

Guitar Center Prepping for Bankruptcy Filing

“Numerous reports have Guitar Center prepping for a bankruptcy filing, and many within the musical instrument industry feared the worst. Visions of music and audio gear manufacturers getting pennies on the dollar for their accounts receivables brought out the cold sweats from many of the smaller ones that might not have survived under those circumstances. Even worse would have been a contracted GC with fewer brick and mortar stores than its current 269. If all goes well, those fears can be put aside, according to several sources,” reports Bobby Owsinski in *Forbes’ Hollywood & Entertainment*.

“Reportedly, the plan is for the company to restructure its more than \$1.3 billion debt and carry on with business as usual at the store level. Vendors and employees will continue to be paid and no stores will be closed. Of course, things could change by the time the actual filing happens, but should it go as reported, gear manufacturers and employees alike will breathe a huge sigh of relief.”

Read the article.