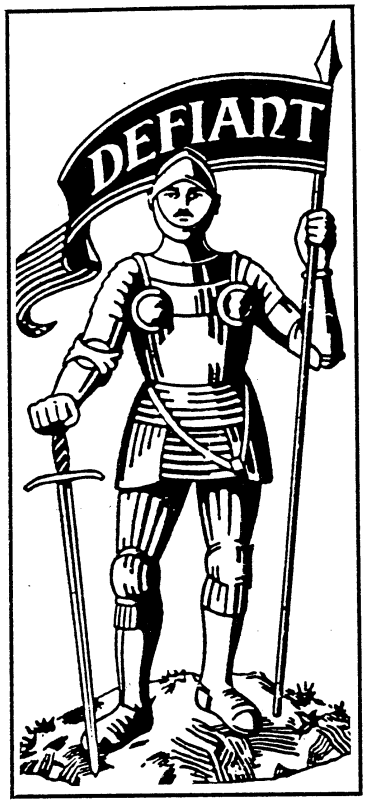
Symbol of the CWS challenge



STORY OF

How a resolute

ALMOST 60 years ago, the Co-operative Movement took one of its bravest stands ever in the cause of consumer choice against the power of big business. Faced with a ban on the supply of household receivers for the burgeoning radio industry — because societies insisted on paying dividend on sales — the CWS went into radio manufacture itself. The events that led to the production of the fittingly-named DEFIANT range of receivers — adding a triumphant page to the Movement's history — are recalled here by HENRY W. COMLEY, Technical Services Development Manager, CWS non-food marketing.

THE history of Defiant is a story of initiative and courage. Without the birth of Defiant, one can today look around a modern Co-operative radio and television department and speculate whether this would have developed but for the stance taken in the early 1930s.

At the turn of the century, the development of the Edison gramophone from cylinders to discs was taking place and the gramophone was becoming the sought-after status symbol of the very rich. The Co-operative Movement took its place in selling early gramophones but it was not until 1922 that the CWS took the courageous step forward to enter into manufacture. The following observation appeared in the *Producer* publication of July 1922:

"A few years ago the owner of a gramophone was looked upon almost as a public nuisance. Today, his company is sought after and he never lacks friends. The reason is, of course, obvious: not only have instruments improved, but records also and the finest singers can be reproduced in such a fashion that it is hardly worth while leaving home to hear them. With moderate expense, a music-lover can surround himself with a collection of the best which is to be had. He can have Paderewski's "Minuet" and hear Kubelic playing at his best, Melba, Backhaus, choirs, orchestras, are at his command and, in one night, he may provide such entertainment as would cost a small fortune to hear in the nearest town even supposing it was to be had.

"The CWS has now entered the field of makers. Late though it seems, they are, in reality, entering it at a good time having had the benefit of experiencing in handling other makes for years, and thus are able to avoid the errors which have marred others. The cabinet works where the gramophones are finished, is amongst the finest in the country for workmanship, and the models which are shortly to be placed before co-operators are attractive and even artistic."

In the early 1920s, broadcasting began. Bearing little resemblance to a modern receiver, early radios appeared in the range of goods on sale at the local Co-op. Barnsley British was one of the most successful co-operatives in the early establishment of "wireless trading". Trading in the drapery department in the three years 1922 – 1925 achieved a turnover of £14,000. They were so encouraged by these results that, in 1925, they opened the Co-operative Movement's first specialist wireless shop.

The success of the venture was self evident: during the first six months of 1925, it accounted for some £5,555 of the three-year £14,000 turnover. This level of success by the Co-operative Movement during the late '20s drew the attention of the independent wireless trader to the Co-op and representations began to be made to the Radio Manufacturers' Association, pointing to the Co-op dividend as unfair trading.

It was suggested by radio set manufacturers that, to continue in the sale of radio equipment, the Co-ops should sell their goods only on condition that no dividend would be returned to the purchasers, thus undermining the basic principle of the Movement.

Co-operators were expectant with regard to the radio position. A feeling had expressed itself at several CWS meetings that the Movement should meet the threatened attack upon its system of mutual business by venturing into direct supply of radio sets.

During 1933, suppliers began to take restrictive actions against Co-operative societies and reports were being made to the CWS that suppliers were refusing to honour orders due to the payment by societies of dividend on sales, regarded as a breach of the "Fair Trading Agreement".

In August 1933, Philips Industries and E. K. Cole suspended supplies, Philips eventually having to retract due to pressure from the CWS that, in retaliation, the CWS would cease the purchase of any electrical products from Philips. This would have had a dramatic effect on the sales of Philips electric light bulbs, a major growth area of the day as electric-powered lighting was replacing gas power, nationwide.

