

Sept./Oct. 2004
Volume 3 Issue 4

Recent and
Upcoming Events

WILSON[®] AUDIOFILES

Sept. 10-12, 2004
CEDIA
Indianapolis, IN

Sept. 16 - 20, 2004
Milan Hi-Fi Show
Milan, Italy
Peter McGrath Attending

Sept. 23, 2004
Definitive Audio
Seattle, WA
Alexandria Debut
with David Wilson
& John Giolas

Sept. 24 - 26, 2004
London Hi-Fi Show
London, England
Peter McGrath Attending

Sept. 28 - 29, 2004
Audio Natali
Turin, Italy
Alexandria Installation
& Training
with Peter McGrath

This article was written and published by the CEA (Consumer Electronics Association) High End Audio Board and is reprinted with permission.

It's All About Performance

Your Guide to Performance-Based Selling

(Photos and captions originated at Wilson Audio.)

A symphony at Carnegie Hall,
Rock live at the Fillmore,
CD in your living room. . .

A play on Broadway,
CinemaScope at the Rialto,
DVD in your personal home theater. . .

. . . it's all about experiencing the emotional impact of *the performance*.

And that's what you *should* be selling. If you are a specialist retailer, look around. There's always somebody that sells for less, ships anywhere, and is all too willing to allow customers to judge products based on the length of the feature list.

Play to your strengths.

The Specialist Retailer Under Attack

"Home Entertainment" is increasingly becoming a commodity business. National chains are buying up independent specialty retailers. Hard drive music servers, home networking, and Internet-provided content are giving computer makers a foot-in-the-door. New technologies and distribution channels continue to drive down retail prices and profit margins.

Home theater and custom install were once safe havens for specialty retailers. But now they're under direct attack as on-line "professional" distributors sell plasma screens directly to the public at wholesale prices and consumers can find dozens of "expert opinions" at the click of a mouse. Soon cable and satellite providers will be offering inexpensive wireless whole-house

multimedia systems directly to consumers.

What's a Specialty Retailer to do?

Focus on your strengths. Play to those areas where you have a distinct advantage. But where do those advantages lie?

Selling on price is clearly not the answer. There's always someone, somewhere, with lower overhead, greater buying power, or who is simply unaware that his prices are too low to sustain his business.

Feature based selling is no better. There may have been a time when a laundry list of features in the hands of an expert salesperson could intimidate some people into buying. But today a longer feature list is never more than a mouse click away.

In fact, feature based selling has always been a dubious technique. Cataloguing features and specifications overwhelms and confuses customers. No product has every feature. When you dwell on features it puts the customer in the position of deciding which ones he is willing to give up, even when he doesn't understand their benefits. Customers don't buy when their attention is on what they're giving up.

If your competitive advantage is not in selling on price or features, then where? You already know the answer. In fact, it's what most of you used to do. Your distinct, and arguably insurmountable, advantage is in demonstrating performance. No matter what anyone claims, it can't be done on a web page. Big-box retailers lack the facilities, product, and expertise. And even many "specialty retailers" are neglecting it. It's time to rediscover and work on your edge.

(Cont. as Performance-Based on pg. 2)

Performance-Based (Cont. from pg 1)

We call this approach Performance-Based Selling. It all comes down to this:

A convincing demonstration of great performance establishes your credibility and authority, shuts out your competition, and builds the emotional excitement that's essential to closing sales.

The Eight Golden Rules of Performance-Based Selling

1. Get right to the demo.

Opening a sale by demonstrating performance is the quickest way to show a customer "what's in it for him/her."

Provide technical information only as needed by the customer. The need will be evident by the type of questions the customer asks.

Be wary of the customers who insist on knowing everything. These customers have probably done some homework. Unlike you, your customer only needs to know about one product on which he can become an "expert" after only a few hours on the web. Entering into a duel of wits with this customer is a no-win situation where you'll lose his respect and risk embarrassing both of you. Embarrassed customers don't buy.

