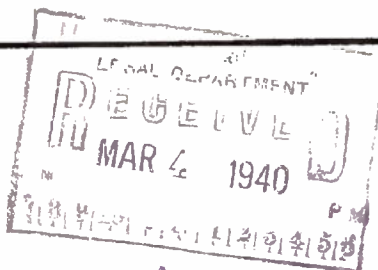


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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March 1, 1940

LIMITED COMMERCIALIZATION ALLOWED TELEVISION

Acting with unexpected alacrity, the Federal Communications Commission on Thursday announced that it had approved new rules for television which permit limited commercialization, beginning September 1, but denied the freezing of standards.

The action was taken in the face of a plea from frequency modulation broadcasters that the FCC defer action on television until it had heard the case of the "F.M." group, which on March 18 will ask for more ultra-high frequencies.

The channels already assigned to television remain unchanged pending consideration of testimony at the Commission's hearing on "F.M." broadcasting on frequencies above 25,000 kilocycles.

The present state of flux of television does not warrant confining standards, but development of the industry does merit limited commercial operations in the near future, the FCC declared in a unanimous report.

"That research should not halt and that scientific methods should not be frozen in the present state of the art is fairly to be deduced from the engineering testimony of representatives of the companies represented at the hearing", the FCC said in its report, adding: "Actual demonstrations to members of the Commission indicate the need for further improvement in the technical quality of television. The evidence before the Commission reveals a substantial possibility that the art may be on the threshold of significant advance. Research in fact does and should continue in significant phases of the field."

The Commission asserted that nothing said in the report should "be construed as a lack of confidence in the future of television". It hails television as "a mighty achievement" and credits pioneers in the field with making "great advances".

"We feel that potentially television is of tremendous value to the public generally", the Commission continued. "Even now, there is no reason apparent why those members of the public to whom regular television programs are available, who are conscious of the fluid state of the art, and who are willing to assume the financial risks involved for the obvious benefits of current programs, should not acquire receivers. Nor is it suggested that television broadcasters should be barred from going forward in program production and sponsorship. The progress made by the industry is worthy of recognition, and the present state

of the art renders appropriate the further steps permitted by the rules being established."

In general, the rules being issued are based substantially on the rules proposed by the Commission's Television Committee on November 15th, last. Two classes of television stations are set up. Class I stations will carry forward technical investigations and may be assigned to more than one channel. Class II stations are designed to experiment in program production and technique and will operate on one channel only. Under proper showing, a license may incorporate provisions for both classes.

Beginning September 1, Class II television stations may begin limited commercial operations under which advertising will be permitted in connection with programs the cost of which is borne by sponsors. The rules stress, however, that emphasis on the commercial aspects of the operation at the expense of program research is to be avoided.

In not attempting to impose standards at this time, the Commission recommends that the industry itself eschew such restrictions. The report explains:

"Enough has been said to indicate the present state of flux of television and the fact that its progress still continues. The issuance or acceptance of transmission standards by the Commission, especially in combination with the more extensive experimental program service which will in all probability develop under these rules, would have a tendency to stimulate activity on the part both of manufacturers and the public in the sale and purchase of receivers for home use. It is inescapable that this commercial activity inspired and then reinforced by the existence of Commission standards would cause an abatement of research. To a greater or less extent the art would tend to be frozen at that point.

"Even more important, nothing should be done which will encourage a large public investment in receivers which, by reason of technical advances when ultimately introduced, may become obsolete in a relatively short time. The Commission has not overlooked the significant sums invested by pioneers in making possible our present knowledge of television, and it is not unsympathetic with their desire to recoup their investment in the process of bringing television's benefits to the public. It will be realized, however, that the loss to the public by premature purchase in a rapidly advancing field might in a relatively short period exceed many times the present total cost of research. Such an economic loss in the long run can rebound only to the harm of the industry. In view of the apparent proximity of improvements and of the resolution of disputed technical questions, these risks should not be taken. The Commission is, therefore, reserving the matter of issuing standards for consideration at some future time."

The Commission hopes that the members of the industry "will make every effort to obtain and maintain informal unanimity of opinion among themselves so that their new proven valuable assistance may be available to the Commission in serviceable form" when the time comes to consider standards. In this connection, the Commission suggests attention to marketing of receivers capable, insofar as consistent with reasonable cost, of receiving or of being adjusted to receive any reasonable change in methods of synchronization or changes in number of frames or lines which may be found to be practical and licensed in the future operation of Class II stations. Increased size of receiving set screens, it feels, is essential to widespread public acceptance of television. The Commission is also of the opinion that continued experiments in the staging and studio aspects of television performances are necessary.

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JOHNSON BILL, FACING FILIBUSTER, IS AMENDED

Threatened with a filibuster by reason of a tie-up with the anti-lynching bill, the Johnson bill to prohibit radio advertising of alcoholic beverages may be amended in a new effort to have it enacted into law.

Senator Johnson (D.), of Colorado, this week introduced a substitute to his original measure, restricting the ban to stations which are heard in dry States.

The revised bill reads, in part, as follows:

"That (a) no radio station for which a license is required by any law of the United States, and no person managing or operating any such radio station or financially interested therein, shall directly or indirectly charge to or receive from, or attempt to charge to or receive from, any person any money or other valuable consideration in full or part payment for the service of broadcasting by radio any advertisement of, or information concerning, any alcoholic beverage or any person engaged in the business of manufacturing or selling any alcoholic beverage, if the purpose of such advertisement or information is to induce the purchase or use of any alcoholic beverage, and if the broadcast of such advertisement or information (1) is received or is receivable by means of any radio receiving set located in any State, or any political subdivision of a State, in which the purchase or sale of such alcoholic beverage for use as a beverage is not permitted; or (2) is received or receivable by means of any radio receiving set, located in any State of the United States or any Province of the Dominion of Canada, during such hours as the broadcasting of a similar advertisement or similar information by a radio station located in such State or Province is prohibited by the laws or regulations of such State or Province."

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"F.M." DEMONSTRATION AMAZES HARD-BOILED PRESS

A demonstration of the reception of frequency modulation broadcasts atop the Ritz Tower in New York City Thursday night by Maj. Edwin H. Armstrong, its inventor, brought highly favorable comments from a gathering of newspaper men and radio officials.

The broadcasts originated in Yonkers and were picked up and rebroadcast by Major Armstrong's station at Alpine, N.J. Although the Ritz Tower reception was of the Alpine station, the broadcasts were relayed, without use of wires, to three other "F.M." stations and to three standard broadcast stations.

The reception of piano and violin solos and even a phonograph record was of marked clarity and faithfulness. An assistant at Alpine poured water, sawed and shaved wood, and sounded bells in a subsequent broadcast to show how every note was carried to the receiver.

Major Armstrong, reciting the difficulties of "selling" frequency modulation broadcasting to the industry and to the Federal Communications Commission, predicted that a network of stations will be in operation by mid-summer.

The present obstacles to its development, he said, are the 1 kw. power limitation and the scarcity of channels. He expressed hope that these will be removed after the scheduled "F.M." hearing starting March 18.

Fifteen stations are now in operation, he said, and applications are pouring into the FCC for assignments.

A stunt that amazed the newspaper men most was the hook-up of an electric razor to the receiver for both standard and "F.M." reception. The former resembled a buzz saw, with the broadcast all but drowned out, whereas the latter appeared undisturbed.

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SHIP RADIOTELEPHONE INTERFERENCE COMPLAINTS STIR FCC

Monitoring stations of the Federal Communications Commission have been instructed to observe carefully the operation of ship radio stations on their assigned frequency (2738 kilocycles) with a view to the Commission taking appropriate action in cases of irregular operation.

In directing attention to the necessity of full compliance with rules of the Commission relating to ship radio stations, the Commission reports receipt of complaints of an "undue amount of interference", on the frequency assigned to radiotelephone stations primarily for intership communication.

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NEW RADIOTELEPHONE RULES FOR GREAT LAKES ADOPTED

Comprehensive regular rules specifically applicable to the operation of ship and coastal harbor radiotelephone stations in the Great Lakes region, effective April 1, were adopted this week by the Federal Communications Commission. It was previously indicated by notice to licensees and others concerned that this action would be taken as the result of information accumulated during operation under the Special Temporary Great Lakes Rules, which were effective throughout the 1939 season of navigation on the Lakes.

Heretofore, the regulation of maritime telephony on the Great Lakes was governed only by the general rules applicable to all ship telephone and coastal harbor stations. Because of the steadily increasing number of ships of both Canadian and United States registry, which are voluntarily using radiotelephony as a medium of communication, a specialized set of rules is needed to regulate the operation of United States stations, particularly in regard to the use of assigned frequencies below 3000 kilocycles, the FCC said. The new rules will insure that operation of these voluntarily installed stations will be in conformity with the regional working arrangement informally agreed to by the Commission and the Canadian Department of Transport. Also, the rules may be expected to reduce interference to a minimum, and to expedite the exchange of communications.

Since the new rules, applicable only in the Great Lakes region, do not become effective until April 1, any person who may feel that the rules are unsatisfactory in some respect will have an opportunity to bring the matter to the attention of the Commission. Although the rules have been discussed with many of the licensees and other interested parties, it is realized that possible deficiencies may be brought to light by actual operation during the forthcoming season of navigation. The Commission will carefully observe this operation and in due time will consider further action with respect to any amendments of the rules which may be necessary or desirable.

In addition to these rules, the Commission approved certain amendments to the existing Section 7.58 of the coastal service rules and to Sections 8.81 and 8.93 of the ship service rules. It also adopted five new rules applicable to coastal stations in general and four new rules applicable to ship stations in general. These latter rules and amendments were approved for the purpose of minimizing interference between stations of the maritime mobile service, in which service a large number of stations necessarily share the use of the same frequencies.

As the result of the Commission's action, all coastal harbor stations operated by United States licensees in the Great Lakes region will be required, during their hours of service, beginning April 1, to maintain an efficient watch on the radiotelephone calling, answering and safety frequency 2182 kc. Like-

wise all ship telephone stations licensed for operation on the regular frequencies within the bands 2100-2200 kc. and 2734-2742 kc. must maintain an efficient watch on the 2182 kc. frequency during their hours of service whenever they are not communicating with other stations. Beginning July 1, these ship stations must be capable of transmitting as well as receiving on this frequency.

