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**RADIO  
BROADCASTING**

*"The Living Voice"*



**The  
Continental  
Broadcasting  
Corporation  
New York City**

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**RADIO  
BROADCASTING**  
*“The Living Voice”*



A BOOKLET EXPLAINING THE  
FORMATION OF A CHAIN OF  
BROADCASTING STATIONS

*by*

The  
**Continental  
Broadcasting**  
Corporation

NEW YORK CITY

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**M**ENTION the word "Radio" to the average man and you get something of a Dr. Jeckle-Mr. Hyde effect. On one hand the word conjures visions of a shiny receiving set bringing into the home the cream of the world's entertainment. That side of radio is simplicity itself to Mr. Average Man, simply a matter of turning a few dials to bring in the program desired.

But mention Mr. Hyde's side, the technical side, and Mr. Average Man tosses up his hands in despair—It is too much to ask that he attempt to understand the technical side of radio. And it is indeed! The technical side is for the engineers and other workers in radio. Enough that Mr. Average Man know that it works out in practice!

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It is this Dr. Jeckle-Mr. Hyde angle that makes the story of Continental Broadcasting Corporation a difficult one to tell so that all may grasp its fundamentals. We will attempt to tell the "What" and "Why" of Continental Broadcasting Corporation, leaving the more intricate technical details for those who care for them. For those who care for further details, we expressly invite inquiry.

The synchronization and Ecocast systems, patents on which have been permanently assigned to the Continental Broadcasting Corporation by the inventors, have undergone most rigid investigation by government and private engineers and other interested parties during the last two years. In every case save one the reports have been highly favorable. And in that one case, the original report has since been called back and a favorable report substituted because the engineers in the first instance failed to grasp a fundamental point in the technical details.

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It is scarcely necessary to more than touch on the magnitude of the radio industry today. Enough that we point to the fact that today, eight years since the first broadcasting station went on the air, there are in the United States some eight million receiving sets. The total nightly audience is estimated roundly at 32,000,000 persons—truly a tremendous audience.

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Thirty-two million listeners! Small wonder that national advertisers are spending immense sums yearly to reach this audience by radio! Programs costing \$25,000 to \$50,000 an hour are becoming common, even the \$100,000-an-hour program causes no great excitement. Still, it remains that there are comparatively few advertisers who can afford to spend that much money week in and week out. The great portion of the potential field for radio broadcasting on a national scale has scarcely been scratched. The Continental Broadcasting Corporation is prepared to place national broadcasting in the hands of this new class—to bring the price of radio broadcasting down to where the great mass of advertisers can afford to use it consistently.

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There are today in the United States three major broadcasting chains, the Red and Blue networks of the National Broadcasting Company, and the Columbia system, in all comprising a total of sixty-odd stations on their combined regular networks. The advertiser who would use all sixty stations of these three old line chains would be forced to pay something in excess of \$25,000 an hour, it is estimated. Twenty-five thousand dollars to use the facilities of these three chains—despite the fact that such a hookup would incur much needless duplication of programs at a score of points!

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**T**HE Continental Broadcasting Corporation will offer the facilities of a chain of 100 stations located in every part of the United States at an average cost of \$5,000 per hour including talent! Under ordinary conditions we will undersell our competitors by a margin of five to one and at the same time show a greater margin of net profit than does our competitor at the higher figure! Needless duplication of programs in any area of the country will be eliminated, the service will be brought within range of the great mass of advertisers, and the programs will be of such high calibre that the listeners will be ours.

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Eight years ago there was but a single broadcasting station—today there are some six hundred. By international agreement the number of wave-lengths available to broadcasters in the United States is limited to eighty. Six hundred broadcasting stations on eighty wave-lengths! Small wonder that the efficiency of broadcasting has suffered! The wonder of it is that reception in this country is as good as it is. How much larger the radio audience would be if reception conditions were improved is a matter for conjecture—we all have met those folks who say “I wouldn’t have a radio in my home if they were being given away free.” But we think they would—if they could be assured decent reception 365 days in the year.

