to encourage music making, established the Montreal Guitar Grand Prix to promote and develop the talents of local guitarists and allow them to showcase their musical ability on stage in front of a live audience. Contestants perform in a maximum of two categories of their choice including: classical, acoustic (fingerstyle or flatpicking), jazz (arch-top or gypsy) and blues/rock. Prizes include thousands of dollars worth of musical equipment supplied by Godin Guitars, Steve's Music Store, Marshall Amplification, Digitech and Samson audio technology, and also by SIMM, the Montreal Guitar Show, and the Festival International de Jazz de Montreal.

Preliminary auditions took place throughout the two-day event in front of a panel of judges at the Savoy du Metropolis in Montreal. The final showcase was held at Club Soda, where a winner in each category was announced, followed by a performance by a very special guest artist. The final performances and preliminary auditions were free and doors were open to the public, who were encouraged to attend and cheer on all of the talented musicians.

## BREEDLOVE

### NEW CUSTOM SHOP OPEN FOR BUSINESS

IN AN INNOVATIVE new fusion of Breedlove service and custom capabilities, Breedlove Guitars has opened its 20,000-square-foot custom shop. The unique custom shop experience now showcases the exotic wood bending in the Breedlove Great Room. After being picked up by limo from the airport, guests enjoy lunch at the shop and experience a highly interactive tour complete with tonewood and artwork selection. Those who choose to extend their stay may enjoy a Breedlove Extraordinary Experience weekend or a "King-for-a-Day" experience tailored to their unique needs.

"I've never seen a guitar company with such an innovative approach to the flow of service and manufacturing," said Rich Osweiler of *Acoustic Guitar* mag-



The new Breedlove Custom Shop.

azine after touring the facility. "They've set the bar again. They are truly customer-focused."

(541) 385-8339

[www.breedloveguitars.com](http://www.breedloveguitars.com)

## KYSER

### SUPPORTING THE TROOPS OPERATION: MUSIC AID

KYSER "CAMO" CAPOS are a huge hit with the U.S. troops overseas. Canton, Texas-based Kyser Musical Products recently donated \$3,600 worth of its acclaimed capos sporting Camouflage and Stars & Stripes finishes through Operation: Music Aid, the non-profit organization that distributes musical instruments to wounded troops in Iraq and Afghanistan and at military medical facilities in the U.S.

Other recent OMA "recruits" (contributors) include: Elixir, MTD Basses,

## Parker Guitar National "Shred" Contest

PARKER GUITARS teamed up with the National Guitar Workshop this past summer to sponsor a "Rock Summit Shred-Off Competition" at the annual NGW gatherings around the country. Parker donated an assortment of import and U.S.-made guitars including the Parker Fly Classic and the Parker P42 as prizes. With Parker's help, the Shred-



Off has expanded to the Los Angeles; New Milford, Connecticut; Seattle; and McLean, Virginia, NGW campuses. The competition's winner received a brand-new Parker. Rock Summit students were judged on technique, originality, tone, and stage performance by a panel of accomplished judges. The prize was presented by Parker endorser Dave Martone.