The two "working" or "message traffic" frequencies, 2118 kc. and 2158 kc., available for ship telephone stations of the United States are designated by the new rules for assignment to ship stations on board two classes or groups of vessels navigated on the Great Lakes. The frequency 2158 kc. will be assigned only to Great Lakes vessels of more than 1000 gross tonnage, and the frequency 2118 kc. will be assigned to all other United States vessels navigated on the Lakes. By employing this principle, individual ship stations will need to use only one working frequency in the 2100-2200 kc. band, thereby simplifying their equipment. Furthermore, the operation of stations on board yachts, fishing vessels, and miscellaneous small craft will not interfere with the expeditious handling of commercial traffic to and from the large commercial freight and passenger vessels.

The maximum operating power of ship stations will be limited to 100 watts in order to minimize long distance interference and to somewhat stabilize ship equipment design.

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ICKES' RADIO ACTIVITIES HIT IN HOUSE HEARING

Members of a sub-committee of the House Interstate and Foreign Commerce Committee were stirred this week by charges that the Interior Department used its privilege of free time on national radio networks to lobby for particular piece of legislation now before Congress.

The charge was made by Russell B. Brown, general counsel for the Independent Petroleum Association of America, who said that listeners were subtly urged to support a bill to give the Secretary of Interior broad powers to regulate the petroleum industry. The broadcasts, he said, were made in the "What Price America" series, recently dropped from the Columbia Broadcasting System after a 52-week run.

The legislation was not mentioned, the witness said, but programs were presented to show a national panic resulting from a shortage of oil. The broadcasts, he charged, were aimed at arousing an interest in the passage of the Cole Oil Conservation Bill.

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DEVELOPMENT OF NETWORK TELEVISION SEEN

Dr. W. R. G. Baker, Manager of General Electric's Television and Radio Department, predicts that within a short time people in Chicago may see the sun set in New York while the same sun is still high above the horizon in Chicago.

Dr. Baker pointed out that it was only a matter of extending the present television network connecting New York and Schenectady a few more hops to bring New York television programs to Chicago.

The relaying of television programs in New York by General Electric's television station in Schenectady, 130 miles distant, has proved highly successful in its first few weeks of experimental operation, Dr. Baker said.

With the introduction of week-end relays of New York's television programs by General Electric's relay station and transmitter, W2XB, Dr. Baker said, Schenectadians have seen events in New York, such as boxing matches in Madison Square Garden, as plainly as have the residents of Manhattan.

The television director pointed out that the Mohawk Valley leading to the west provides a natural spacing of metropolitan centers to make the network relay from New York to Chicago practicable. Similarly, he said, the network could be extended to Boston and New England.

The proper location and elevation of transmitters and receivers are an important factor in the extension of a television network, Dr. Baker said. While reception of the television signal is theoretically limited by the visual horizon, he added, this is overcome by raising the sending and receiving antennas.

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RADIO MEN HONORED AMONG "MODERN PIONEERS"

Outstanding scientists in the radio industry were honored Wednesday night in New York City at a dinner given by the National Association of Manufacturers in honor of "Modern Pioneers on the Frontiers of Industry". Silver plaques were given the honored guests, which included the following representatives of the radio industry:

Dr. Edwin H. Armstrong, Professor of Electrical Engineering, Columbia University; Dr. William David Coolidge, Director of the Research Laboratory, General Electric Company; Dr. Lee de Forest, Hollywood, Calif.; Dr. Irving Langmuir, Associate Director, Research Laboratories, General Electric Company; Dr. Vladimir Kosma Zworykin, RCA Manufacturing Company.

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TEXAS STATION REVOCATION HEARINGS SCHEDULED

Public hearings have been ordered by the Federal Communications Commission in the cases of six Texas radio stations involved in revocation proceedings. Commissioner George Henry Payne has been designated to sit at the separate hearings which are scheduled as follows: KTBC, State Capitol Broadcasting Association, Inc. (Austin), at Austin, on March 5; KNET, Palestine Broadcasting Association (Palestine), at Dallas, March 7; KRBA, Red Lands Broadcasting Association (Lufkin), at Dallas, March 11; KSAM, Sam Houston Broadcasting Association (Huntsville), at Dallas, March 12; KAND, Navarro Broadcasting Association (Corsicana), at Dallas, March 11; KGKB, East Texas Broadcasting Company (Tyler), at Dallas, March 14.

In ordering these hearings, the Commission denied motion for continuance of hearing filed on February 26 in behalf of stations KTBC, KNET, KRBA, KSAM, and KGKB.

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AGITATION FOR TELEVISION GROWS IN GREAT BRITAIN

The question of resuming some kind of television service has gained attention in the press and certain quarters of the trade, the American Trade Minister at London reports. Television transmissions at Alexandra Palace, London, were stopped on the outbreak of the war, so that enemy aircraft could not take bearings from the station's ultra short-wave signals and use the station for direction finding.

"One scheme which has gained rather wide discussion in the press and trade provides for television by telephone", the report to the Commerce Department said. "This scheme would enable the television program to be superimposed on existing telephone circuits without interfering with ordinary speech. The sponsor of this scheme, S. Sagall, Managing Director of Scophony, Ltd., London maintains that his television by telephone plan could be available for homes and cinemas at an all-in-cost of 5 shillings a week.

"A copy of the memorandum prepared by Mr. Sagall, explaining and supporting his scheme for television transmission by telephone circuits, is available upon a loan basis upon application to the Electrical Division or through any of the District or Cooperative Offices of the Bureau, as well as comments regarding the plan by leading trade magazines. Naturally the strong fear of British manufacturers is that United States will gain the lead in television under present conditions, as if captured the film market during the last war. 'America would gain absolute commercial and technical supremacy in the field in which we held up to the outbreak of the war undisputed leadership', states Mr. Sagall, in defense of his proposal. A trade paper comments: 'During the Great War the United States was able to steal a march over Great Britain in the film industry, and with the closing down of wireless television in this war for reasons of national defense that country will almost certainly develop television to such an extent that this country will never be able to catch up. Already British television exporters are receiving offers from the United States, and at the moment there is nothing to keep them here.'"

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::: TRADE NOTES :::
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Station WMAL, owned by the Washington Star, of Washington, D. C., has been named the winner of the annual engineering efficiency award given by the General Electric Company to the NBC-operated station with the lowest total of lost time through technical failures. It marks the second consecutive year WMAL has received the award. WMAL was off the air only one minute and two and one-half seconds during its regular operating schedule of more than 6600 hours during 1939.

Ernest M. Werner, formerly with the Market Research Department of Young and Rubicam, Inc., has been named supervisor of all Columbia Recording catalogues and supplements by Patrick Dolan, Sales Promotion Director. In his new post, Mr. Werner will also direct, catalogue and supplement work for Brunswick and Vocalion popular records. In addition, he will handle Columbia's foreign language catalogues.

A recorded series of thirteen safety programs, produced by the American Legion, will be shipped this week by the NBC Radio-Recording Division to 325 stations in the United States. Second annual transcribed series produced by the Legion under the title "The Legion of Safety", the 15-minute recordings are scheduled to be presented weekly, beginning March 4, and running through May 27.

The American Minister at Montevideo reports that the Uruguayan exchange control has allowed \$480,000 controlled exchange for imports from the United States of several commodities, including radio materials.

The tobacco industry, showing a 100 percent increase for the first month of this year over January, 1939, now is the third leading industry in expenditures on the Blue and Red Networks of the National Broadcasting Company. A breakdown of present NBC billings reveals the greatest weekly expenditure by tobacco interests in the history of radio. It shows a total of \$133,100, an increase of 100 percent over January, 1939, when the weekly billings were \$66,400, and an increase of 125 percent over weekly billings in January, 1938, when the figure was \$59,100.

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"Columbia Workshop Plays", containing 14 radio dramas, has just been published. The radio plays were selected and edited by Douglas Coulter, Assistant Director of Broadcasts for the Columbia Broadcasting System. The book sells for \$2.75.

For the second consecutive year, Station WGAR, Columbia Broadcasting System outlet in Cleveland, has won the plaque awarded by Commercial Investment Trust, Inc., to the radio station adjudged to have done most to promote traffic safety by unusual and effective programs.

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BUCK WINS FIGHT WITH MONTANA BROADCASTERS

Governor Roy E. Ayers, of Montana, refused this week to ask extradition of Gene Buck, President of the American Society of Composers, Authors and Publishers, from Arizona on a charge of obtaining money under false pretenses, according to the Associated Press.

Mr. Buck was arrested at Phoenix, February 22, on a telegraphic warrant from Missoula, Mont.

County Attorney Edward T. Dussalt, of Missoula, said the charges were based on ASCAP notification to Montana radio stations and other enterprises that their licenses to play ASCAP-owned music would be revoked unless demands for payments were met.

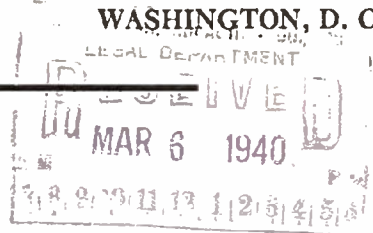
Schwartz & Frohlich, general counsel for the American Society of Composers, Authors and Publishers, declare ASCAP is preparing to retaliate against the Montana broadcasters who caused the arrest of Mr. Buck. ASCAP, according to Variety, The law firm will ask the U. S. Department of Justice to bring indictment proceedings against Ed Craney, A. J. Mosby, J. Jacobsen and C. O. Campbell on the ground that they have wilfully and persistently violated the copyright law, it said. The Society has to date brought 110 infringement suits against the Montana broadcasters.

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March 5, 1940

"CONFUSCIUS SAY" JOKES TOO MUCH FOR FCC

The Federal Communications Commission was compelled to inform a complaining listener this week that it has no authority to order a broadcasting station to stop putting "Confuscius Say" jokes on the air. A Pittsburgh listener had complained.