The Federal Radio Commission has for the last year struggled to find a remedy for the congested condition of the air. Stations have been shifted about, power of some stations has been reduced and still the trouble persists. Two cures for the situation are known—elimination of most of the stations now on the air or synchronization.

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Some attempt has been made to eliminate stations. But it is not an easy matter to convince the owner of a broadcasting station worth possibly between \$50,000 and \$100,000 that he should shut up shop and let his investment be wiped out even though it might benefit the remaining stations. In fact, Mr. Broadcaster has indicated clearly that he will not get off the air without a fight—and court fights are expensive, even for the government.

So we must look to synchronization for relief, immediate and satisfactory relief, and the Continental Broadcasting Corporation holds patents on what is hailed as the only commercially feasible method of synchronization.

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Synchronization, defined in its particular application to radio broadcasting, simply means the operation of more than one station on a single wave-length without interference. There are to date several methods of synchronization, some of which have been proven feasible in one respect or another. Yet of those so far demonstrated all but one have been shown either too expensive for wide national use, or otherwise not practical.

Engineering experts of the U. S. Government have examined the synchronization project of the Continental Broadcasting Corporation, and upon their recommendation the Government, through the Federal Radio Commission, has granted permits to the Continental Broadcasting Corporation for public demonstration of the Corporation's system of synchronization.



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**T**HIS public demonstration will take place in the Washington area as soon as the necessary equipment can be assembled. Stations will be located at Charleston, W. Va., Fredericksburg and Richmond, Va., for the demonstration which will mark the formal introduction of the Continental Broadcasting Corporation to the public as well as the opening of our national publicity campaign. The demonstration will cover the period of a month, during which time government officials, newspaper and trade press representatives will have an opportunity to witness the operation of the system.

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Synchronization alone, however great an achievement from a technical standpoint, would not be enough to warrant the formation of the Continental Broadcasting Corporation, for it would not in itself produce income sufficient to warrant a \$7,000,000 capitalization. To understand the things which the Continental Broadcasting Corporation is doing, it is necessary to go back three years.

Three years ago, in Rochester, N. Y., Paul M. Titus, owner and operator of Station WOKT, was experiencing those difficulties that today beset the independent station owner, namely, difficulty in securing adequate program material and talent and sufficient advertising revenue to make the business pay dividends. It was the battle of the independent station and its program and revenue difficulties against the chain stations with facilities for drawing upon the metropolitan centers for talent and on the national field for advertising revenue.

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It was during this time that Mr. Titus first caught a glimmer of hope for the smaller station, those unable to secure chain affiliations. Mr. Titus conceived the idea of recording radio programs, making the records at a central point and shipping them to stations throughout the country.

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Work on the idea of recorded programs was begun at once, and the result of months of labor was the Ecocast, a device for reproducing radio programs from records. Ecocast records are electrically recorded on cylinders eighteen inches long and seven inches wide. Each record contains the full program for one hour of broadcasting.

At this point Mr. Titus decided that high frequency synchronization was practical. The two units, separately conceived, would combine perfectly to solve many of the problems facing broadcasters. The Ecocast reproducers were now equipped with mechanism whereby they could be controlled from a remote point by short wave radio. Electrical impulses transmitted by short wave radio start, stop and adjust the Ecocast reproducers at a hundred distant points simultaneously! Truly a remarkable achievement in radio engineering.

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Thus we have the groundwork for a nationwide radio chain. This our picture: Operation of the chain will be controlled from a central station, tentatively located at St. Joseph, Mo. Let us suppose we are ready to broadcast a program over our chain of 100 stations covering every nook and corner of the United States. Records for the program have been shipped to the stations a week in advance of the broadcast. At the appointed hour the operators in each of the 100 stations place the proper record on the Ecocast, switch on the transmitters.

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**I**N the central control station the operator presses a key. Instantly and simultaneously at 100 different points 100 Ecocast reproducers are started. Each of the 100 stations is broadcasting the same program at the same instant. At the end of each fifteen-minute period there comes a brief pause, microphones in each of the 100 stations are automatically cut in and the individual stations identify themselves so that the listeners may know which stations they are hearing. Automatically the program continues until the hour is complete. In the meantime the local operators have "set up" a second reproducer. As the first program is ended the second reproducer starts and the program continues for the succeeding hour.