The easiest way to avoid this trap is to move as rapidly as you can into a performance demonstration.

2. Set the stage. Set the mood.

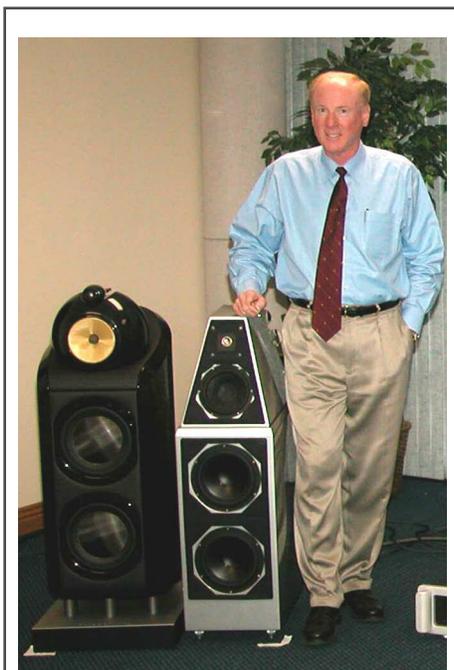
Remember, this is show biz. You are selling the excitement of home entertainment. Have fun yourself – your own enthusiasm will be infectious.

3. Script the demo.

A successful courtroom lawyer never asks a question unless he already knows how it will be answered. A successful salesperson never performs a demonstration unless he already knows the intended emotional impact of each and every movie clip or CD track.

You should map out every track on every disc you plan to play. You should know the purpose each track plays in the demo. Avoid letting customers play their

own discs until after you've completed your demonstration and made the points you want to make.



One of Wilson Audio's favorite methods of demonstration is an A/B comparison. All Wilson Sales and Customer Service personnel are trained and experienced in A/B comparisons. The purpose of the demo determines the script and which speakers are used. Sometimes the A/B comparison is between Wilson and a competing brand. Other times the comparison is between two Wilson speakers in an effort to help dealers understand the difference between products.

4. Sweat the details.

Demonstrations should be set-up and ready to go at all times. Projectors properly converged and focused. Speakers positioned, wired in-phase, and solidly spiked. Effective retail means never making excuses.

This attitude should be carried through right into the customer's home. *"Our systems sound better and work better because we carefully select our products and know how to properly set up the system for optimum performance."*

Our favorite "demonstration" of this is the speaker wobble test. Have two speakers sitting side by side, one with spikes

(which are properly adjusted and locked) and one without. Ask the customer to push against each speaker with his index finger. Obviously one will wobble and one won't. Explain that it's all Newton's fault. For every reaction there is an opposite and equal reaction.

When the woofer moves in one direction in response to heavy bass content, the cabinet tries to move in the other. Given that the mass of the cabinet is quite high, the movement might be fairly small. But, the movements made by the drivers when reproducing intricate musical signals are also quite small. If the cabinet wobbles, even a little, the drive units have no fixed frame of reference from which to work and performance suffers.

Recommend that a good test of a retailer's competence is this "index finger speaker wobble test." Try it yourself. Visit other retailers and try the test. It's not uncommon to visit a dozen shops in an afternoon without finding a single stable speaker. (Of course before you recommend this test to a customer you better be sure your speakers are properly set up!)

5. Practice, practice, practice.

An amateur magician performs an ever-changing assortment of tricks for the same audience of friends and relatives, rarely perfecting an old trick before moving on to a new one. A professional magician performs a small number of tricks over and over and over again for new audiences.

By repeating the same scripted demonstrations in front of as many customers as possible you will eventually encounter nearly every possible customer reaction and question. You'll learn how to anticipate these and develop responses that lead to sales, not walks. You'll never get bored with your scripted demo when you're receiving the ultimate customer affirmation – the sale!