This complaint was but one sample of a variety of inquiries and protests that come in a day's mail to the FCC.

A New York man complains that a local station declined to give him time on the air to broadcast a particular speech. Under the Communications Act, broadcast station licensees are not deemed to be common carriers and they may therefore, with the exception of certain broadcasts by legally qualified candidates for public office, refuse to accept material offered.

Another New Yorker inquires whether it will be permissible to broadcast a particular program. The Commission does not have authority to censor programs, and it is not the policy of the Commission to render such advance opinions. It is the duty of each station to determine whether the broadcasting of a certain program will be in the public interest and in accordance with the law.

A Shickshinny, Pa., woman charges that a certain station broadcast two musical compositions similar to those composed by herself. This is a matter of private concern between the woman and the station, and the Commission has no jurisdiction.

Several letters imply that the Commission has "ruled" various persons off the air. The Commission has entered no order denying any individual the right to broadcast, nor would it have authority under its statute to do so.

A McGuffy, Ohio, firm inquires if it can use telegraph facilities in connection with the proposed gift of a carload of onions to the holder of a lucky number. Though the Communications Act prohibits broadcast of "any advertisement of or information concerning any lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in part upon lot or chance", the Act does not contain a similar prohibition with respect to the use of wire facilities of common carriers engaged in communication service.

A Purdin, Mo., letter inquires as to the cost of construction permit and license for a broadcast station, also for radio operator. The Commission makes no charge for these authorities. Likewise, the Commission advises a London, Ohio, inquirer

that no Federal license is required to cover the ownership of radio receivers in the United States.

A Jerome, Ariz., writer asks the Commission to recommend a radio receiver. The Commission does not maintain facilities for the testing of radio receiving equipment and is not in a position to advise with respect to the relative merits of receivers of different manufacture.

Regarding Government station assignments, an inquirer is advised that the Commission merely assigns blocks of frequencies, as well as certain call letters, to the Government departments, and that these facilities are in turn allocated various activities at the discretion of the department having jurisdiction.

A New York corporation is advised that although vessels of Philippine registry fly the United States flag, they are registered in the Philippines, and their radio equipment is licensed by the Philippine authorities. Various sections of the Communications Act exclude the Commission from jurisdiction in those islands.

Bethany College makes application for modified license for amateur station W8PME with a view to making it a memorial to Amos Dolbear in recognition of his radio pioneering and work at that college.

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FUND OF \$150,000 SOUGHT TO PUSH DITTER BILL

A solicitation campaign to raise \$150,000 to promote the Ditter bill to amend the Communications Act was inaugurated this week by the National Committee to Uphold Constitutional Government. Sumner Gerard, Treasurer, in letters distributed throughout the broadcasting industry asked for contributions from \$10 up.

"Your active cooperation is needed in support of the Ditter Bill amending the Federal Communications Act to guarantee free speech on the air and protect your business in radio", the letter stated.

"Intolerable uncertainty, as you know, surrounds the entire industry. The requirement of yearly renewal of radio station licenses places the station owner at the mercy of the FCC and jeopardizes the investment of every station stockholder. This is one of the conditions which the Ditter Bill will remedy.

"Another and more serious menace to future stability of radio, which the Ditter Bill is designed to remove, is the Executive control established under the Communications Act of 1934. By authority of Section 603, the President, after declaring an emergency, may censor, control, dismantle or take over and operate as a government monopoly any radio station or all the radio stations

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in the country. Mr. Roosevelt declared such emergency on September 8, 1939. We are hearing radio programs today by sufferance, when it should be our right.

"What would it not mean to you and to all radio stations, to advertisers using radio, and to the general public, to have this invisible but potentially absolute censorship removed? The public has a right in a democracy to hear all sides of any question freely discussed, uninfluenced by government. Radio should be given the same protection and security as is enjoyed by our free press. Newspapers operate in an atmosphere of security because they know that the constitutional guarantees of free speech have been explicitly applied. The Ditter Bill would establish the same condition for radio. . . .

"Strongly entrenched forces that we do not need to name will work in Washington to oppose this bill. Bureaucratic and political control over enterprise, once established, clings to its power and resists legislation that would curbe it.

"We are confident that if the program that we have outlined is carried through on an effective nation-wide scale by press releases, radio talks, direct mail efforts, etc., public opinion will crystallize on this issue. Once the public understands how important it is to surround radio with the protection the Bill of Rights guarantees to free speech, public opinion will compel enactment of this legislation.

"To carry forward this year's general work of the Committee in support of Constitutional Government and free enterprise, including the cost of special work on the radio issue, our Committee needs a fund of \$150,000. In addition to the very heavy expenditures already made on radio in reaching 967,000 individuals, we should have \$50,000 for use in a special, nation-wide educational campaign to develop public opinion supporting security and free speech for radio.

"We are asking you and others directly interested in the radio industry to help supply this amount. The gods help those who help themselves. Will you fight with us to protect your own and your stockholder's vital interests? We are directing this request to station owners, radio advertisers, advertising agencies, and radio sets and parts manufacturers.

"To meet our budget we must have, aside from the support received in thousands of small contributions, some in more substantial amounts. We need checks for \$10, \$25, \$50, \$100, \$250, \$500 and a few for larger amounts."

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UNSETTLED CONDITIONS CITED IN LICENSE RENEWALS

The Federal Communications Commission this week granted renewal of radio telegraph licenses of R.C.A. Communications, Inc., and Mackay Radio and Telegraph Co., Inc., for inactive circuits on the ground that present world conditions would make it unwise to delete them.

R.C.A. Communications stations involved were KQR, KKW and KET, while Mackay stations were WDY, WKS, WIV, WIN, WIB, WML, and WAH.

The Mackay applications were designated for hearing due to the inactivity of certain authorized primary points of communication, namely, Berlin, Germany; Madrid, Spain, and Paris, France.

"The Commission finds that because of unsettled conditions existing in Europe, public interest, convenience and necessity would not be served by the deletion at the present time of Berlin, Madrid and Paris, as authorized points of communication", the FCC stated, "and ordered that the temporary authority contained in licenses of Stations WDY and WIB to communicate with Berlin, Germany, WIV WAH and WKS to communicate with Madrid, Spain, and WIN and WML to communicate with Paris, France, be retained in the licenses, subject to certain conditions and limitations."

R.C.A. Communications applications for renewal of licenses were designated for hearing due to the inactivity of certain authorized primary points of communication, namely, Melbourne and Sydney, Australia.

"Under the unsettled conditions existing throughout the world, the Commission finds that public interest, convenience and necessity would not be served by the deletion at the present time of Melbourne and Sydney, as authorized points of communication, and ordered that the temporary authority contained in the licenses of these stations be retained in the licenses subject to certain conditions and limitations", the FCC stated.

Because the Polish republic is no longer in existence, the FCC on the same date formally dismissed without prejudice a long-standing application of Mackay Radio and Telegraph Company, Inc. for modification of its fixed public service licenses of point-to-point telegraph stations WKS, WJH, WIV, and WAH, at Brentwood, N.Y. to add Warsaw, Poland, as a primary point of communication.

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RADIO EDUCATIONAL AIDS LISTED BY U. S. AGENCY

A new national depository and library of scientific aids to education - the Educational Radio Script Exchange, serving a rapidly growing development of local school and civic groups actively interested in educational radio - this week published its first complete printed list of services for furthering the cause of American education.

The Script Exchange, created by the Federal Radio Education Committee in October, 1936, to serve as a clearing house for Educational Radio Scripts and other information, lists in its new publication the four major services of the exchange. These are: (1) Radio Scripts; (2) Production Aids; (3) Information and Idea Exchange; and (4) Recordings.

U. S. Commissioner of Education John W. Studebaker in his capacity as Federal Radio Education Committee Chairman, said:

"Since its establishment three years ago, the Script Exchange has filled requests for more than 250,000 copies of scripts received from about 12,000 groups in all parts of the country. The steadily expanding service of the Exchange has been made possible through the cooperation of several hundred local educational and civic organizations, Government agencies, and radio stations. These sources have contributed approximately 3,000 educational scripts to the files of the Exchange during the past three years."

Five hundred and thirteen programs selected by a special script-reviewing committee on the basis of quality, and on the kinds of requests for program material which are constantly pouring into the Exchange, are listed in the new Fourth Edition Catalog. Through the Exchange's Circulating Library these scripts are now available to qualified groups actively interested in educational radio. Scripts may be borrowed for a period not exceeding four weeks. There is no charge for this service.

Coincident with the publication of the new catalog, the Script Exchange reports that to date, 4,304 organizations have used series of scripts from the Exchange. This figure does not include thousands of additional groups which have received individual scripts, production aids, and general information. It covers only those organizations which have received at least one complete series of scripts. Data compiled during the survey shows that the scripts were used for production on the air; over sound systems, for mock-broadcasts, in radio work-shops, and as aids to social studies.

The Federal Radio Education Committee was set up by the Federal Communications Commission on December 18, 1935, to serve a two-fold purpose: (1) To work for the elimination of controversy and misunderstanding between educators and broadcasters, and (2) to help promote active cooperative efforts between the two groups.

The Fourth Edition Catalog is one of a series of publications designed to promote more effective local broadcasting and educational and civic organizations. (Copies may be obtained at 10 cents each through the Educational Radio Script Exchange, U. S. Office of Education, Washington, D. C.)

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TROOPS LIKE FEW TALKS, MORE VARIETY, BBC FINDS

Inaugurating a full 12-hour broadcasting program service for His Majesty's soldiers, sailors, and airmen on active service at home and abroad, the British Broadcasting Corporation has discovered by a survey that the fighting forces want few talks and much variety entertainment.

The BBC conducted a systematic inquiry into what kind of programs are most likely to satisfy those for whom this service is intended, the Radio Times said. All kinds of evidence has already been received from officers and men of the Navy, Army and Air Force. The Director-General of the BBC has himself visited France to try to ascertain at first hand the likes and dislikes of the British Expeditionary Force and the Royal Air Force in France in particular.

