

HOUSE BRANDS/BUDGET BRANDS

In the *Blue Book of Guitar Amplifiers*, the terms House Brand and Budget Brand are referred to quite often. A House Brand is defined as a trademark used by distributors, wholesalers, and retailers to represent their respective company instead of the manufacturer. These brands are found (for the most part) on budget amplifiers, although some models are currently sought after by players and collectors on the basis of features, tone, or relative degree of "coolness" they project.

A budget brand is defined as a trademark used by a large manufacturer to produce a line of guitar amplifiers similar to the large manufacturer, but sold at a lesser price. These budget brands may be produced by the manufacturer or they can be outsourced in order to bring costs down. Many vintage guitar amplifiers that are budget brands may have only slight differences from the large manufacturer.

In the 1800s, many guitar manufacturers were located in New York and Philadelphia; by the early 1900s large guitar factories were centered in Chicago. The "Big Three" that evolved out of the early 1930s were Harmony, Kay, and Valco. As electric instruments became popular in the late 1930s and 1940s, many of these companies introduced guitar amplifiers. Like their guitar counterpart, these new guitar amplifiers were labeled House Brands.

One of the best examples to explain House Brands and Budget Brands is Valco, who produced National, Supro, Airline, and Oahu guitar amplifiers. Valco only produced a handful of amplifiers branded by their own name; almost all Valco-made amplifiers brandish the National, Supro, Airline, or Oahu name. Many models between the four brands feature identical chassis and features but different cosmetics and logos. This was very economical for Valco as they could produce a thousand identical chassis and install them into different branded cosmetics as they needed to. Airline guitars and guitar amplifiers were produced and advertised exclusively for the Montgomery Wards catalogs, which makes them a house brand. National guitar amplifiers represent Valco's big instrument line. They introduced Supro as a budget brand to National amplifiers. This can all be summed up as this:

Valco: Manufacturer

National: Large/main brand

Supro: Budget Brand to National.

Airline: House Brand for Montgomery Wards.

Many other House Brands exist, but there are only a few big ones that many people are familiar with. Danelectro was a large builder/supplier to Sears & Roebuck under the brand Silvertone. Many Danelectros and Silvertones are identical beyond cosmetics, and at one point up to 85% of Danelectro's production was reserved for Silvertone. Harmony and Kay are two other large builders/suppliers, but they don't have a large name they used exclusively.

Prior to World War II, Harmony and Kay sold straight to wholesalers like catalog houses and large distributors. In turn, these wholesalers would send their salesmen and "reps" out on the road to generate sales - no territories, no music store chains - just straight sales. Business was fierce, and companies used their own private labels to denote "their" product. House Brands were typically used as a marketing tool for distributors, wholesalers, and/or retailers to try to eliminate consumer shopping for the best price on popular makes and models of the time. How could you shop a trademark that didn't exist anywhere else? Tom Wheeler, in his book, *American Guitars*, quoted former Harmony president Charles A. Rubovits' recollection that the company built 57 private brands for the wholesalers - and sold over five million guitars.

An informative essay about House Brands and their place in the vintage guitar spectrum can be found in *Stellas & Stratocasters* (Vintage Guitar Books) by Willie G. Moseley, feature writer/columnist for *Vintage Guitar Magazine*. Moseley's commentary includes a listing of thirty-eight brands and their retailers/distributors, brief anecdotes about the major American manufacturers of budget instruments (Harmony, Kay, etc.) and photos of twenty-five American-made House Brand instruments. As Moseley states, "It's my opinion, and I dare say the opinion of most vintage guitar enthusiasts, that a good rule of thumb concerning the collectibility of House Brands would be something along the lines of 'If it was a budget instrument then, it's proportionally a budget instrument now.' Regrettably, as the interest in vintage guitars and guitar amplifiers continues to grow, some individuals and/or businesses tend to assume that simply because an instrument is 'old' and/or 'discontinued' and/or 'American-made,' that automatically makes it a 'collector's item' and/or 'valuable.' That's certainly not the case, especially with House Brands.

It's disheartening to walk into a pawn shop and see a Kay-made Silvertone archtop electric from the Sixties labeled as an 'antique' and priced at \$799, when the instrument is worth no more than \$250 in the vintage guitar market, and such incidents are apparently on the increase. And that's unfortunate for everybody."

In the 1990s, many House Brand guitar amplifiers could be grouped into one category as there was not much difference in pricing. However, in the 2000s, this is becoming less evident as House Brands are becoming more popular. Despite what we just stated in the previous paragraph about House Brand guitars being worth budget brand prices, they are becoming more popular among collectors and players. With the spike in prices of high-end vintage guitar amplifiers, House Brands are becoming more available to the collector or player. A Fender blackface Deluxe that could be purchased under \$500 in the 1990s is around the \$1,500 mark now; a Fender blackface Champ that could be purchased for around \$250 is now \$600. During this period of increase, many House Brand guitar amplifiers have moved very little in the vintage market, which collectors have taken notice of. Keep an eye on popular House Brand guitar amplifiers as they may creep up in value.

Almost any large company has a budget brand to complement their more expensive line. Fender has Squier, Gibson has Epiphone, Eden Electronics has Nemesis, and so on. Early on in guitar amplifier history, many of the large companies realized they had to produce a lower priced version of their amplifier to remain competitive. Usually this was done one of two ways. The first was to introduce a new series of budget amplifiers under the main trademark (i.e. Marshall's MG Series). The second way manufacturers could expand their market share was to introduce an entirely new brand that was distributed by the large company (i.e. Fender/Squier, National/Supro). A debate will always exist to what is more valuable: an independent trademark that does not connect with the large manufacturer versus a series within a trademark that may bring the credibility down with the large manufacturer. Most budget brands are heavily discounted and dealer cost can be quite a bit under the standard 50% benchmark for most other brands. Keep this in mind when determining value.