6. Simplify the demonstration.

It's very difficult to make comparative demonstrations of home theater systems.

(Cont. as Performance on pg. 3)

Performance (Cont. from pg. 2)

We know one retailer whose typical home theater demo ends with "Ok, now it's time to select your speakers."

At this point he takes his customer into a 2-channel demo room and explains that it's much too difficult to choose the right speakers with the distractions of the video screen and the occasional bullet streaking past your head.

He continues "We always recommend making an important decision like this by listening to music on the main left and right speakers. It's less confusing and much more revealing than the compressed audio in movie sound tracks. We've learned that when you select your speakers this way they will bring you the greatest long-term satisfaction."

7. If it doesn't perform better, it isn't better.

If you can't confidently demonstrate that a given component or system is better than another, you need to reevaluate your choice of products, your system set up, and/or your demonstration techniques. It really is that simple, if you can not demonstrate that a product is better, then it simply isn't better. This goes for stores as well as products... a store that doesn't perform better isn't better.

8. Performance is defined by the customer.

We close with one caveat.

As a specialist we hope you feel an obligation to introduce your customers to great audio and video performance. Many customers will have no idea how exciting this experience can be before you make your demonstration.

But ultimately it's the customer who defines exactly what constitutes "performance." For some customers the ability to switch the system off from the bedroom may be every bit as important as the musical performance.

Focusing on demonstrating performance does not relieve you from the obligation of listening to the customer.



Ken Kessler's article, "Wilson Audio Alexandria," published in *Hi-Fi News*' Sept. 2003 issue, attests to the effectiveness of A/B demonstrations of different speakers within the same line. Kessler wrote about the "incredibly successful and highly respected X-1 Grand SLAMM." He said, "This exceptional design has been a reference product for most of its life, and is the wellspring from which most of the post-1994 Wilson products have derived their technology." After establishing the phenomenal abilities of the X-1, Kessler went on to relate his experience with a standard Wilson demonstration. "Before letting me loose with my on CDs, Dave demonstrated the X-1 and X-2 side-by-side. It proved to be one of the most disconcerting experiences I have ever been subjected to as a reviewer... We listened to the X-1. It was sublime. I sat there wondering what on earth could the X-2 do that I wasn't already hearing. Using a switch box fashioned by Wilson, I A/B'd the two. To the shock of all present - the Wilson household is not where one uses salty language - I blurted out, after a mere three seconds, a loud 'Bloody Hell!'"

More Wilson in the News:

Excerpted from *Hi-Fi Choice: the collection 2004*

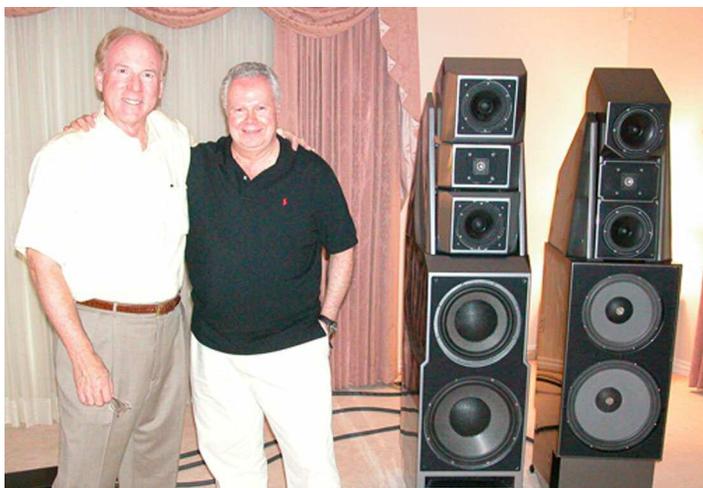
"Wilson Audio System 7"

by Alan Sircom

"It has the sort of power of a PA system, but if this is a PA system, it's the PA that God uses. There is a reason why this speaker system is so successful, a reason why a substantial number of the more well-heeled hi-fi reviewers around the world use - or have used - Wilson speakers. The System 7 sounds fantastic, with effortless dynamic range, detail and soundstaging. It's one of the few products that is so good that the limitations exist outside of the product itself - if this speaker is below par, blame something else."