On the basis of this survey, the BBC made various general assumptions, the Radio Times continued. "One is that most active service listening will be group listening. That is to say, the picture that the program planners have in mind is of at least half-a-dozen men grouped round one loud-speaker rather than of a single listener sitting in solitary concentration by his own fire-side. A second safe assumption, arising out of the first, is that light programs will always be more acceptable, the kind of programs that do not suffer unduly by interruption, either by conversation or by the call of duty - indeed, the kind of programs that may even be enhanced by communal enjoyment and a running exchange of comment.

"Thus the BBC offers to this special audience of listeners plenty of Variety entertainment, both from the studio and from theatres; of dance-band programs (from France as well as from Britain); of theatre-organ broadcasts, both from St. George's Hall and from cinemas where leading artists play; and outside broadcasts from theatres of excerpts from musical shows and revues.

"There will be radio thrillers, community singing, students' songs, and all possible kinds of sports broadcasts as they come along. One particular sports broadcast of special interest should awaken the eager anticipation of the Canadian troops; this is the recording for half-an-hour every Sunday evening of a commentary from Canada on the best of the previous day's ice hockey games.

"Talks will be few. They will include two weekly talks on sport, on Thursdays and Saturdays, when well-known sportsmen will be broadcasting. On Tuesdays that very human speaker John Hilton will talk about activities on the home front. Also on Tuesdays, every other week, there will be a fortnightly report, a kind of news-letter, from the Navy and Air Force, to keep the Army informed of what the other two Services are doing and how they are faring. Finally, there is 'Close Up', a feature that will cover all news of the world of entertainment.

"In response to an already considerable demand there will be simple and entertainingly-devised lessons in French twice a week.

"Each day's broadcast will open with a summary of the programs to be heard during the day, and will close with a similar summary for the following day."

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RULE ON DISK ANNOUNCEMENTS MODIFIED

The Federal Communications Commission last week amended Section 3.93(e) of the Standard Broadcast Rules, effective immediately, to read as follows:

"(e) The identifying announcement shall accurately describe the type of mechanical record used, i.e., where an electrical transcription is used it shall be announced as a 'transcription' or an 'electrical transcription', or as 'transcribed' or 'electrically transcribed', and where a phonograph record is used it shall be announced as a 'record'."

It will be noted that this amendment modifies the amendment to this rule adopted January 4, 1940, so as to permit the use of the word "transcribed" or "electrically transcribed" in announcing the use of electrical transcriptions. However, no change has been made in the provision with respect to the announcement of phonograph records.

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RADIO FOURTH IN ADVERTISING MEDIA

Printer's Ink last week carried an estimate of the total volume of advertising in the United States for the year 1939 at \$1,602,000,000. This figure is divided between the various media as follows:

Newspaper	\$525,000,000
Magazine	150,000,000
Direct Mail	300,000,000
Radio	170,000,000
Out Door	50,000,000
Business Publications	50,000,000
Farm Publications	17,000,000
Miscellaneous	340,000,000

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: : :
: : : TRADE NOTES : : :
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Walter Guthrie, son of F. P. Guthrie, District Communications Manager of R. C. A. Communications, Inc., and The Radio-marine Corporation of America in Washington, has just been elected a member of Phi Beta Kappa at Washington and Lee University, Lexington, Virginia.

Telephone operating subsidiaries of the International Telephone and Telegraph Corporation in nine foreign countries continued their gains during January with an aggregate net increase of 6,955 telephones for the month compared with 6,646 gained in January, 1939; 5,776 in 1938; 4,125 in 1937, and 3,493 in 1936. These companies gained 73,521 telephones last year. They operate 844,338 telephones in Argentina, Brazil, Chile, Cuba, Mexico, Peru, Puerto Rico, Rumania and Shanghai, China.

The Washington Evening Star on Sunday began publishing a full page of radio programs for the week. The Evening Star, which has a Sunday morning edition, owns Station WMAL.

Gross billings for time on the Columbia Network - prior to deductions for agency commissions and time discounts to sponsors - totaled \$3,330,627 during February, 1940. The February figure brings the two-month cumulative total for 1940 to \$6,919,616.

Radio listeners have given almost a third of contributions of \$465,061 made so far toward the \$1,000,000 goal the Metropolitan Opera Fund, according to Mr. George A. Sloan, Chairman of the campaign committee. Mr. Sloan disclosed that \$153,000 of the total had been contributed by the radio audience and that more than half the sum had come in gifts of \$1,000 or more.

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ASCAP RAPS NAB FOR BUCK'S ARREST

The Board of Directors of the American Society of Composers, Authors and Publishers asserted Monday that the arrest of Gene Buck, President of the Society, in Phoenix, Ariz., February 22, was part of a campaign of "intimidation and terrorization" by the National Association of Broadcasters.

The Board issued a statement in New York with copies of a resolution condemning the arrest of Mr. Buck on extortion charges and praising Governor Ayres of Montana for refusal to sign extradition papers. It said radio executives had fought for eight years to break ASCAP's collection power for royalties for compowers whose work makes up 70 percent of radio entertainment.

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REPRINTS OF I. T. & T. LECTURES ARE ISSUED

The International Telephone and Telegraph Corporation has prepared reprints of the following lectures and articles prepared by members of the I. T. & T. and its associated companies, according to W. H. Capen, Assistant General Technical Director:

Experimental Researches on the Propagation of Electro-Magnetic Waves in Dielectric (Cylindrical) Guides	By A. G. Clavier and V. Altovsky
High Frequency Transmission Line Networks	By A. Alford
Ultra-Short Wave Oscillators	By D. H. Black
A New Hard Valve Relaxation Oscillator	By D. H. Black
Commercial Radio Telephone Links on Ultra-Short Waves	By E. H. Ullrich and A. J. Devaud
Voice-Operated Level Control System for Telephone Networks	By A. H. Reeves
The Eiffel Tower Television Transmitter	By S. Mallein and G. Rabateau
Theoretical Relationships of Dielectric Guides (Cylindrical) and Coaxial Cables	By A. G. Clavier
Calculation of Triode Constants	By J. H. Fremlin
An Impulse Measuring Set	By A. S. Grand and D. H. MacNee
Automatic Ticketing of Long Distance Telephone Connections	By W. Hatton
Methods and Apparatus for Measuring Phase Distortion	By M. Levy
General Aspects of Telephone and Telegraph Communications in Europe	By E. M. Deloraine

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BRITISH BOTHERED BY SECRET PROPAGANDA STATION

British Post Office engineers are investigating a secret radio station, calling itself the "New British Broadcasting Station", which has been broadcasting anti-British propaganda. They believe it is a low-power station operating from somewhere in a "distant part of the Continent". The station addressed its broadcast "to every Britisher who loves his country". It attacked the British Government and made an appeal to abandon the war because Britain "never can destroy German unity, which is established in the hearts of its people".

Listeners said the announcer was "almost certainly British", but experts doubted that the station was a mobile pirate outfit. They said it was more likely that some foreign country was using an unauthorized wavelength.

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TOMPKINS HEADS BROADCAST MUSIC, INC.

Merritt E. Tompkins, President of Associated Music Publishers, Inc., and former Vice-President and General Manager of G. Schirmer, Inc., has been selected to head the newly organized Broadcast Music, Inc., an enterprise started by the broadcasters to fight the license fees asked by the American Society of Composers, Authors and Publishers.

Mr. Tompkins, as General Manager of the new publishing organization, explained that it would deal not only with individual writers and composers, but also with publishing houses, transcription companies, groups, and associations here and abroad, and with every one who has music available for public performance.

The new organization, which will welcome the works of young and unknown composers, has begun to build up a catalogue of music, which it expects to release on April 1. It also intends to draw on standard and classical works, many of which have been neglected.

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NEW WOR FM TRANSMITTER BEGINS OPERATIONS

Through the medium of the "frequency modulation" method of radio transmission developed by Maj. Edwin H. Armstrong, WOR's new 1000-watt FM station, W2XOR, this week began offering noise-free, high-quality programs to listeners in the metropolitan area.

W2XOR is the third FM station operating on a daily schedule in New York City. Programs of the Mutual Broadcasting System will be relayed from 12 noon until 12 midnight, EST, for the present, with an increased number of hours of daily service planned in the near future. The new station is heard on a channel of 43.4 megacycles.

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CBS NETWORK PAYS TRIBUTE TO WJSV ON POWER BOOST

The story of WJSV, Columbia's station for the nation's capital - a story interwoven with America's history in this tumultuous age - was unfolded in a special broadcast for coast-to-coast audiences over CBS network on Tuesday (today). This program paid tribute to the Washington station as a part of the observance of "WJSV Week", celebrating its increase in power from 10,000 to 50,000 watts.

How Harry C. Butcher, CBS Vice President, introduced the term "fireside chat" as a choice bit of Americana describing the President's intimate radio talks to the country, is depicted in one of the episodes.

The District of Columbia's Board of Commissioners has officially proclaimed March 4 to 9 as "WJSV Week". Special eight-page supplements to observe the occasion have been issued by the Washington Post and Washington News.

Shift from the present 10,000 to 50,000-watt WJSV transmitter takes place officially Thursday, March 7, with A. D. Willard, General Manager of WJSV, at the switch. The newly-completed \$300,000 transmitter in Wheaton, Maryland, on the outskirts of Washington, has three 340-foot towers.

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G.E. DEVELOPS NEW TYPE TELEVISION ANTENNA

A semi-cubical or V-shaped television transmitting antenna which promises improved clarity and detail of pictures has been developed by General Electric engineers and installed in the Company's new station W2XB, in the Helderbergs.

The half-cub-shaped equipment somewhat resembles two large V's mounted one above the other, and is made up of four radiating elements each about nine inches in diameter and seven feet long. Constructed of aluminum, the elements taper at the ends pointing to the apex of the V and are mounted atop a 60-foot pole adjacent to the transmitting station.

The antenna is non-directional in effect and has been found in tests to result in a stronger picture signal than was obtained from previous types of antennas.

