

## STORIES of New Jersey

Then began a series of financial troubles. The National Gramophone Company failed and left Johnson without any financial backing. He was able to keep going only because the employees in his little shop had faith in his invention and in him. Each week they turned back part of their wages and accepted in exchange a small interest in the business. The stock they thus bought afterward made them rich.

Eventually Johnson triumphed over all business rivals, and legend has it that in joy over his success he named his machine and his new type of records the Victor. In 1901 he registered this name in the United States Patent Office, and later that year the Victor Talking Machine Company was organized. Johnson kept a controlling interest in the company, but the bulk of his stockholders were the faithful employees in his first little machine shop. In the autumn of 1901 the Victor talking machine won its first gold medal over all competitors at the Pan-American Exposition at Buffalo. Within a year after that the Victor Company was able to advertise that it had 10,000 dealers. Its business during this first year of operation amounted to \$2,000,000. It had won over to its support the general musical firm of Lyon & Healy in Chicago. Johnson's dream of a talking and music machine for the home was a success.

But all was not yet plain sailing. A stiff commercial war sprang up between Johnson's Victor concern and the Columbia Gramophone Company, still using the cylinder recording principle of Edison and Bell. Johnson's Victor Company was not to be outdone in enterprise. First he obtained the hearty endorsement of the great actress Sarah Bernhardt, and then of the beloved singer, Adelina Patti. After these Caruso fell into line. With these outstanding artists to make records, the Johnson company started in to revolutionize phonograph construction itself, and out of the experiments came the victrola. Up to that time the phonograph's sound delivery had been by means of horns, of tin or brass, in all sizes and shapes. Johnson turned the horn downward into the cabinet of the machine itself. As a result the phonograph for the first time became an ornamental piece of household furniture. The handsomer models were priced at \$200, and had a brisk sale. The Johnson company had the phonograph field virtually to themselves. Columbia followed with a disc and cabinet machine, but the Victor remained supreme. Seven years later Edison himself came round to the disc principle and discarded his original cylinder. Following Johnson's example he installed the new machine in a handsome cabinet.

In 1920 the Victor Company purchased for \$9,000,000 a half interest in the Gramophone Company of London, which opened the world markets of Europe, Asia, Africa and Australia, in addition to markets already controlled in North and South America.

When in 1924 the interest of the public shifted to radio, the outlook for Victor seemed dark. The little fox terrier with his ear cocked for His Master's Voice, the trade mark adopted by the Victor Company, seemed in danger of eclipse. But success had not dulled the wits of Johnson and his colleagues. A new method of electric recording and reproduction had been developed in the research laboratories of the Bell Telephone Company, the American Telephone and Telegraph Company and the Western Electric Company. In 1925, following