* * *

"Eighteen years is a long time at the pinnacle of loudspeaker technology and Wilson has had its share of challengers in those years. Yet, people always come back to Wilson WATT/Puppy. It remains an important benchmark for what a high-end speaker can do - and proof that, for the music lover, the effect can be positively life-changing."



Wilson Audio welcomes Terry Menacker of Overture as our newest Wilson Audio dealer. Overture is located in Wilmington, Delaware. As part of dealer support, a focus will be to bring dealers to Provo for training in demonstrating Wilson products and to tour our facility.

Specializing in Supplying the Demands

by Sherri Burge

Thinking he was taking an “in between jobs” job that would only last a year, Greg Pozernick signed on with Wilson Audio 10 years ago. He quickly moved from working swing shift in the woodshop to being swing shift manager, and finally, to being trained to run the Komo CNC machine.

In 1998, after four years of working in Wood Fabrication, Greg grew tired of the noise and dust of the woodshop so he requested to be moved to production. Instead, Greg was placed in inventory, where he gained experience that would help him in his next advancement.



In 1999, Greg assumed the responsibilities of Purchasing Agent. “When it comes to procurement of supplies, my office is ‘where the rubber meets the road.’”

Working under Korb Vaughn, Director of Manufacturing Operations, Greg is

literally responsible for ordering every item used at Wilson. From ink cartridges to office supplies to Wilson literature to maintenance items to speaker paint to glue to enclosure materials to drivers, every thing used by the company has gone through Greg.

“Purchasing for a small high-end audio O.E.M. certainly has its share of challenges with its complex requirements for unique materials and components. It has been quite the interesting experience as the company has approached each challenge and found innovative ways to always offer a superior product to its customers.”

“While I can’t really say that I’m an audiophile, I do recognize and appreciate the level of quality and excellence that Wilson Audio has reached with its audio systems and how this excellence can add to the quality of life for those who enjoy the opportunity of listening to audio speakers which reproduce sound at such a high level of fidelity.”

Another thing Greg appreciates is how Wilson Audio has been accommodating to making family a high priority. Greg and his wife have three boys, ranging in age from nine to twelve, and a little girl age five. The children keep Greg and his wife busy with activities like hiking, soccer, and biking. Greg is also involved in Cub Scouts both with his boys and with other scouts in his neighborhood. If he has any time to himself, Greg enjoys reading, researching his family ancestry, and playing racquetball and other

Friendliness, Flexibility and Efficiency

by Sherri Burge

When an interview begins with questions about a person’s level of flexibility, perhaps it should send warning signals to the job seeker. In March 2004, Pam Ballard chose to ignore the red flags and accepted a position as Wilson Audio’s receptionist/secretary.

Since beginning, Pam has proven to be as flexible as they come. In addition to answering phones and doing basic clerical work, she’s done everything from putting together color samples and grille samples to threading nuts on bolts to counting tiny washers used in sub assembly kits for each speaker and even to a little weeding of the flower beds.

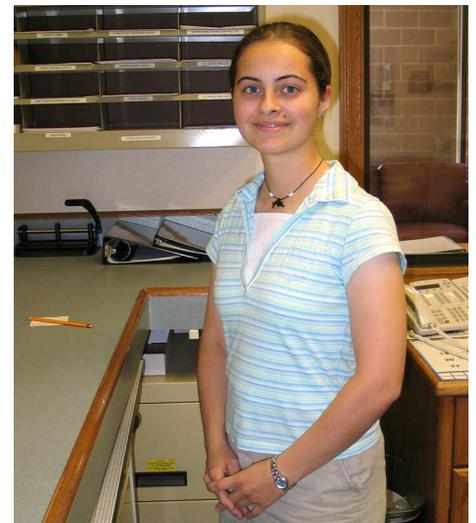
As she interviewed, Pam told us that she moved far from her family in Michigan to do volunteer church service in Salt Lake City for 18 months. To us, this communicated dedication and a willingness to work. Pam’s responsibilities while she volunteered helped us know she has people skills that are invaluable in interfacing with our customers and our dealers over the phone.

