

# Ready to Raid Listeners' Funds

**W**E present listeners on this page with a letter now circulating amongst the owners of B class stations. This letter and its proposals very closely affect radio in its future development and improvement. We are therefore glad to be able to present listeners with information of the movement that is on foot, so that they may be aware of where their best interests lie.

**BRIEFLY**, it is proposed that combination should be effected between the owners of the eight B class broadcasting stations now operating in the Dominion, with a view to squeezing financial support for their stations from the revenue provided by listeners for the maintenance of the broadcasting service in New Zealand. There is only one way to view this question, and that is from the broad view of the best interests of the radio service and those primarily concerned, the listeners themselves. From that point of view it makes no difference whether the Radio Broadcasting Company, as a company, is operating the service, or whether the service is operated by the Government or any other organisation set up to provide listeners with the service they desire. On the system laid down in New Zealand, after world-wide investigation, there must be a central organisation to receive, invest, and operate the funds provided by the listeners to the best advantage. In its wisdom the Government of this country has entrusted the operation to that service under a binding contract to the Radio Broadcasting Company. If, however, at the expiration of that contract the Government wishes to take over the service itself, it would be quite within its rights and capacity to do so, and the principles of objection to the proposal now made by the B class stations would apply then as they do now.

## Conditions Obtained Before.

**THE** proposal practically amounts to a reversal to the conditions which obtained in the Dominion before the inception of broadcasting on its present basis. It will be remembered that at that time a number of traders had established stations in the different centres. With the need for co-ordination and development, however, the Government instituted the present system, and it was arranged that the then existing stations should be taken over by the Radio Broadcasting Company. The apparatus at the stations was accordingly valued, and, although in the changed conditions it was of only limited value to the Broadcasting Company, was purchased, at a figure, however, which necessarily meant the loss of much money to the traders who had invested in those stations.

The position now is that the trade stations in the different centres have been established wholly and solely for the private business reasons of the houses concerned. Their primary objective has been the furthering of their own business in radio and associated activities, such as gramophones, by the publicity available through their transmitting stations. From one point of

view, the very basis of operation of these stations—publicity for the operating house—is opposed to the spirit of the departmental regulations restrictive of advertising over the air. The policy of the country has been fully known to all traders who have undertaken this expenditure. They have gone into the business with their eyes open, and can, we think, make no case for special

have been attained more completely by co-operation than by competition. It is open, and still is open, to the owners of these B class stations, seeking publicity and the furtherance of radio, to purchase "time" from the Radio Broadcasting Company, and invest their money in longer hours of operation and—if they have the talent available—better programmes than

heavy, but having gone into the business with their eyes open, they now have no cause for asking that the community should carry that burden, in whole or part.

## Not Familiar with Facts.

**THE** writer of the letter does not show a very close knowledge of the facts. The Radio Broadcasting Company's contract has *not* got "only about a year to run," it still has some three years before expiry. Further, the Radio Broadcasting Company is *not* after the right to sell advertising time on the air. It already has that right, as its contract provides that, at the will of the Postmaster-General, it can devote five minutes in every hour to advertising. The company, however, has not exercised that right, because of a reluctance to introduce a principle which would be antagonistic to a certain number of listeners, who desire entertainment only to be provided during entertainment hours. An additional factor was that adoption of the principle of advertising would put radio in the position of competing with newspapers and other established advertising mediums, which was never the intention of the Broadcasting Company or the Government. The right was taken and given in the original contract, because of recognition of the possibility that the income from license fees might prove insufficient to maintain the minimum service desirable. The support of listeners, however, has been sufficient to make it inadvisable to utilise advertising as a possible source of revenue. We feel sure that that policy of doing without advertising revenue is the one that will appeal most to listeners who in their evening hours will not wish to be bored with exhortations to use someone's patent pills.