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CBS KEY STATION SILENT 6½ HOURS

Station WABC, New York City, key outlet of the Columbia Broadcasting System, set a new record in modern radio for enforced silence Monday when its transmitter was put off the air for six and a half hours by a power failure caused by a storm. Since the break affected only the station and did not extend to the network, the losses in unfulfilled contracts with sponsors were estimated to have been limited to about \$7,000, according to the N.Y. Times.

Ten thousand telephone calls clogged the switchboard at CBS headquarters, mainly from housewives, anxious to learn why favorite daytime programs, especially dramatic serials, could not be tuned in, a representative of the station said.

Station WOR, local outlet of the Mutual Broadcasting System, offered the use of its auxiliary transmitter to WABC, but before the necessary preparations could be completed, the crippled station had resumed operations under its own power.

The only other metropolitan broadcasting station to be affected by the storm was WINS, operated by Hearst Radio, Inc., which was mute for nine minutes beginning at 10:30 A.M., when its transmitter at Carlstadt, N.J., went dead.

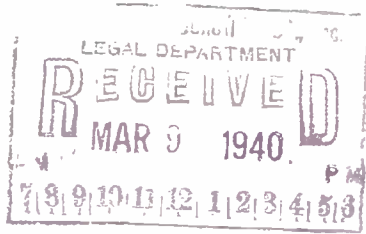
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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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HOUSE CURBS SECRETARY ICKES' RADIO ACTIVITIES

A prohibition against the use of Government funds for radio broadcasting to influence the passage or defeat of any legislation pending before Congress was voted by the House Thursday after programs prepared by the Interior Department's Radio Section were denounced by several members.

The outburst was occasioned by a broadcast carried in the "What Price America" series of programs prepared by the Interior Department's radio section and broadcast over a CBS network.

Upon motion of Representative Gossett (D.), of Texas, the House by unanimous consent adopted a rider to the Interior Department Appropriations Bill which reads:

"That no part of the appropriation made available to the Office of the Secretary by this section shall be used for the broadcast of radio programs designed for or calculated to influence the passage or defeat of any legislation pending before the Congress."

The attack on Secretary Ickes' radio activities was started by Representative Taber (R.), of New York, who proposed a horizontal reduction of \$185,000 in the fund for the Secretary's varied publicity operations. Mr. Taber said his amendment was designed to halt the "vicious propaganda" emanating from the Interior Department.

"When it comes to the point that the operations of a department are such that it must put somebody on the radio with arguments suggested by it every day in the year, we are getting into a situation that is intolerable", he said.

After Representative Taber's amendment had been rejected, Congressman Gossett offered his proposal and explained it thus:

"Mr. Chairman, I come not to attack or condemn the Department of the Interior that has done much splendid work. This amendment proposes to protect the Department of the Interior and the Congress from the folly and the danger of political broadcasts paid for out of the public purse.

"The section of the bill just read appropriates \$874,950 to the office of the Secretary of the Interior. Included in this appropriation for the Secretary's office are funds for the radio section of the Information Division of the Department of the Interior. Concerning this radio section, Secretary Ickes, in the hearings on this bill, testified as follows: 'The Information

Division proper remains as it was, and it has been very successful in serving the bureaus during the past year. There is included in our estimates, however, the transfer of a radio section, consisting of eight persons, having salaries totaling \$21,660, who have heretofore served the Department but been financed by the Public Works Administration.'

"Then I notice in the report on this bill under increases in contingent expenses an item for radio broadcasting records of \$3,000.

"So far I am not complaining. The Department is to be commended for the number of entertaining and educational programs broadcast during the last year. The people of this country are entitled to full and complete information concerning their Government and its many services to them. I hope more and better programs of information and entertainment may be furnished them as time goes on. But all the programs have not been of this character. Several broadcasts have gone entirely outside and beyond the field of education or information. Our able colleague the gentleman from Maryland (Mr. Cole) has introduced in this Congress a bill enthusiastically sponsored by the Department of the Interior which would provide for the absolute Federal control of the oil business of this country, such control to be in the Department of the Interior. This is not the place for, and time does not permit, a discussion of the merits of this Cole bill. Suffice to say, it is highly controversial. In an obvious effort to build up sentiment for this bill, the Department of the Interior through its radio section staged several broadcasts that would rival Orson Welles' melodrama on the Men From Mars."

After reading an excerpt from the script, Representative Gossett concluded:

"Doubtlessly, oil and gas have been and are being wasted. Certainly we should conserve all of our natural resources, but no department of our Government has any right to spend the people's money in trying to sell the people anything. To present by radio at Government expense an argument in behalf of pending legislation is bad; to use misinformation in such an argument and for such a purpose is intolerable."

Representative Johnson (D.), of Oklahoma, who was in charge of the bill, insisted that the "amendment does not amount to anything" and that consequently he would not object to it.

That the broadcast in question had no effect on the House Committee considering the Cole bill was testified to by Representative Cole (D.), of Maryland.

"The truth is that during the long and tedious hearings the committee of this House, of which I have the honor of being chairman, was conducting in the investigation of the petroleum industry, it developed through one of the witnesses that such broadcasts were being conducted under the auspices of the Interior Department", he said. "The committee condemned the broadcasts

said to specifically refer to legislation before us, at that time, and does now. Because of that testimony I requested the Department of the Interior to send me some facts relative to the work which they were doing under their radio set-up costing only \$15,000 a year. I was truly amazed to find the wonderful service they are rendering. I found also that some young man associated with the problem, overly zealous as to his interest in the petroleum-conservation proposition and the prevention of waste thereof, had gone beyond what the Secretary of the Interior himself desired. With the permission of the Chairman, I shall insert as a part of my remarks, a list of the leading stations throughout this country - 105 in all - which are now carrying the programs of the Interior Department from New York, with professional actors paid by the broadcasting companies; also the caption of the many programs they have sponsored dealing with all the interesting and important work before this great Department. The more I read these reports the more I wonder if the reason Secretary Ickes is criticized as much as he is is because he is doing something all the time. Whether you like him or not, you must admit the efficiency of the important personnel under him. He is a man who does things, and with few exceptions, does them well. I am sure it will be interesting to the Members of the House to know what their programs contemplate in the future, and finally, the public reaction to the Program What Price America, sponsored by the Department of the Interior.

"Mr. Chairman, the broadcast referred to, and according to the remarks of my good friend, the distinguished Member of this House from Texas, referring to the legislation he has mentioned, has no influence upon the committee dealing with this problem whatsoever. We have about concluded the general survey of this matter, which is of such vital concern to a great majority of the Members of this House, and our report will be made within the time required therefor. As the gentleman from Oklahoma (Mr. Johnson) has said, the law already covers such a situation as has been described here, but nevertheless this amendment might seem to curtail in the future overstepping the bounds and privileges extended this Department. I do not think it necessary, but it might do good as a reminder."

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SENATOR BAILEY SPONSORS COMPANION OF DITTER BILL

A companion to the bill introduced in the House by Representative Ditter (R.), of Pennsylvania, to amend the Communications Act was introduced in the Senate this week by Senator Bailey (D.), of North Carolina.

The measure, which seeks to curb the executive powers of the President over radio broadcasting and to extend the licensing period of stations to a minimum of three years, was drawn up by the National Committee to Uphold Constitutional Government.

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FCC DISCLAIMS CONTROL OF 10,000 RADIO ASSIGNMENTS

The Federal Communications Commission, in self defense, this week pointed out in a press release that it has no jurisdiction over governmental radio activities. The statement was made on account of the receipt of numerous inquiries regarding such operations.

"Comparatively few people realize that radio stations belonging to and operated by the Federal Government receive their frequency assignments by Executive Order of the President upon the advice of the Interdepartment Radio Advisory Committee", the FCC said. "Thirteen Government departments and agencies are represented upon the Interdepartment Radio Advisory Committee, including the Federal Communications Commission."

There are roughly 10,000 radio assignments to Government stations. More than half of these were made during the past fiscal year. Most frequency assignments are made individually; others in the very high frequency portion of the radio spectrum are reserved in blocks to be allocated for various activities of the Government at some future date.

Government radio stations are exempted from licensing and certain other regulatory provisions of the Communications Act. However, all Government radio stations, except those on board Government vessels at sea or beyond the limits of the continental United States, when transmitting any radio communication or signal other than a communication or signal relating to Government business, are required to conform to rules and regulations designed to prevent interference with other radio stations and the rights of others as the Commission may prescribe.

The Commission assigns call letters to Government stations just as it does to privately owned stations. The only exceptions are mobile stations of the Army. Special call signals are assigned to certain Government stations. For example, of the three call letters N, K, and W, assigned to the United States by international agreement, N is reserved for the exclusive use of the Navy and Coast Guard.

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Plans for an elaborate weather report service for WLW listeners was announced by station officials this week, with the appointment of James C. "Jim" Fidler, "Radio's Original Weatherman", as a member of the WLW staff. Mr. Fidler, who has had eight years' experience as an amateur and professional meteorologist, will marshal and present weather data from coast to coast and from as far north as Minneapolis and as far south as Atlanta for listeners. He will cooperate with the United States Weather Bureau in presenting the information, drawing also from the reports of the Airways Radio System of the Civil Aeronautics Authority.

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G.E. SIGNS STIPULATION WITH TRADE COMMISSION

The General Electric Company, Schenectady, N. Y., has entered into a stipulation with the Federal Trade Commission to discontinue certain misrepresentations in the sale of radios.

The stipulation relates that one of the respondent corporation's dealers, Vim Electric Co., Inc., of Brooklyn, published advertisements of General Electric radios showing that a certain 8-tube set would be sold for \$39.95 or at a saving of \$30 from what was the regular or "manufacturer's list" price of \$69.95; that certain radios were "made to sell for 50 per cent more", and that the buyer of a certain set with automatic tuning would save \$25 by paying \$44.95 when the regular price was \$69.95.

"In its stipulation", the FTC said, "the General Electric Company admits that its practice is to suggest, approve and share the cost of some but not all of the advertising published by its dealers to promote the sale of its radios; that it suggested the list price set out in the Vim Electric Company's advertisement of a \$69.95 radio for \$39.95, and that it paid a share of the cost of publication of the other two advertising items, and that the radios referred to as having a list price of \$69.95 were never regularly sold for that price but at the customary retail prices of \$39.95 and \$44.95 respectively.