Pam’s experience in retail at a Hallmark store back home told us she has the problem solving and organizational skills necessary to support the variety of office personnel at Wilson.

In addition to working at Wilson, Pam is working as a part time student studying child care. She is also president of a woman’s organization at her church. If she has free time, Pam likes reading or doing arts and crafts.

Growing up in Michigan, Pam acquired a love of hockey and spent hours watching not only the Detroit Red Wings, but also watching her two brothers compete on the local teams. It was natural for Pam to be disappointed when her dad drew the line at allowing his only daughter to compete on a team.

Pam hopes to someday get married and have a family of her own, and whether they end up near the mountains of Utah or the lakes of Michigan, if Pam has a daughter who wants to play hockey, Pam thinks her girl will be about the best



player on the team.

In any interview at Wilson Audio, a candidate is told that in hiring we are concerned with the level of “fit,” both for Wilson and for the individual.

Like settling into your favorite chair, the fit for Wilson Audio and for Pam feels “just right.”

Excerpts from Soundstage! Home Audio Equipment Review (www.soundstage.com) Aug. 2004

“Wilson Audio Specialties MAXX Series 2 Loudspeakers”

by Marc Mickelson

“The MAXX Series 2 (is) a speaker that takes advantage of the proprietary technology developed for the massive and massively expensive X-2 and puts it to use in a smaller speaker that’s far less costly and yet more full-range than any I’ve heard in my audio system. If you long for the X-2 but can’t afford it, you’ll want to investigate the MAXX 2 -- and that’s something with which I can help. . . .

“The MAXX 2 uses a new tweeter that is said to offer significant improvement in high-frequency linearity and a reduction in coloration and noise; a new internal structure and rear-firing port for the tweeter/midrange module; a new tweeter midrange crossover that uses technology developed for the X-2 Alexandria; and a refined bass crossover that reportedly improves the linearity and integration of the drivers. The original MAXX sold for \$38,900 for the entire time it was available. The MAXX Series 2 sells for \$44,900, and owners of the original MAXX can have their speakers upgraded for the \$6,000 difference in price. This amount doesn’t seem unreasonable given that among the things that are done is the machining of the aforementioned ports into the existing tweeter/midrange modules.

“The MAXX 2 also uses a trio of new grilles (which are attached by a new method) that improve the appearance of the speakers tremendously. The original MAXX looked boxy because of its grilles, but the MAXX 2 has more of a Wilson Audio family resemblance with its angular, contemporary good looks. . . .

“Wilson Audio specs the MAXX 2’s frequency response as 20Hz-21kHz, its sensitivity as 92dB (2.83 V at one meter), and the minimum power required to drive it as 7 watts. We’ve found through measuring the WATT/Puppy 6, WATT/Puppy 7 and Sophia that Wilson Audio’s sensitivity specs are within a negligible degree of difference from our measured values (this is *not* the case with all other companies and their speakers). Therefore, you can trust that the MAXX 2 is 92dB sensitive. . . .

“As with all Wilson Audio products, the MAXX 2s are made to standards that other companies don’t achieve, let alone aspire to. They are expensive speakers for sure, but everything in their design, manufacture and presentation underscores their status as extreme luxury products. There just isn’t anything quite like them -- except another Wilson Audio speaker. . . .

“It is in the realms of true resolution and complete performance that the MAXX 2s excel. No speaker -- no audio product -- that I’ve used in my system has revealed more of what’s happening on a recording than the MAXX 2. . . .

