

output for the year, had, from the beginning of September to the end of the year, to produce half a million receivers in order to fulfil the programme and show a margin of profit. If only half that quantity is produced, it would probably mean that the year's operations would result in only a few thousand dollars profit. If the full programme is achieved, the company stands to make a million or more dollars. The general feeling was that the production must fall short of the quota.

Retail Trade Affected.

THE retail trade in America is also suffering considerably, because the accepted method of sale is time-payment, and with a population in the cities largely comprised of those renting flats, extreme care is necessary as considerable losses have been made since the commencement of the depression. This, coupled with the fact that the manufacturer, in order to make lower list prices, has reduced the wholesaler's and dealer's discounts, has left the retailer and dealer wishing he were in some other class of business.

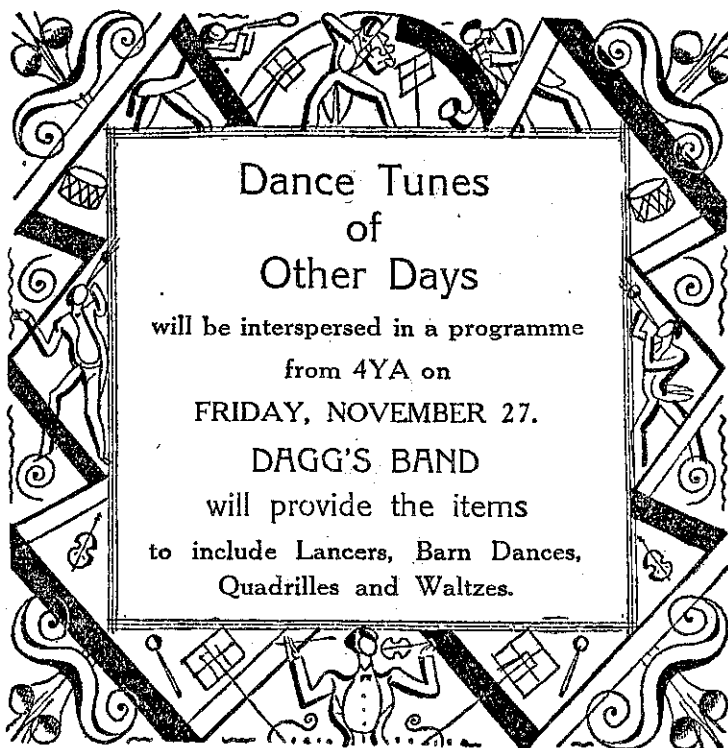
Chain Store Developments.

A RATHER peculiar situation has arisen with the large chain stores and department stores. Previously, these organisations would link up with one of the large manufacturers and distribute throughout their branches the particular line of the manufacturer they linked up with, but with the rise and fall in popularity of radio sets, naturally these organisations found that the goodwill they created one year would be of little or no use to them the next year when that large manufacturer would be superseded by some other manufacturer on the release of the new season's model. The result has been that these chain stores and department houses—some of whom operate 60 and 70 branches—have contracted with the smaller manufacturers for the supply of receivers to their own specification and registered brand.

If that manufacturer fails, no harm is occasioned to the brand which is owned by the department store, and to-day there are quite a number of small manufacturers thriving by producing merely for these organisations.

Conservative Policy Pays.

THREE or four of the oldest and most reliable manufacturers of radio receivers have refused to produce low-priced midjets, and have concentrated their efforts mainly on consoles and high-priced, better-quality mantel-type receivers. They have also refused to meet price reduction, and these organisations, although their sales have decreased, arrange their production so that they manufacture only what can be sold through their fixed distribu-



tions at a margin of profit. These are the only concerns that are really conducting a profitable business.

A great effort is being made in the States to educate the public to a higher standard of receiver. Previously, there was a wild scramble to produce at low cost with resultant service troubles, but now the general tendency is to produce a better quality receiver at a slightly higher price.

It is quite definitely established that the bottom has been reached as far as prices are concerned, and immediately there is a return to prosperity in the United States the first move will be an increase in prices.

Every possible method known to business and science has been operated for the reduction in cost of radio receivers, and it is absolutely impossible to produce a radio receiver constructed under the present and only known principles at a lower price than has been offered during the past year.

Not Desperate, but Difficult.

THE impression may be gained from the foregoing that the radio industry in the United States is in a desperate condition. This is not so, but the industry is passing through a very difficult period, and one which after all should result in the elimination of the weaker and less desirable manufac-

turers and the final result will no doubt prove beneficial. The fierce competition existing has made it necessary for every manufacturer to produce a receiver which is reliable and which possesses a standard of performance much superior to anything manufactured in previous years.

It is thought that although it will take some years to eventuate, the radio industry will settle down more or less on the lines of that of the gramophone industry prior to the introduction of radio. By the elimination of the undesirable and weaker manufacturers, and the combining of the larger organisations, greater production will be secured by the finalists in this marathon contest for survival, and the majority of the business will be enjoyed by four or five large organisations instead of being spread over hundreds as it is to-day.

Important Conclusions.

IN the large American cities on account of the extremely low prices and the small margin of profit left to the dealer, the demonstration of midjet receivers is reduced to a minimum. The dealer will demonstrate the machine to a client, but does not leave the set for several days and make several demonstrations, but expects the buyer to arrive at a reasonable quick decision

without many unnecessary demonstrations.

The New Zealand public are to-day purchasing receivers at prices which do not leave an adequate margin to show the dealer a reasonable profit. The dealer in New Zealand receives the same amount of profit as the American dealer, but the American dealer secures from four to ten times the amount of business from the same amount of time and effort.

Finally, a word of warning to those business organisations not at present engaged in the radio trade, and contemplating entering it. Although it is only natural to feel that "distant fields are green," let those who think of entering the radio trade make a thorough and careful investigation before they enter one of the most difficult and trying businesses known to commerce. Those who have concentrated on it for many years, and who should be fully qualified to handle a radio business properly, find the utmost difficulty in maintaining a profitable trade.

New Developments.

CONCERNING fresh developments in circuits, designs, etc., it is generally felt by the largest manufacturers that there is very little scope now for radical changes. The practice of holding a radio show annually for the release of new models is one which is exercising the minds of designers and engineers. The trade and the public have come to look upon the radio show as the opportunity taken by manufacturers to place something entirely new before them which supersedes the previous models.

A few years ago they were confident that a better type of speaker would be developed, and then they produced the dynamic. They were confident that a different type of valve would be evolved which would have an output of 50 per cent. more than the types then existing. Then came the screened grid valve, then the multi-mu and pentode. It has always been acknowledged that the superheterodyne circuit had wonderful possibilities—then came the improved superheterodyne circuit this year.

Radio engineers concede that this seems to have exhausted all possibilities that they can imagine for improvement in radio reception. Any change would have to be of such a radical nature that it would entirely supersede the present principles, and there is nothing looming up on the horizon which would indicate that this is likely. It is consequently felt by leading radio engineers in America that any alterations for some time to come will be merely minor alterations such as we find each year on motor-cars, mostly featured merely for the purpose of releasing a new model.

Television.

CLOSE investigation into the leading television equipment at present on sale did not disclose any apparatus which in its present state of development could be considered as a practicable proposition. Certainly, blurred pictures could be seen, but apart from discerning the outline of an individual, it would not be possible to recognise features.

There is a considerable amount of television equipment sold to the keen amateur who is following the development of television and who experiments and is content receiving something in the nature of a picture. (Concluded on page 30.)



COLONIAL

No Finer Radio was ever built

A Product of Colonial Radio Corporation, Buffalo, U.S.A.