By November 1933, the CWS had received several offers from sources willing to manufacture radios for the movement, including **Drummond Radio Company of Bolton, Woodland Receivers, Radio Instruments, Lissen, Kolster Brandes, and Philco Radio Corporation.** The decision was taken not to be dictated to by the radio industry and to enter into the manufacture and marketing of a Co-op "own brand" radio.

The CWS already had established connections within the radio manufacturing industry, in that the cabinets for the GEC radios of the General Electric Company were produced at the CWS cabinet factory in Birmingham. It was, therefore, logical that the first Co-op receivers should be produced by GEC.

Indeed, in October, 1933 the CWS secretary and chief executive, Sir Robert Lancaster, was authorised to approach GEC with a view to the formation of a joint subsidiary company for the manufacture of radio sets for the Co-operative Movement. Developments were now taking place with increasing momentum.

In November 1933, the CWS proposed to seek registration of the trade name, Challenger for its radios but this brought objections from Frank Riddiough and Sons of Bradford who already used the name and included it in their telegraphic address. By late November, the alternative, Defiant, had been agreed upon — it was also decided not to include reference to CWS within its design.

Also, during the same month, the CWS advertised, using a box number in the *Broadcaster* and the *Wireless Trader,* for a technical adviser. This eventually led to the appointment of M. G. Scroggie, as technical consultant, a position he retained till the mid-1930s. Scroggie became well-known as the author of **The Foundations of Wireless,** a book on wireless theory that most of the older generation of today's radio and television engineers used for their basic study reference.

By December 1933, the resolve of the Radio Association not to supply Co-ops increased and, due to pressure from within the association, GEC informed the CWS that not only would it not continue to manufacture the Defiant radio, but that it would not execute the balance of the outstanding order for some 683 receivers.

On December 3, the Radio Manufacturers enacted their policy to cease supply to the Co-operative Movement. But the first Defiant radios were introduced on December 5 at a show for retail buyers, held in Manchester.

The three-valve model 333 retailed at £9.15s.0d. (over twice the average weekly wage in 1933) and a five valve AC/DC model 533 (direct current mains power supplies were quite common in the early 1930s) selling at £13.13s.0d.

Welcomed

The first Defiant radios used all Mullard valves, a VP4 5pin met; a SP4 5pin met, a PM24M and a 1W3, contrary to the information contained in the recently-published book. **The Setmakers.**

The introduction of the Defiant radios was welcomed by retail society buyers and the following is a comment of the day:

"Both models are built in cabinets specially designed to harmonise with the furnishing scheme of any home. The Defiant sets are introduced with a view to helping societies to maintain the goodwill of their members, who are looking to co-operation to supply the needs of the home, in leisure hours as well as during the day's work. Retail committees and managers should quickly respond to the service now given."

On being faced almost immediately on the introduction of Defiant by the action of GEC to cease supplies, the CWS turned to the Standard Telephone and Cable Company, later to become Kolster Brande or KB. The entry from the original 1934 log of the model B4434 shows that, although the radio retailed at £7.10s.0d. (including batteries), it was purchased in kit form with the chassis and batteries costing £3.16s.6d. less 3.75 per cent. It was available with a cabinet, either from a CWS factory, at 11s. net, or from the Standard Telephone and Cable Company at 17s.11d. less 3.75 per cent. It was a three-valve receiver using a mixture of Mullard and Mazda valves.

During this ever-changing period, other avenues were being explored. Sir Robert Lancaster had, as a travelling companion, W. C. Lusk, the chairman and managing director of the British Thomson Houston Company, which featured amongst its products light bulbs and radio valves manufactured under the trade name Mazda (the name was borrowed from Persian mythology, where it signified the god or principle of light).

The travelling companions discussed the problem of the supply of radio sets to the Co-operative Movement and the CWS action of defying the industry with the introduction of

Rules for one-stop house buying

THE Government must not back-track on its commitment to provide adequate safeguards for consumers in its plans to allow banks and building societies or other organisations to offer conveyancing services — otherwise the benefits to consumers of "one-stop" house purchase could be lost, says the National Consumer Council.

Without real safeguards, housebuyers could find themselves being bounced into buying expensive conveyancing services as a condition of getting the mortgage they want from their lender. The Council contends in its response, to the Lord Chancellor's Draft Authorised Practitioner Regulations.

NCC Chairman Lady Wilcox said: "Surely the whole point of allowing banks and building societies to carry out conveyancing is to increase competition and break the virtual monopoly that solicitors have over conveyancing services — not to give large financial institutions a stranglehold over the whole process of moving home. Buying a home is the most complicated and expensive purchase consumers are ever likely to make. They must be able to feel confident that the professionals they use are properly qualified and free from conflicts of interest.