"The respondent corporation agrees to cease and desist from representing that prices for radios made by or for it and specified in catalogs or advertising literature, are the prices at which such radios are currently sold or intended by it to be sold, unless such stated prices are the true and correct prices employed in the regular course of current business, or that stated prices are the regular prices at which such radios were formerly sold, unless such is a fact.

"The General Electric Company further agrees that it will not supply to its distributors, wholesalers, retail dealers, or others, any information, data, advertising copy or suggestions, calculated to induce such dealers to incorrectly state the former price or list or regular price of any of the radios sold by it, and that it will not approve or pay any portion of the cost of advertising prepared or published by or for its distributors or dealers, which, to its knowledge, incorrectly states or misrepresents the former, list or regular price of such radios."

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A WOR-Mutual special features crew aboard a giant Eastern Air Lines transport plane, spotted Britain's "Queen Elizabeth" early Thursday as she zig-zagged her way down the American coast and brought coast-to-coast listeners the first description of the liner's safe arrival from war-infested waters.

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ORIGIN OF "FIRESIDE CHAT" TRACED TO BUTCHER OF WJSV

How President Roosevelt's radio messages to the nation came to be called "fireside chats" was disclosed this week during a review of highspots of the history of Station WJSV, CBS station in Washington, which increased its power to 50,000 watts.

Harry Butcher, Vice President of CBS in charge of WJSV, suggested the label during a broadcast preceding President Roosevelt's address following the declaration of the bank holiday in March, 1933. The following dialogue between Ted Church, Special Events Director, and Mr. Butcher at the time, as reproduced by WJSV, follows:

TED: I don't like this one, Harry. I made it a little too stiff. It's the usual formal thing. I think we ought to get something more human.

BUTCHER: You're right, Ted. The President says he isn't just making a speech. He wants to sit down and talk to people just as he would if they were here.

TED: Just a sort of a friendly chat.

BUTCHER: Sure. Let's see... he's broadcasting from the Diplomatic Reception room -- that sounds stuffy -- m-m-, there's a fireplace in it, isn't there?

TED: Sort of a fireplace.

BUTCHER: Fireplace.. friendly chat...people listening to their President as if he were right at their own firesides... I know, I think I've got something: Let's call it a fireside chat.

TED: Fireside chat...fireside chat. That sounds exactly right to me, Harry.

The introduction was drafted and together with the more formal introduction was taken to the White House for the broadcast. Later, Mr. Butcher was talking to Mr. Marvin McIntyre, one of the secretaries to the President.

McINTYRE: Harry, the President has read them both and he says this one about the fireside chat is a honey.

BUTCHER: Swell, that's the one we like, too.

McINTYRE: Let's go ahead and call it that. Maybe we'll have a series of them...fireside chats to the nation...I think maybe you put a new phrase in the American language.

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RADIO EXPORTS SLUMP IN JANUARY

The Electrical Division of the Department of Commerce this week reported a large drop in American exports of radio apparatus, with shipments of receiving sets declining from \$1,122,702 in December, 1939, to \$744,173 in January, 1940. Transmitting sets, tubes and parts fell from \$324,308 to \$274,250; and receiving set components, from \$593,689 to \$408,810.

Total exports of electrical equipment were valued at \$10,515,382 in January, 1940, or 44.5 percent more than in the corresponding month of 1939, when the total was \$7,275,711.

The January figure was 11.9 percent lower than the record level reached in December, 1939, when foreign shipments were valued at \$11,930,924.

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29 WITNESSES SCHEDULED FOR "F.M." HEARING

Twenty-nine parties have requested time at the informal engineering hearing on frequency modulation to be held before the Federal Communications Commission beginning at 10 A.M. next Monday (March 18). They are:

Edwin H. Armstrong, Alpine, N.J.; Columbia Broadcasting System, Inc., New York City; Commercial Radio Equipment Co., Kansas City, Mo.; FM Broadcasters, Inc., New York City; International Business Machines Corp., New York City; William G.H. Finch, New York City; John V. L. Hogan, New York City; Jansky & Bailey, Washington, D. C.; McNary & Chambers, Bethesda, Md.; Muzak Corporation, New York City; National Life & Accident Insurance Co., Inc., Nashville, Tenn.; Garman R. Runyon, Jr., Yonkers, N.Y.; Radio Pictures, Inc., New York City; Radio Corporation of America, New York City; Stromberg-Carlson Telephone Mfg. Co., Rochester, N.Y., WDRC Inc., Meriden, Conn.

Also, Westinghouse Electric & Manufacturing Co., East Springfield, Mass.; Zenith Radio Corp., Chicago; Association of State Foresters; (States of Pennsylvania, New Jersey and New York), and Northeastern States Forest Protection Radio Association; Brown Bay Phones, San Francisco; Department of Forests and Waters, State of Pennsylvania; Office of Education, Federal Security Agency; Mackay Radio & Telegraph Co., New York; National Association of Educational Broadcasters; National Congress of Parents and Teachers, Chicago; National Committee on Education by Radio New York City; National Council of Chief State School Officers, Atlanta; National Education Association, Washington; Ohio State University, Columbus, Ohio.

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CEREMONY MARKS WJSV POWER BOOST

Station WJSV, with a power increase to 50,000 watts, became the strongest broadcasting station in the Washington area last night (Thursday).

Municipal, civic and Federal leaders took part in the dedicatory ceremonies. A. D. Willard, Jr., General Manager of WJSV, presented to Commissioner Hazen the switch which actually turned on the new power.

"This", said Mr Willard, reading from an inscription on the switch's marble base, "is a symbol of WJSV's perpetual readiness to serve the community."

WJSV, with its \$300,000 transmitter at Wheaton, Md., took its place among 39 other stations in the country which broadcast on 50,000 watts, the maximum permitted by the FCC.

On hand to liven up the proceedings was Bob Trout, Columbia's ace New York announcer and former "presidential" announcer at WJSV; John Charles Daly, local "special events" man; Professor Quiz, Jane Froman, Arthur Godfrey, Arch McDonald, Garry Stevens, and Paul Kain's Orchestra.

The Thursday night ceremony marked the climax of "WJSV Week" designated by proclamation of the District Commissioners. Earlier President Roosevelt had taken cognizance of the event by addressing the following letter to William S. Paley, President of CBS:

"My dear Mr. Paley:

"The completion of the new 50,000 watt transmitter for WJSV, the key station of the Columbia System in the Nation's Capital, symbolizes not merely the commendable development of your station, but of the entire broadcasting industry. And it symbolizes not merely the remarkable technical advances of the art, but also the ever-increasing contribution of radio to a better understanding of public affairs.

"In the years since Station WJSV became the principal station for the Columbia Broadcasting System in Washington, the country and the world have witnessed many stirring events -- events which have been brought to the firesides of millions of Americans by radio.

"Station WJSV and the Columbia network have played a stirring part in depicting these events and the construction of your new 50,000 watt transmitter marks another important step in the continued development of the industry. I congratulate you and the industry."

The five-fold increase in the WJSV power will permit the \$300,000 plant to add an estimated 200,000 listeners in a wider area adjoining Washington and its suburbs. Persons in Baltimore and the Eastern Shore of Maryland and those in rural sections of New England will probably be able to tune in with ordinary receiving sets. A directional antenna throws the waves away from the northwest toward more populous areas.

Said by Chief Engineer Clyde M. Hunt to be the most modern equipment in the world, the transmitter is housed in a concrete structure of "functional design" that resembles something out of Buck Rogers and the Perisphere of the New York Fair. The building, decorated in blue and gray, has quarters for an emergency crew, including sleeping facilities and kitchen. The equipment is sunk in a pit and spectators can walk around it on inspection trips, on a balcony. Called "a house of a million wires" by its crew, the building has been fabricated in one solid unit so "that it can be turned over on its side and still hold together", James Middlebrooks, CBS engineer, said.

Most of the 13½-acre plat is underlaid with copper wiring and screening to radiate the sound waves. Three thin towers stretch 350 feet up, and are designed so that if one is blown down by a wind, which must have a velocity in excess of 100 miles an hour, it will not foul the others.

To assure continued operation without breakdowns, the plant is equipped with a gasoline engine that goes into operation automatically 10 seconds after power has been cut off.

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TELEVISION TEST ON PLANE SHOWS MILITARY VALUE

Army and Navy officials watched with interest this week a demonstration of telecasting from an airplane above New York City by the Radio Corporation of America, the National Broadcasting Company, and the United Air Lines.

Radio engineers and military observers foresaw the day when television-equipped airplanes might be used in reconnaissance flights, bombing operations, and map making. One engineer said that it opened up new possibilities for a robot, electrically-controlled bomber that could be dispatched on its mission of death without a man aboard.

New lightweight electronic cameras peered at the towers of Manhattan, shipping in New York's harbor and Wall Street's financial district during a forty-five minute demonstration program, relayed over the NBC Television Station. It was estimated that about 10,000 persons witnessed the historic telecast, which marked the public debut of newly developed "vestpocket" television apparatus.

An observer at Station W2XB, near Schenectady, reported "perfect reception", although the distance from NBC's transmitter is nearly 130 miles away.

Although weather conditions were far from ideal, and there was considerable interference from the plane itself in the received image, the program clearly showed familiar landmarks to armchair aviators -- automobiles speeding on the West Side Express Highway, ships lying at their berths in the North River, steam and smoke pouring from the funnels of tugboats, the RCA Building in Radio City and the Empire State Building.

Commenting on the newest of television's achievements, Lenox R. Lohr, President of NBC, declared, "Television's unique characteristic of being able to bring into the living room events happening miles away, so that the public may witness them at the time they occur, has never been more clearly shown than in the demonstration.

"The new mobile equipment is entirely self-contained and complete; and can be mounted without difficulty in small spaces. It marks a tremendous technical stride; its social implications are tremendous. To us at RCA and NBC, it means that today we can give the television public a service not possible before, when we were obliged to schedule special events considerably in advance, and to use two 10-ton trucks to pick them up."