“I can say that the MAXX 2s’ bass is deeper and more powerful than that of any speaker I’ve used. . . . Wilson Audio has devised a way to make big woofers sound quick and athletic, like smaller ones. . . .

“Lesser speakers force you to adjust your standard for reproduction downward by varying degrees; not the MAXX 2s, which first surprise and then persuade. . . .

“The MAXX 2s inject no harshness of compression. However, what’s more surprising is how articulate the MAXX 2s are at the low end of the volume scale, not only when minute detail is part of the recording but also when the speakers are merely played at low volume. More than any speaker I’ve heard, including the WATT/Puppy 7, which sounds very good at low levels, the MAXX 2 is a speaker for late-night listening, especially if you don’t want bass frequencies to disappear just because you don’t have the volume halfway up. . . .

“The immediacy of the transition over the MAXX 2s, from very soft to loud, will have you jumping out of your seat, but what’s more interesting is the way these big speakers resolve the dynamic shadings of this solo-piano recording. . . .

“With some audio products, resolution and enjoyment are at odds because the level of resolution is not realistic, showing either emphasis or obscurity. Not so with the MAXX 2, which presents all elements in perfect proportion to each other, casting an

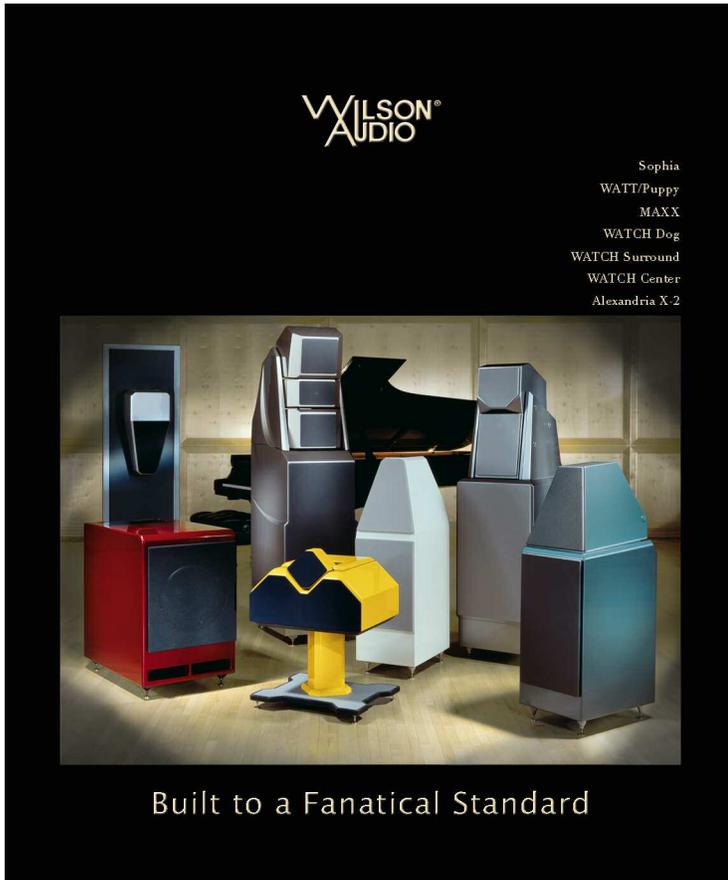
utterly believable assemblage of musicians and spatial cues. . . .

“The MAXX 2s responded to changes in equipment like no other speaker I’ve heard. I initially used the speaker with Atma-Sphere MA.2 Mk II.3 amps, with which they absolutely sang. I switched to Lamm M1.2 Reference amps, which output exactly half the MA-2 Mk II.3s’ 220 watts, and the sound was still terrific, albeit different. Much later and near the point where I would begin writing this review, I received a pair of Lamm ML2.1 SET monoblocks, the updated version of the well-known ML2. Because of the way the speakers performed with amplifiers that were much more powerful, I was not hopeful that the ML2.1s would be as satisfying. I was too fond of what I was hearing! So with some reluctance, I connected the ML2.1s, let them warm up, and then took a listen. Not only could the ML2.1s drive the MAXX 2s, they did so with all of their best attributes intact and with no deficiencies in terms of large-scale dynamics or ultimate loudness. . . .

