

The tradition of business leadership!!

Parker Gates -- Gates Radio & Supply Company



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Introduction



Picture of Parker Gates -- Gates Radio & Supply Company

The Gates Radio Company, The 1920s



Picture of Parker Gates -- Gates Radio & Supply Company

An illustration of the Electrograph Public Address Systems from the 1929 Catalog. At the left, Desk Microphone, center, amplifier in wood cabinet with speaker above, and on the right, a standing microphone. (Illustration courtesy of the author.)

This is the first in a series of articles on Gates Radio. The Gates Radio Company, today GatesAir, is 100 years old this

winter. Founded in 1922 by Henry, Parker and Cora Gates, the company grew from a young man pursuing a hobby to becoming the world's leading manufacturer of radio and television broadcasting equipment.

Henry and Cora Gates moved to Quincy, Illinois, in 1918 with their only son, Parker, age 11, and lived in a rented bungalow at 2315 Broadway. In the attic of this house, Parker began to build crystal radio sets that could be ordered through the mail. Henry, a food-products specialist, was hired by United Cereal Mills to be plant superintendent of the Egg-O-See Cereal Company. When the Egg-O-See plant closed, the family moved to Cereal, PA, where Henry was hired to manage Jersey Cereal Mills.

The family was asked to reside in the president's house located halfway up a hill from the factory and office complex. Henry soon found out a strike was looming, and the president was afraid to live in his newly built residence. Henry was sent to Pittsburg on business to meet with representatives of the Westinghouse Corporation. He took Parker along and the two of them spent several hours at KDKA, the first radio station to go on the air in the United States.

That night on their way back home, Parker said, "I want to start a radio company." Henry tucked that away in the back of his mind.

When strike negotiations became very tense, Henry and his family were threatened. With the help of a trusted employee, Henry arranged for them to leave in the middle of the night. "Draw the curtains on the car, and be silent," Henry ordered. Parker sat trembling in the back seat of the car as they drove down the hill with the lights off and pulled away from the Jersey Cereal Mills. He held his little fox terrier with one arm, and his newly built crystal set with the other.

When they were several miles away Cora asked tearfully, "Where are we going?" "Back to Quincy, Illinois," Henry responded. The family moved into a rented apartment at 907 Vermont Street. Parker took a job after school at the S. S. Kresge Company where he worked in the electronics and hardware department; he saved his money to purchase parts and began to design and build his own radios.

He made an exceptionally good radio receiver and showed it to his father who said, "Why not build them for others." Henry was a Rotarian and at a meeting announced, "My son can build a radio that is better than any radio you can buy in any store." He came away from the meeting with orders for seven radios—and that was the start of the Gates Radio Company. Parker was 14 years old and still in high school.

The kitchen pantry became "the radio room" where the radios were built. In 1923, Henry resigned his position as Sales Manager with the Wall Pump and Compressor Company and rented a second-floor business location at 115½ North Fifth Street. Henry and Cora operated the business during the day and Parker joined them after school. Henry managed the business, taught Cora how to keep books and Parker designed and made the radios and equipment. Two early radios were popular: the Echophone that sold for \$75.99, and the Electra for \$200.

In 1925, the company became The Gates Radio and Supply Company and a wholesale dealer of radios, tubes and parts, plus, Parker would continue to make custom-made radios. Clinton Norris was the first employee hired. "He sold the radios door to door," said Parker Gates in an interview, "and they sold like hot cakes." Parker graduated from high school in June of 1926. His father offered to send him to college or take \$5,000 from his savings and invest that money in the company and Henry would teach him all that he knew about business management. Parker decided on the second offer.

That same year Parker Gates designed the transcription turntable, a technology 'first' for the infant radio industry, plus equipment to amplify speeches and music for outdoor events.

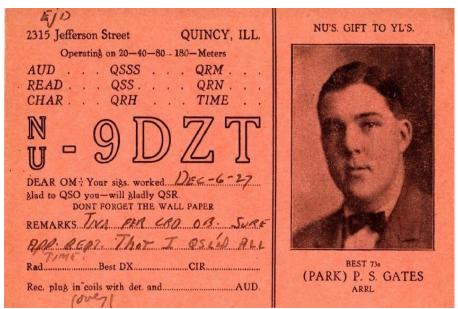
Parker and Henry Gates went to Chicago and attended a convention where movie picture equipment was displayed. After assessing the possibilities, they decided to enter this field. Parker went right to work designing the Gates Electrograph, "a non-synchronous disc-sound machine made up principally with amplifiers and speakers that were placed behind the screen." It provided mood music replacing the old theater organ or piano. It sold for \$630.00. Motion Picture Magazine ran an article about the Gates Electrograph and orders came in from all over the United States and several countries.

Then came the Motio-tone, a system of 16-inch sound discs connected with the film that sold for \$1,625. "It was not the fool-proof machine that came out later," Parker said. "Often the cow mooed right in the middle of the soprano's aria, and this in itself brought a lot of laughs."

In early 1929, Gates Radio moved across Washington Park to a three-story building at 115 North 4th Street that gave the company more floor space. That same year, a new condenser microphone was added to the line. Its sale was instantaneous.

The 1920s closed with the stock market crash and a time of uncertainty swept across the country as the depression years began. However, Henry, Cora and Parker Gates faced the future with a determination to succeed. There were positives: the business had grown, and they were in a larger building. The decision was made to continue to make and sell motion picture equipment but spend equal time designing and manufacturing equipment for the radio broadcast industry. Within three years, motion picture products would be phased out, and the Gates Radio Company would dedicate their business entirely to the design and manufacture of broadcasting equipment.

Janet Gates Conover and her husband, Joe, are life members of the Historical Society of Quincy and Adams County. This article is based on Gates Radio Company research and documents, interviews with her father, Parker Gates, and family oral history and letters.



Picture of Parker Gates -- Gates Radio & Supply Company

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