The success of the demonstration was "little short of astounding", according to O. B. Hanson, NBC Chief Engineer.

"Few preliminary tests preceded today's telecast, and we encountered many perplexing technical problems, but despite the haze in the air, the image was of amazing clarity most of the time", Mr. Hanson pointed out. "It must be remembered that the equipment we were using was not designed for airplane installation. It therefore suffered considerably from vibrations of the plane and its propellers. When apparatus for use in planes is placed at our disposal - and it is possible to design such equipment - an entirely new field for special events pick-ups will be opened to us. Besides extending the range of television, we will also be able to speed our arrival on the scene of any special event within the transmitting limits of portable equipment. I regard today's pioneer test as a highly significant step toward the future in television."

Terming the demonstration a "real miracle", Albert Zink, observer at the General Electric Company's television station near Schenectady, reported that definition was "fine" and reception "perfect". Although he has made only one visit to New York, Mr. Zink said that he had no difficulty in identifying New York City landmarks. As the cameras picked up the Trylon and Perisphere at the New York World's Fair Grounds, the Battery, Central Park and Triborough Bridge, the long distance onlooker correctly named each of them. "All the New York that I've read about", he exclaimed, "is pictured right here before me."

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YOUTH RISKS LIFE TO GET TELEVISION TUBES

While the blase older generation may wait patiently for the development of television, a 17-year-old New Yorker willing risked his life to obtain television tubes.

Ellery Price, accused of stealing a carton of television tubes from the sixth-floor television studios of the Columbia Broadcasting System in the Grand Central Terminal Building, was held in \$500 bail by Magistrate Robert Mahoney, pending a hearing.

As the police told the story, young Price hid in the sixth-floor washroom of the building Saturday night last and waited several hours until every one had left the studio.

Then he stepped through a window onto a perilous, narrow ledge, seventy-five feet above street level, and inched himself along until he reached a window of the studio. The police said he forced open a window, crept through the dark to a storeroom and selected the carton of tubes.

Risking his life a second time, he retraced his steps along the dangerous ledge. He re-entered the washroom through the open window, opened the door and started out of the building. He was arrested, however, as he was leaving the Terminal Building with the carton under his arm.

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MBS AND CBS BILLINGS IN FEBRUARY INCREASE OVER 1939

Billings of the Columbia Broadcasting System in February were \$3,330,627, an increase of 31.0 percent from 1939 but a decrease of 7.2 percent from the month before. For two months of 1940 the total was \$6,919,616, an increase of 32.7 percent from 1939.

Billings of the Mutual Broadcasting System in the latest month were \$337,647, a rise of 6.3 percent from the month before and an increase of 22.1 percent from February, 1939. For two months of 1940 the total was \$655,378, an increase of 10.8 percent from 1939.

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The report on Canadian radio set sales attributed to the Canadian Pacific Railroad in the February 23rd Business Letter should have read Canadian Radio Patents, Ltd.

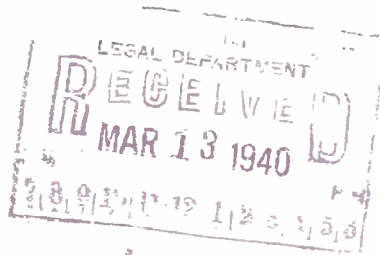
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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1216

g. H. J. W.

March 12, 1940

FCC TO MOVE CAUTIOUSLY IN "F.M." INQUIRY

Despite admitted improvements in radio transmission offered by frequency modulation broadcasting, the Federal Communications Commission has indicated it will keep a restraining hand on the development of "F.M." because of the effect a revolutionary change would have on investments of both the listening public and the radio industry.

Some of the present curbs on "F.M." broadcasting are expected to be removed, however, and more waves doubtless will be made available in view of the large demand for channels. Following the hearing, which starts next Monday, members of the FCC will make an inspection trip to see "F.M." stations in operation.

A new obstacle to the broadening of the "F.M." band appeared this week when educational interests disclosed that they will resist any encroachment on the channels allocated to them by the FCC.

The hearing was called by the Commission primarily because of the considerable number of applications being filed for aural broadcast stations to operate on frequencies above 25,000 kilocycles employing frequency modulation and rendering program service to the public, the FCC said this week.

"The Commission concluded that it was in the public interest to ascertain if such stations had reached 'a stage of development that is acceptable for rendering regular as distinguished from experimental broadcast service to the public', FCC release stated. "This, including as it does the problem of the relative merits of frequency and amplitude modulation, is the first and principal topic of the agenda for the hearing, the other subjects being ancillary. Thus, among the matters noted, further consideration will be given to the questions whether frequencies allocated to aural broadcasting above 25,000 kc. are adequate for rendering a satisfactory and widespread service, and what additional frequencies, if any, are available or necessary to meet the capacities and needs of such aural broadcasting.

"It was not the purpose of the Commission to inquire into broad allocation problems affecting services other than aural broadcasting. This limitation, however, is not intended to preclude testimony pertaining to the suitability of forms of modulation for other services, or to preclude general testimony respecting the effect upon the present allocations to other particular services by the adoption of different channel widths than are now recognized.

"The Commission is particularly interested in obtaining as much factual data as possible based upon tests and operations that may be pertinent or material to the questions propounded by the topics on the agenda."

The National Association of Broadcasters is watching the new development with keen interest. In a report to its membership on "F.M." recently, the NAB said:

"No one can tell at present what will be the future of F.M. as far as the broadcasting industry is concerned. Its development involves the general use of special receivers. None of the regular receivers now in use are suitable for receiving F.M. and there are some forty-four million receivers in the United States. On the other hand, there are indications of considerable developments both from the transmitting angle as well as the receiver manufacturing angle. It is not impossible that we may find in the not too distant future that broadcasting has developed into two bands - one the regular broadcast band and the other the F.M. band. No doubt, for some time it will be necessary to have a certain number of stations in the regular broadcast band to provide service to much of the rural and sparsely settled sections of the country, particularly in the plains states. Of course, the use of two bands for receiving broadcasting would increase the cost of receivers. It is not impossible either that F.M. may be generally adopted in years to come, and if such is the economic and technical trend of this new development, there will be required a transition period during which the auxiliary F.M. station gradually changes to the main station and the A.M. station fades into an auxiliary to be ultimately abandoned. However, the information available at this time is insufficient for any reliable prophesies to be made.

"Some of the advantages of Frequency Modulation transmission and reception are so marked that it should command the greatest attention from the broadcast industry, in order that the full "system" possibilities might be determined. Many of the questions concerning Frequency Modulation undoubtedly will be answered during the Federal Communications Commission's hearing on March 18th."

The principal testimony will be given by spokesmen for the recently organized Frequency Modulation Broadcasters, Inc., headed by John Shepard, III, President of the Yankee Network, and by Maj. Edwin H. Armstrong, developer of "F.M.", who will be the star witness.

This organization, which claims an investment of \$1,500,000 in equipment and engineering research by its members, will ask the FCC for the following concessions, among others:

That the granting of regular licenses, rather than those giving experimental status only, be permitted.

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That the power limitation on F.M. transmitters be raised from one kilowatt to 50 kilowatt.

That a minimum separation of 200 kilocycles between adjacent F.M. channels is, in this group's opinion, essential to accommodate facsimile by multiplex (simultaneous) transmission, and because of the fact that narrow band transmission may be carried on within such channels

That more than five adjacent channels for F.M. are essential.

That the 41 to 43 megacycle band should be allowed to stations using F.M., and that the 26 megacycle band, now assigned to F.M., should be allocated to other services.

That, 15 channels will not prove sufficient for the needs of F.M. and immediate provision should be made which will insure the availability of additional channels in the near future. From the point of view of receiver design, the additional channels should be as nearly adjacent as possible - insofar as this can be accomplished without undue injury to other services.

That there should be separation distances for stations on the same channel and on adjacent channels for varying power.

That the Commission should set an established policy of permitting rebroadcasts between stations, subject only to permission of originating stations as is the rule in the regular broadcast band.

That the Commission set an established policy of permitting relay stations using F.M., thereby making possible high fidelity network operation.

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COMMISSIONER CASE REPORTED IMPROVING

Commissioner Norman S. Case, of the Federal Communications Commission, is reported to be steadily improving in his fight against pneumonia with which he was stricken more than a week ago. He is said to have passed the crisis last Friday. Commissioner Case is at his home, 4706 - 17th Street, N.W., in Washington.

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FCC EXPLAINS RULES REGARDING POLITICAL BROADCASTS

Because of repeated requests for information as to the use of broadcasting facilities for the discussion of political issues and by candidates for public office, the Federal Communications Commission this week issued a statement outlining the provisions of law and regulations covering the subject.

It was explained that the FCC statement was made merely for its informational value and not to put the Commission "on the defensive".

"Broadcast stations are licensed to serve the 'public interest, convenience and necessity'", the FCC explained. "This carries with it obligation on the part of stations to provide opportunity for well-rounded rather than one-sided discussion of public controversial issues and to render a program service in the general public interest. However, there is no requirement, express or implied, that the broadcast facilities must be afforded for the use of any particular individual or organization.

"Section 3(h) of the Communications Act of 1934, as amended, expressly provides that a person engaged in radio broadcasting shall not be deemed a common carrier. In this respect broadcasting is unlike telephone, telegraph, or cable service. Accordingly, a broadcast station may refuse the use of its facilities to any particular person or group, even though offer is made to pay for the time.

"However, Section 315 of the Act stipulates:

"'If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station, and the Commission shall make rules and regulations to carry this provision into effect: Provided, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate.'

"This provision does not apply to persons other than the legally qualified candidates themselves but does require that, if a broadcast station permits the use of its facilities by a candidate, equal opportunities in the use of the station shall be afforded all other legally qualified candidates for the same office.

"The Commission's Rules Governing Standard Broadcast Stations more specifically define broadcasts by candidates for public office in the following language:

"Section 3.101 General requirements. - No station licensee is required to permit the use of its facilities by any legally qualified candidate for public office, but if any licensee shall permit any such candidate to use its facilities, it shall afford equal opportunities to all other such candidates for that office to use such facilities, provided that such licensee shall have no power of censorship over the material broadcast by any such candidate.