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Ecocast is commercially feasible by itself, combined with synchronization it would become the key to a revolution in the broadcasting world. The Continental Broadcasting system of synchronization would relieve congested conditions in the field by placing at least 100 stations on a single wave-length. One hundred stations is the maximum set for the first chain, once this chain is placed into operation a second chain of 100 stations is contemplated.



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Perhaps the biggest factor in favor of the Continental Broadcasting Corporation as a business enterprise is that it can offer broadcasting service at one-fifth of the present day cost and still show profits far above those now made by broadcasting chains.

We know that the reason for the excessive cost of broadcasting today may be traced directly to the tremendous cost of land wires used to interconnect stations on the chain. These lines cost \$2.50 per mile per month, and three sets of lines are necessary between each station. Little wonder that chain broadcasting over even a few stations runs in five figures! No telephone lines are necessary between stations on the Continental chain, and this fact alone would serve to explain how Continental can sell time for less and still make more money.

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The Continental Broadcasting Corporation, capitalized at \$7,000,000, will operate a chain of broadcasting stations covering every part of the United States. Already forty stations have indicated a willingness to become affiliated with the chain and no difficulty is anticipated in securing the additional sixty stations for the formation of the first chain. These stations will be secured either by purchase or by lease.

When completed the Continental Broadcasting Corporation will own and operate the largest broadcasting chain in existence. It will offer facilities for nationwide radio advertising on a scale and at a price never before possible.

Through standardization of equipment, reduction in overhead expenses and reduction of operating personnel, the Continental Corporation will effect economies denied independent station owners today.

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**A**DVERTISING pays the bills and produces the profits in radio broadcasting, just as it does in the operation of a newspaper. There is one fundamental difference between newspaper and radio advertising, however; newspaper advertising is direct advertising, while radio advertising almost exclusively is "goodwill" or indirect advertising. The radio advertiser pays to be mentioned as sponsor of an hour of music or other entertainment.

The Continental Broadcasting Corporation has been assured that sponsored programs over its chain will average six hours daily. Six hours daily at \$5,000 per hour! A gross annual business of \$10,000,000 from national advertising hours alone!

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Nor is that all. Two other sources of revenue are open. After deducting the six hours allotted to national advertising, we still have six hours daily on each station to be disposed of. This time will be sold to local advertisers in each city. Local stores and business places usually pay from \$75 to \$150 per hour for programs over their local stations. The Continental Broadcasting Corporation will furnish these local advertisers with an hour of recorded music between for between \$10 and \$35 per hour, depending upon the size of the territory served by the individual stations. Other stations with their heavy overhead and large staffs are unable to sell time profitably at such a figure. In many instances the revenue from the sale of local hours would be sufficient to pay operating and personnel costs of the stations under the Continental plan.