“On top of all this -- the extremely wide bandwidth and low distortion, the dynamic agility, the ability to sound large or small depending on the recording, the responses to changes in the system, the effortlessness -- the MAXX 2s are just plain enjoyable. As much of a trophy speaker as it is, the MAXX 2 is wasted if not playing great music, much in the same way a sports car is wasted sitting in rush-hour traffic. Hearing the X-2 Alexandria was a thrill; living with the MAXX 2 has been as well. . . .

“But the true value of the MAXX 2s is derived solely from their performance, which has shifted my personal paradigm for reproduced sound. . . . Would I buy MAXX 2s? Absolutely. They are the most significant product I’ve written about in my eight years as an audio reviewer. Do I covet the X-2 Alexandrias? Absolutely. However, the MAXX 2s certainly take the edge off such longing. With them, my system has cracked the top five.”

Wilson Posters



WILSON[®] AUDIO

- Sophia
- WATT/Puppy
- MAXX
- WATCH Dog
- WATCH Surround
- WATCH Center
- Alexandria X.2

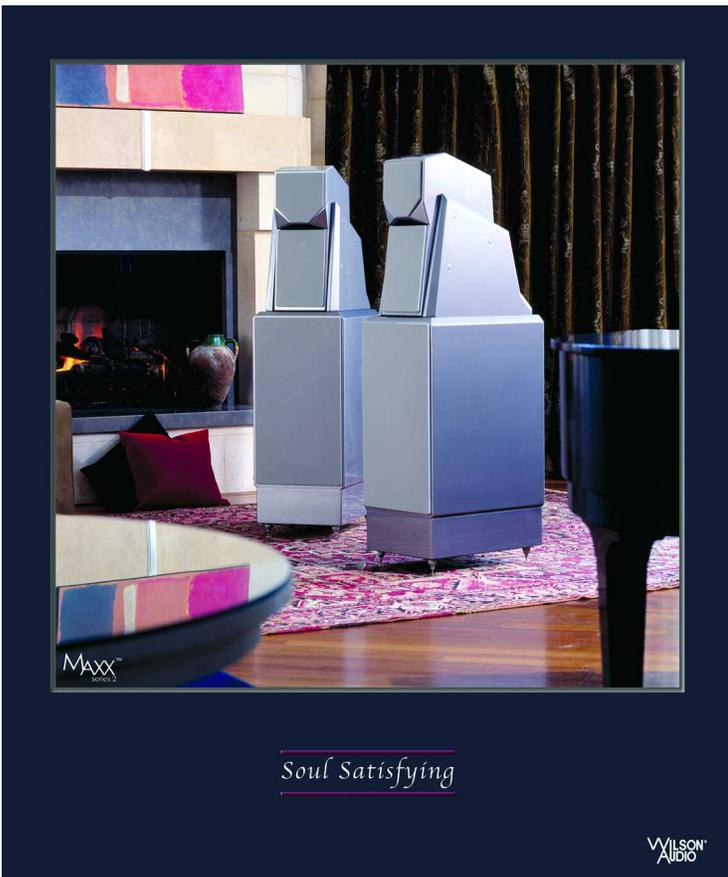
Built to a Fanatical Standard



CREATE
CUSTOMIZE
COORDINATE

COLOR

WILSON[®] AUDIO



MAXX[™] SERIES 2

Soul Satisfying

WILSON[®] AUDIO



Architecturally Alluring
Technically Prodigious
Musically Beguiling

SOPHIA

WILSON[®] AUDIO