



## GEARSUPPLY

# A 21st Century Solution To Buying And Selling Concert Gear

By RYAN BORBA

Gearsupply Founder **MENDEL ROSENBERG**

**A** new online marketplace for used concert production has launched, looking to simplify the process of buying and selling what are often heavy, expensive and complicated orders, handle logistics and connect buyers and sellers as painlessly as possible.

"It's time we offer a 21st century method for people to buy and sell used production equipment, it was something we had on the backburner and knew we needed to create, and because of corona we were able to buckle down and knock it out," says Gearsupply founder Mendel Rosenberg, who about three years ago launched a similar platform in Soundsupply that has become a leading platform for moving audio gear.

"We're very happy with the soft launch and our goal is to get all the sellers educated and on board so when the market comes back around, all the inventory will be ready for the buyers to purchase and the sellers will really know how to use the platform."

Typically, concert gear is upgraded and replaced quickly, with touring productions and venues needing top-of-the-line, efficient equipment to take on the road each tour.

That used gear can sit in storage for years looking for a buyer, but often needs to move quickly.

"We realized oftentimes the reason people sell gear is because they need to buy a new system," says Rosenberg, using the Los Angeles Dodgers replacing their entire A/V rig as an example.

"They just reached out to us. That rig they replaced might be a perfectly capable rig for a company in Mexico or a smaller sound company, but it's not up to date enough for their use," he says. "They need to get rid of all their lighting, all their audio, whatever their specific

speaker configuration was for that stadium, and you're not going to find one user for that, it's going to go to 15 or 20 different users."

Typically, the easiest way to get rid of such a large amount of gear is to find a liquidator, which is convenient but means selling at a huge discount, often getting rid of perfectly useful and valuable gear. Selling on your own is difficult as well.

"There's a lot of headache and a lot of logistics, vulnerability to fraud with credit card returns and things like that," Rosenberg says. "You end up with a very hard way for a venue to transition from one system to a new system. It may take four or five months to replace that system, and there is no downtime in LA, there's events all year long. So they need a seamless way to sell it all in one shot."

Gearsupply bills itself as offering reasonable fees, logistics specialty and even handling tax and customs paperwork worldwide – another headache as each state or country has its own ever-changing regulations.

It also aims to address problems of other major resellers as a true business-to-business operation, including logistics expertise for large freight orders – a full container load to the Czech Republic is a lot different from the typical eBay order, for instance. Commissions are also a problem.

"We offer the same convenience and speed payment up front as a liquidator would offer, but we also offer a fair market evaluation of 70-80% of its value, which is pretty strong as we're taking all the risk," Rosenberg adds.

The platform will also feature seller branded stores that can integrate into their company's webpage. Its base commission rate is around 6%.

Leveraging Soundsupply's relationships as the go-to for "bulk asset disposition" for the likes of industry heavyweights like PRG,

L-Acoustics, Solotech, PSAV, 3G and others, Gearsupply is establishing a large catalog of inventory quickly.

"We [typically] buy from the A companies and sell to the B-C companies," Rosenberg explains, but adds that the platform also makes sense for smaller listings. "All those \$5,000 to \$10,000 transactions that the smaller companies want to sell are perfectly fair game, as the platform is doing half of the work for them already. Sellers would be a venue, a large-scale company like Solotech, a regional company or startup that needs eight to 10 speakers. The buyer side would typically be everyone underneath the five or so big guys."

Other advantages of using Gearsupply, according to Rosenberg, include visibility, with 21st-century SEO and website integration to help sell gear, and transparency, which can be a problem when using traditional brokers.

"Brokers are typically taking 10-15% and there's a lot of flaws there as well, with one of the biggest issues they have being there is very little transparency between your buyer and seller," Rosenberg adds. "In the real estate world there's a million regulations for brokers, but this is not a regulated industry. It comes down to, do you trust the broker or not?"

Listings will also be able to become eligible for "GearPromise," a guarantee from Gearsupply that transactions arrive as described or else Gearsupply will take on the responsibility to resolve the transaction.

"Using our vast experience in selling used gear we have a very strong understanding of how to avoid issues in transactions," Rosenberg says. "Therefore, we are confident guaranteeing all transactions as long as the listing/seller follows the 'GearPromise' requirements." ★