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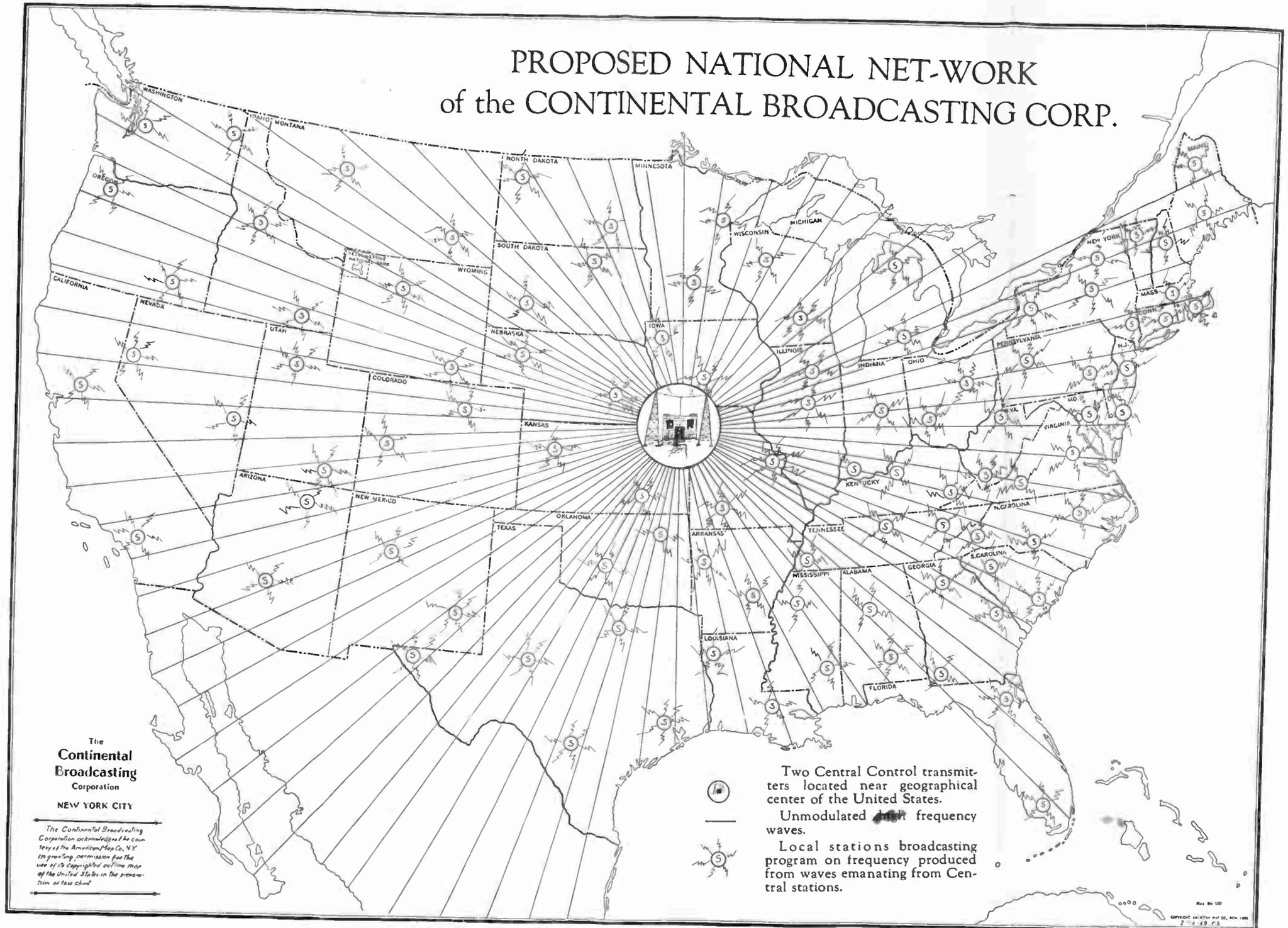
Another source of profit to the Corporation lies in the Ecocast reproducers. Installed in suitable cabinets these machines would be sold or leased to hotels, restaurants and other public places where high grade music might be desired. Purchasers of these machines would be furnished, for a fee, with a regular record service, discs for these records being turned out at the same time as the broadcast records are being produced. It is estimated that there exists a market for upwards of 50,000 of these machines annually.

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The Continental Broadcasting Corporation is not an overnight development. For three years Mr. Titus and his associates have experimented, investigated, studied, and tested each step in the creation of this organization. Every angle—technical, marketing, sales, production and financing—has been taken into consideration. The Continental System is ready for business.



# PROPOSED NATIONAL NET-WORK of the CONTINENTAL BROADCASTING CORP.



The  
**Continental  
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Corporation**  
NEW YORK CITY

*The Continental Broadcasting Corporation acknowledges the courtesy of the American Map Co., N.Y. in granting permission for the use of its copyrighted outline map of the United States in the preparation of this chart.*

Two Central Control transmitters located near geographical center of the United States.

Unmodulated high frequency waves.

Local stations broadcasting program on frequency produced from waves emanating from Central stations.

