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ELECTRO-HARMONIX

Industry Pioneer Celebrates Four Decades Of
Pushing The Tonal Envelope



Electro-Harmonix founder Mike Matthews at the company's headquarters in Long Island City, New York. Photo by Marc Lesser.

IT'S A LITTLE HARD to look upon Electro-Harmonix founder Mike Matthews, with his mad scientist hair and ever-present unlit cigar, without thinking, "wild & crazy Mike." But with Matthews, one of the industry's most colorful studies in contradictions, the methods to his madness—along with his keen insights into guitarists' taste for tone—are indisputably borne out by his company's perseverance, ongoing growth, and contributions to the industry.

While simultaneously earning an elec-

trical engineering degree and an MBA from Cornell University, Matthews made a business of promoting such top acts as the Lovin' Spoonful, the Byrds, the Raspals, Chuck Berry, and the Isley Brothers. Later, while trying to develop a distortion-free sustainer to emulate the tone of his early client/friend Jimi Hendrix, he stumbled across a one-transistor preamp and recognized that it could usher in the age of overdrive. The groundbreaking LPB-1 linear power booster made Electro-Harmonix hugely

successful right from its launch in 1968. ("My original goal," he claims, "was just to make some quick cash for my ex-wife so I could go on the road and become a rock star.")

Over the years Matthews and his Electro-Harmonix team have developed many industry-topping products, but it has hardly been smooth sledding. In the early '80s he courageously fought but ultimately succumbed to "union thugs" in New York, shuttering the business in 1982. After resurrecting the company—twice—he diversified into vacuum tube production under the New Sensor Corporation banner, leading one of the music products industry's first manufacturing operations in Russia. He later famously stood up to two groups of Russian racketeers to maintain ownership and control of his factory near St. Petersburg. His bold stand, following "nearly four decades...as one of the primary architects of contemporary electric guitar tone," earned him recognition as *The Music Trades'* 2007 Person of the Year.

Electro-Harmonix hasn't been immune from the effects of the recent recession, but 2010 sales are up over 2009, and Matthews proudly points out that the company hasn't laid off a single employee. And in anticipation of future growth he is scouting new locations to house a larger manufacturing facility.

Part of Electro-Harmonix' resilience can be attributed to strong international business. Here, too, Matthews was one of the music products industry's pioneers. E-H began conducting business with China in 1974. And after it was already making headway in numerous Eastern Bloc countries, in 1979 Matthews gathered musicians from his company's ranks to form a rock band

that performed three times a day at a ten-day trade show in Moscow. "All the other buildings closed down to go hear the crazy guys from America," he recalls. "We started glasnost!" Today Electro-Harmonix products are sold in almost every country around the world.

New Sensor continues to offer a wide variety of vacuum tubes under the EH, Svetlana, Sovtek, Mullard, Tung Sol, and Genelex Gold Lion brand names. "You have to take advantage of the fact that the U.S. is a free market and in an expanding global economy," says Matthews. "We source parts internationally and ship product all over the world."

In its early days Electro-Harmonix had just two competitors. Now there are more than a hundred. Product innovation is one reason E-H remains near the top of its field. In recent years it has produced more digital products, but it still develops new analog models, which remain prized for their unique and warm tone. Classic pedals such as its Black Finger Optical Tube Compressor continue to sell well. Meanwhile, updated versions and completely new sounds are intriguing gui-



Electro-Harmonix founder Mike Matthews with painting by Hayden Planetarium artist H.K. Wimmer.

tarists and stimulating retail sales. Recent hits include the Stereo Memory Man with Hazarai, the Germanium 4 Big Muff Pi Distortion/Overdrive, the Cathedral Stereo Reverb, the V256 Vocoder with Reflex Tune, the Freeze Sound Retainer,

the Enigma: Qballs Envelope Filter for bass, the Riddle: Qballs Envelope Filter for guitar, and the 44 Magnum Power Amp in a pocket-sized pedal.

Product affordability has always been key to Electro-Harmonix' success. (Matthews points out that he was once a starving musician and so can relate to his customers' need for exceptional value.) "E-H pedals are a great value, and they make really unique, cool-looking stuff," says Jon Haber, CEO of Alto Music in Middletown, New York. "I'm amazed at how many we sell and at the diversity of their products."

Throughout his career Matthews has exhibited keen instincts for predicting and exploiting cycles of component availability and favorable pricing. This commitment was a major motivation for founding New Sensor Corporation in 1988 and launching the Sovtek brand of vacuum tubes for guitar amplifiers the following year. In addition to selling tubes to music stores and many top guitar amp manufacturers, the company sells tubes, capacitors, transformers, jacks, and switches to thousands of amp and stereo repair shops worldwide.

Matthews' authenticity continues to resonate through his company's marketing. Just as he has maintained his ear for the sounds musicians want to hear, the four-plus decades since he started haven't eroded his ability to communicate with the critical young buyer. Strong branding through provocative product names and striking graphics is amplified by the company's skillful use of the internet, including engaging online product demos. Technology and media have evolved, but E-H's message has remained compelling to each new generation. To help deliver that message it has taken advantage of new media including development of a YouTube page and an enhanced MySpace page featuring product demos. "It's amazing how many end-users visit them," says Matthews. "They really help us grow our fan base."

True to his bad-boy persona, when asked about his goals for the future, Matthews replies, smiling and punctuating with his cigar: "1) bring out more novel electronic musical devices; 2) go fishing!; and 3) have fun with the ladies!" Rock 'n' roll.

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