

UK's biggest guitar retailer hands business to its 160 staff

GuitarGuitar strikes a chord with workforce by announcing restructure.

A renowned guitar seller which was established in Edinburgh is putting its employees "centre stage" by becoming the country's first musical instrument retailer to move to employee ownership.

The business restructure means that 60 percent of all [guitarguitar](#) shares are now placed into an employee ownership trust [EOT] providing its 160-strong team the majority of the business and its profits.

The online and in-store guitar firm started off in the capital in 2004 and has since expanded to six retail locations across the UK.

Now headquartered on the outskirts of Glasgow, guitarguitar sells more than 50,000 guitars a year, from entry level axes to highly sought-after collector's pieces from the likes of Fender, Gibson, Taylor and Martin.

Founders Kip McBay and Graham Bell decided to make the switch to employee ownership to allow them to plan for their respective exits from the company without threatening the legacy of the brand.

Graham Bell, co-founder, said: "Our team are over the moon to find out that they now own a share of this incredible

business. guitarguitar's success is a result of the commitment and hard work of our staff and we have now decided to take the next step and give them their own piece of the company.

"We've spent the last 20 years building a brand that we are wholeheartedly passionate about. We wanted to ensure the business means something to future owners when our time comes to take a step back.

"Not only did we want to reward staff for their efforts at the company but we also wanted to ensure our customers will always be front and centre. Every experience a customer has at guitarguitar will now be with someone who is invested in and committed to delivering outstanding service to musicians."

The company turns over £45-million-a-year and is the first musical instrument retailer in the UK to take the step into employee-ownership, a business model which is becoming increasingly popular among businesses in the UK.

Bobby Simpson, Operations Manager at guitarguitar, said: "This is a fantastic day for the team at guitarguitar. What a brilliant start to the year knowing that Kip and Graham have full confidence in every staff member to continue and develop the guitarguitar legacy."

To make the restructuring process as simple and straightforward as possible, guitarguitar called on the help of employee ownership experts. EY advised on the transaction, with Douglas Roberts of Lindsays providing legal advice.

Duncan Reoch of EY said: "It has been a fantastic experience working with Kip and Graham through such an important transitional step in the history of the business, and for them personally."

Douglas Roberts of Lindsays, who also aided in facilitating the restructure said: "guitarguitar is a brilliant Scottish business success story. Graham and Kip wanted to reward their

staff and safeguard the future of the business while protecting the ethos they have built.”

Carole Leslie of [Ownership Associates](#) provided employee ownership support for the project and assisted communication with the new employee owners and other stakeholders.

Carole said: “This is a great landmark for the musical instrument retail sector and Ownership Associates has enjoyed assisting such a prominent firm within the industry achieve its business goals.

“We’re seeing an abundance of interest in the business structure. When business owners like Kip and Graham are keen to outline their own exit strategy, employee ownership quickly offers itself as a clear option for providing a positive path for both owners and staff.”

Graham added: “The last 20 years have been an exciting ride for us all in guitarguitar. It’s time for Kip and I to let the next generation take the business into the future.”