## The Lesson of Australia.

**I**N point of actual fact, Australia provides a very good object-lesson why the course proposed by the "B class" owners should *not* be adopted. The tendency there now is, after experiencing the blessings (?) of a multiplicity of stations, to concentrate and reduce their number. Hence we have seen the amalgamation between 2FC and 2BL, and between 3LO and 3AR. The object of these concentrations was greater efficiency for the listener. It would be a fatal step for New Zealand to discard Australian experience and follow the circle of learning the same lesson of the disadvantages of multiplicity. From the transmitting point of view there is, of course, no difficulty in a dozen stations being on the air at any one time in any one centre. The disadvantages arise at the receiving end, and are particularly apparent to crystal users. A crystal receiver is not selective. To make it really selective valves and other apparatus must be added. The position, therefore, is that, with the multiplication of stations in New Zealand cities, the large body of crystal users would be subjected to definite inconvenience and unnecessary expense. They would be compelled to enter the valve stage of ownership.

## Interesting Letter Now Circulating

To the Stations Directors of  
1ZB, 1ZQ, 2ZM, 2ZK, 3ZC, 4ZL, 4ZM and 4ZO.

Dear Sir,—

There are now eight class "B" broadcasting stations in New Zealand. These stations are owned and operated by various business firms, and in addition, there are two smaller stations owned by radio societies.

Considering the restrictions imposed on them by the Post and Telegraph Department, these stations are giving as good, if not better, service as the four YA stations, and we consider that the time is now ripe when all the eight company-owned stations should form an association and make an effort to get some monetary return for their time and trouble incurred in the running of their stations.

There are several ways in which this could be accomplished:—

- Obtain from the Government a grant to cover working expenses. We understand that this is done in Australia, and all the "B" stations over there are subsidised in this manner.
- Approach the Government and obtain permission to devote, say 10 per cent. (which equals 6 minutes in every hour) of the time that the stations are on the air to paid advertising. N.B.—The R.B. Co., are evidently after this right themselves, as they broached the matter in a leader in the "Radio Record" some few months ago.
- Obtain a combination of a smaller grant and more advertising time.

Here in Dunedin we have not yet had much trouble over the question of hours of operation, and two stations being on the air at once. No doubt, sooner or later the R.B. Co., will endeavour to get a monopoly of all the evening hours. We understand that 3ZC has already had trouble in this direction. In any case, why not combine now and get the question of hours settled before it is too late? The R.B. Co., contract with the Government has only got about a year to run, and no doubt they will try to soft-soap the new House and get the best possible deal for themselves when the time comes for renewal.

It appears that there are six (if not more) comparatively high powered stations on the air at once each evening in Sydney, so why should New Zealand listeners-in be restricted to one local station per evening in each centre?

Besides the above matters there are many other questions, such as the high price of land-lines, etc., that could be overcome if the owners of the eight stations, class "B", get together and pull in harmony, but for one station to attempt to do this is like a flea biting an elephant.

(Sgd.) WILLIAM L. SHIEL, for 4ZL.  
(Sgd.) J. D. McKEWEN, for 4ZM.  
(Sgd.) T. BARNETT, for 4ZO.

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243 Macandrew Road, Dunedin.

assistance from the general fund of listeners' money.

## Why Not Buy "Time."

**I**F it is represented that the primary objective of such stations has been to render service to listeners and provide either longer hours of radio service or better programmes, then they have taken the wrong course to attain their objective. Money has been wasted by its investment in the transmitting plant and operating expenses for such services, when each of the four centres has had available stations and staffs which could have been utilised. The objective of furthering radio would

have been given. Such programmes could be sponsored by the firm concerned, and full credit given them for their enterprise and initiative. They on their part would be saved the expense of plant and working expenses, they would secure a bigger audience because of the greater power of the YA stations, and the additional revenue available to the central organisation (company or Government) would in itself contribute to better service for listeners. Instead of following this course, the houses concerned, for their own business reasons, chose to erect their individual stations. Naturally, the burden may be proving fairly