The Council says the Lord Chancellor's regulations on conveyancing by authorised practitioners, such as banks and building societies, must ensure that:

- **housebuyers are not obliged to use the lenders' own conveyancing service as a condition of getting their mortgage;**
- **banks and building societies offer conveyancing services to the public at the same price as to their own customers;**
- **standards of conveyancing service are the same whether the conveyancer is an independent conveyancer, such as a solicitor, or an authorised practitioner working for a bank or building society;**
- **conveyancing is only carried out by a properly qualified and trained professional;**
- **housebuyers are offered at least one personal interview with the person responsible for the conveyancing free of charge. At the interview the client should be told of any possible conflicts of interest and have the opportunity to ask questions.**

The Council says that in addition, regulations must ensure that: housebuyers are told the amount of commission earned through the sale of any part of a house moving package, such as through the sale of endowment mortgages; that conveyancers are banned from acting for both buyers and sellers; and that banks and building societies are not allowed to pass on information about their clients gained through a conveyancing transaction to other parts of the company without the express and informed consent of the customer.

DEFIANTS

Co-op kept the airwaves free

Defiant. It was proposed that, provided the CWS would agree to use Mazda valves exclusively. BTH would agree to supply them. It was further suggested that Mr. Lusk would introduce the CWS to his friend, Allen Clark, the chairman and managing director of the Plessey company of Ilford.

As a result, the CWS directors visited the Plessey factory during November, 1933. By this time, Plessey were in full production of radios for Alba.

They had been one of the original radio set manufacturers in the early 1920s on behalf of Marconiphone but they lost that contract in 1926 and did not re-enter radio manufacture until 1929 when they secured the contract to supply the sets for the Columbia Gramophone Company. The Alba receivers were the first to be designed by Plessey; prior to this they had

DEFIANT KNIGHT



Sir Robert Lancaster CWS chief executive had powerful friends in industry

manufactured to the customers' design.

Their experience made them an ideal partner for the CWS and, by early 1934, agreement had been reached for Plessey to undertake the manufacture of Defiant radios. Two vital conditions were imposed.

(1) That the CWS agree to give Plessey not less than 75 per cent of the CWS business in the manufacture of radio sets;

(2) That Plessey agree to use, in the manufacture of the CWS radios, such components, as the CWS would specify — cabinets from the CWS cabinet works, and Mazda valves from the BTH Company, component parts which Plessey did not manufacture.

These conditions were honoured through to the ending of manufacture by Plessey in 1966. Thus the CWS — Plessey — Mazda connection was established.

In July 1934, at its London premises, the CWS set up the first Co-operative Service Centre, with expertise and equipment supplied by Plessey and, in July 1934, the then Birmingham Co-operative Society established the first retail Co-operative Service Department. This proved to be a high-cost venture and Birmingham Society sought financial assistance from the CWS. This was eventually given in the form of an additional 2.5 per cent service discount on all radio products purchased via the CWS, thus establishing the "service discount" which is still in evidence today.

The first publicity leaflet issued for Defiant used a castle keep as a symbol of defiance to the radio industry, this symbol being changed for the leaflet of 1934-35 to the Defiant knight standing proudly.

The success achieved by the introduction of Defiant can be judged by the following passage from **Ourselves Magazine** of August, 1934:

"You will remember, we are sure, the storm on the radio ocean which arose at the end of last year when the radio manufacturers issued an ultimatum to the effect that they would withhold supplies from co-operative societies who paid dividend upon wireless receivers. The ultimatum expired on December 1st. On that day the Co-operative Wholesale Society placed two excellent wireless sets upon the co-operative market, with the expressive name, Defiant.

"That was the beginning of the reply to those rash folks who pitted their not inconsiderable strength against a veritable giant. During the nine months since, co-operators showed what unity of purpose could do in all ignoring the impudent pressure of the threat, many thousands of pounds have poured into co-operative coffers that would have assuredly have gone into private channels.

"Ourselves Magazine was thinking of sending a vote of thanks to the radio racketeers who put the spur into the co-operative giant and set him off at such a splendid pace! Today, there are 11 Defiant wireless receiving sets in the co-operative shops. Their all-round excellence is admitted even by the most sceptical.

Shunned

The Defiant success was also emphasised by the refusal to allow their display at the 1934 Wireless Exhibition at Olympia, an exhibition promoted by the Radio Manufacturers' Association.

The following is an extract from the **Producer** magazine, September 1934:

In May 1934 the CWS received a circular letter to the effect: "Should you be desirous of showing at the exhibition I shall be glad to have at your convenience your application for space, together with a deposit of 50 per cent of the value of the space applied for.

"On May 30 the CWS sent a written application for space accompanied by the necessary cheque. On June 6 came a letter from the exhibition authorities: "Referring to your application for space at the above-mentioned exhibition. After due consideration of the same, I have to inform you that acceptance of such application has been refused by my committee."

On June 8 and again on June 25, the CWS asked for the reason for such refusal. No reply was given to this specific enquiry.

"We happen to know that the members of the Radio Manufacturers' Association have already lost considerable volume of co-operative trade. That has proved the success of the Defiant radio sets issued last season. That they will lose more is clear from the orders already placed by co-operative distributors with the CWS for this season's models.

"But they cannot stop the advancing tide of the Defiant. Their actions in preventing the CWS showing alongside their rivals in order to demonstrate the efficient service and economical cost of our radio sets will stimulate the retail societies to concentrate on their own business.

"Those societies which have radio departments should now prove their endorsement of co-operative policy and principles by restricting their displays to those of Defiant, so proving the co-operative capacity to counter the hostile moves of competitors. That will prove the most effective reply to the Olympians."

For the 1936/37 catalogue the Defiant knight first appeared upon his trusty steed. Defiant progressed rapidly and, by the late '30s, the catalogue contained a complete range of products from small radios to expensive de-luxe radio gramophones. A striking feature of all of the products was the superb figured wooden cabinets, the work of excellent CWS cabinet works employees.

Not even the Second World War could halt the growth of Defiant; the cover of the 1940/41 catalogue linked Defiant to the Royal Air Force fighter aircraft, the Boulton Paul Defiant.

In 1946/47, the CWS joined forces with Plessey in a joint venture, Radiophone Essex, and it was there that all post-war Defiant radios were manufactured. The advent of television occurred during this period. The CWS and Defiant were very much to the fore in the early development of the market.

Throughout the '50s, '60s and '70s, Defiant progressed and became a name on a par with Philips, Bush, Ferguson etc., in the market place. It even became accepted by the British Radio Equipment Manufacturers, for the CWS was allowed to exhibit at the annual Earls Court radio and television exhibitions, alongside its rivals. Defiant also played a leading role in the development of the television rental industry. At its peak, over a quarter of a million homes featured a rented Defiant television receiver.

For many years, the Defiant television receivers were manufactured for the CWS by Plessey of Ilford who, at one point, were manufacturing under some 17 different brand names. Eventually, in the mid-1960s, Plessey decided to opt out of domestic television receiver manufacture and, in 1967, proving its acceptance among the famous brand names, the manufacture of Defiant was taken up by the Bush Murphy Company (which later became Rank Bush Murphy).

In the early 1980s this famous, long-standing company had manufacturing problems and ceased production, leaving Defiant to seek another manufacturing source. From 1981 until production eventually ceased in the mid-'80s, the manufacture was carried out by Philips Industries, ironically completing the circle, for Philips, in 1933, was a prime motivator in the attempt to restrict the supply of radios, to the Co-operative Movement.

Today, as one surveys a modern Co-operative radio and television department, it does no harm to remember the fight of our colleagues of the 1930s to keep the Movement in the market place against the opposition of the radio industry. As we take pride in our share of the multi-million-pounds annual turnover from the products of the electronics industry, we can reflect upon the probabilities, that, without their courage and enterprise in the 1930s there could have been a very different end to the story.

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16 December 28, 1935.

GIVE CO-OPERATIVE YOUTH A CHANCE. PUBLISHED MONTHLY, TWOPENCE

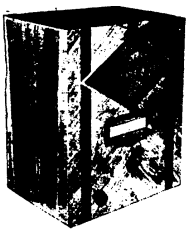
The Co-operative News
And Journal of Associated Industry.

OUR CIRCLE THE ORGAN FOR YOUNG CO-OPERATORS. ONE PENNY, MONTHLY.

CONGRATULATIONS

have been received by the C.W.S. from Co-operative Societies all over the country, along with the expression of their satisfaction with

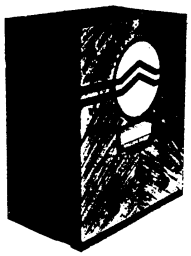
THESE



The C.W.S. 'DEFIANT' THREE-VALVE SET. Model 333 for A.C. mains. Price £9 15 0

HERE IS A SAMPLE LETTER:

"Our expectations have been more than realised. We are delighted. 'Experts' are surprised, and say they wish they had heard it before buying theirs. They also say it is so remarkably good that you have no need to fear or regret the ban placed on you by certain radio producers, as yours is far better than prominent, higher-priced sets on the market. The 'Defiant' beats the 'banned.'"



The C.W.S. 'DEFIANT' FIVE-VALVE SET. Model 533. A.C. & D.C. mains. Price £13 13 0

THE ONLY RADIO RECEIVERS

BUILT SPECIALLY FOR CO-OPERATORS AND PUT ON THE MARKET BY THE C.W.S.

"DEFIANT" WITH DIVIDEND

OBTAINABLE ONLY AT CO-OPERATIVE STORES.