"Section 3.102 Definitions. - The following definitions shall apply for the purpose of Section 3.101:

"(a) "A legally qualified candidate" means any person who has met all the requirements prescribed by local, state, or federal authority, as a candidate for the office which he seeks, whether it be municipal, county, state, or national, to be determined according to the applicable local laws.

"(b) "Other candidates for that office" means all other legally qualified candidates for the same public office.

"Section 3.103 Rates and practices. - The rates, if any, charged all such candidates for the same office shall be uniform and shall not be rebated by any means, directly or indirectly; no licensee shall make any discrimination in charges, practices, regulations, facilities, or services for or in connection with the service rendered pursuant to these rules, or make or give any preference to any candidate for public office or subject any such candidate to any prejudice or disadvantage; nor shall any licensee make any contract or other agreement which shall have the effect of permitting any legally qualified candidate for any public office to broadcast to the exclusion of other legally qualified candidates for the same public office.

"Section 3.104 Records; inspection. - Every licensee shall keep and permit public inspection of a complete record of all requests for broadcast time made by or on behalf of candidates for public office, together with an appropriate notation showing the disposition made by the licensee of such requests, and the charges made, if any, if request is granted.'

"The Commission's Rules and Regulations do not impose any requirements as to the rendering of free service by broadcast stations. This is a matter to be determined by the individual stations themselves.

"With respect to program content, Section 326 of the Communications Act provides:

"Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.'

"The express prohibitions contained in the Communications Act with respect to program content are: the prohibition against the broadcasting of lottery information contained in Section 316, and the provision of Section 326 that no person 'shall utter any obscene, indecent, or profane language' on the air."

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EDUCATORS TO FIGHT FOR SCHOOL CHANNELS

Headed by Commissioner John W. Studebaker of the United States Office of Education, nearly three-score representatives of educational organizations throughout the country have indicated they will give testimony at the frequency modulation hearings to be started by the Federal Communications Commission next Monday, March 18th. They have asked for time through Dr. Willard E. Givens, Executive Secretary of the National Education Association.

The approaching hearing has taken on an international aspect through the applications of Canada and Russia for permission to have engineers attend the hearing. The Canadian application came from the Department of Transport of the Dominion, and that of the Russians was from S. Savin, Vice President of Glavesprom of U.S.S.R., who asked permission to have three engineers attend the hearing. Canada indicated it would send one observer.

Those interested in educational broadcasting are not opposed to frequency modulation. On the other hand, it was indicated by Dr. Belmont Farley of the National Education Association they are interested in frequency modulation for educational broadcast purposes because of the lower price of the equipment and the reduced cost of operation when compared to the present amplitude system. Their testimony before the Commission will oppose any proposal to take their present band from 41,000 to 42,000 kilocycles away for the purpose of giving it to commercial frequency modulation.

While it was said at the FCC that only three educational stations have been licensed since the band allocations were made in 1938, it was pointed out at the Educational Association headquarters that some cities are planning to establish stations. The lack of funds was indicated as the primary reason why more stations have not been licensed. The educational broadcast systems provide for the purchase of the transmitters and the receivers which would be in the classrooms.

Use of frequency modulation in educational systems, Dr. Farley said, would make it possible to increase the scope of special instruction. Under present conditions, a special teacher must visit each school to give instruction, but with radio it would be possible to give lessons simultaneously to all classes in a school system from one central point, thus saving the time of the specialist going from school to school.

It was emphasized that in periods of epidemics when schools are closed to avoid spread of diseases, loss of time can be avoided by giving the instruction over the air to the pupils in their homes.

3/12/40

The National Congress of Parents and Teachers has notified the Commission that it plans to have three witnesses at the hearings. They are Mrs. J. K. Pettengill of Chicago, President; Dr. William McKinley Robinson, of Kalamazoo, Mich., a member of the Executive Committee, and Mrs. M. T. Bannerman of this city, Chairman of Legislation. I. Keith Taylor, Director of Evaluation of School Broadcasts of Ohio State University, also has asked for time to give evidence in support of the present allocation for school broadcasts.

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PEPPER ASKS MONTH'S NOTICE BEFORE FCC ACTION

A bill seeking to amend Section 309 of the Communications Act by adding a requirement that no station license shall be granted, modified, or renewed until after four weeks' notice published by the Federal Communications Commission, was introduced last week by Senator Pepper (D.), of Florida.

The amendment follows:

"c) No application for a station license or for the renewal or modification of a station license shall be approved prior to the expiration of four weeks after the first notice of such application is published. The Commission shall cause such notice to be published once a week for four consecutive weeks in a newspaper of general circulation in the county in which it is or is to be located. The expense incident to such publication shall be paid for by the applicant at the time such application is filed. Such notice shall contain a statement that objections in writing to any such application may be filed with the Commission prior to the expiration of the four weeks' publication period and that a public hearing will be held if a request is made therefor prior to the expiration of such period. If any person so requests a hearing on any such application, the Commission shall hold a public hearing in such town, city, or county or in the District of Columbia, as the Commission may determine. Notice of such hearing, including the time and place thereof, shall be given to the applicant and to any such person requesting a hearing, and an opportunity to be heard at such hearing shall be afforded to all interested persons. Such hearing may be held by the Commission, by an individual Commissioner, or by any officer or employee of the Commission designated by it for that purpose."

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FCC GETS QUEER QUESTIONS IN A DAY'S MAIL

"Do you have to have a license to transmit by radio if you can't be heard in any other State?"

Such is one inquiry in a day's mail received by the Federal Communications Commission. The answer to this particular question is simple: The courts have held that a radio signal is interstate in character and that the Communications Act applies to all stations which produce radio emissions intended for reception. It is an established engineering fact that in any use of radio the signals will at times have effects which extend beyond the borders of a State, or interfere with transmission to or reception from other States. Accordingly, any person building or operating a radio transmitter is required to obtain a license from the Commission.

Another mail "I.Q." involves permission to construct a private telegraph line from a boy's house to a friend's house. The Commission has no jurisdiction over such private circuits. Any legal requirements rest with the State or municipal authorities.

Still another writer complains about a local telephone service. The jurisdiction of the Commission is limited to the regulation of interstate and foreign communication by wire or radio. Authority over local exchange and intrastate toll service was, by the Communications Act, specifically exempted from the Commission's jurisdiction and reserved to the respective State regulatory bodies.

Another complaint relates to interference with radio reception by emissions of a local power company. Though the Commission has no authority in this matter, it is glad to refer the complaint to the company involved. Complainants are usually in position to furnish information of value in locating interference conditions.

Under the Communications Act, individual licenses for all types of radio services - broadcast, amateur, commercial, etc. - are restricted to citizens. Broadcast station licenses are denied corporations "of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives".

Acts of Congress have repeatedly indicated a national policy against possible control of radio facilities by aliens. Accordingly, the Commission's regulations forbid location of an amateur station on premises controlled by an alien. This invites presentation of many problems, usually decided by the statement that, in view of its obvious purpose, the rule applies to an entire residence and is not avoided by nominal rental of a room from an alien parent to another member of the family who is a minor.

Another question that never stays answered is: "How much does it cost to build a commercial radio broadcast station?" The frank reply must dissuade some would-be operators. One hundred watts is the minimum power considered capable of rendering appreciable service. The approximate cost to construct such a station is between \$5,000 and \$8,500.

Complaints about individual radio programs run the gamut from taking issue with an announcer's English and differing with a speaker's conclusions to objecting to advertising and protesting refusal of time on the air. In such cases the Commission has to advise that it has no power of censorship over programs, and that since the Act expressly provides that a radio broadcast station is not a common carrier the Commission cannot compel any station to accept a particular program or to allow someone's favorite performer or speaker to use its facilities. In many cases it refers complainants to the particular station or network involved. Occasionally a complaint alleging unfair competitive practices is received and referred to the Federal Trade Commission.

However, certain things are definitely barred from the air by the Communications Act. Hence, cases which involve violation of the specific injunction against lotteries and obscene language are referred to prosecuting authorities for appropriate action. Also, the Commission can and does review the general public service rendered by stations in determining if renewal of license is in the public interest. The statute requires the Commission in acting upon renewals to consider the same factors as it must consider before granting a new application. In either case the service proposed to be rendered to the public is the dominant consideration.

Numerous letters erroneously attribute a broadcast "code" to Commission regulation. This is really a code of ethics adopted by the National Association of Broadcasters, and the Commission has no jurisdiction in the administration of its provision. Adoption of the code is not a substitute for compliance by a licensee with duties under its license and the Act. The code represents the efforts of the broadcasters themselves to impose self-regulation in addition to the absolute requirements of the law.

In reply to a currently recurring inquiry, the Commission has to report that it is without authority to require a broadcast station to make frost warning announcements. On the telegraph side of its incoming mail desk, the Commission is in receipt of complaints that these carriers should now recognize "airmail" as one word, and charge accordingly.

Some persons have a mistaken notion that the Commission can recommend schools and publications, or find jobs for them in the broadcast industry. As for applications for positions with the Commission itself, with few exceptions the entire personnel is under Civil Service and its occasional vacancies are filled from those ranks.

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::: TRADE NOTES :::
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The Department of Commerce has issued world radio market reports covering the following countries within the last week: Spanish Morocco, Colombia, Iran, Switzerland (regulations), Angola, Spain, and Cuba (regulations).

Walter Logan, Musical Director of Station WTAM of the National Broadcasting Company, and nationally known composer and violinist, died this week in Cleveland at the age of 63 after an illness of six months. Mr. Logan had been associated with WTAM since 1923 and had conducted many NBC network programs. He formed the nucleus of the Cleveland Orchestra and was active in the development of many other musical groups.

The Cincinnati Enquirer entered the newscasting field March 1 with an announcement that it had made available its 24-hour Associated Press leased wire service reports to radio stations WLW and WSAI, Crosley stations.

Under a resolution passed by the Executive Committee of the A.P. Board of Directors last May permitting member papers to sell news for broadcast purposes, with or without commercial sponsorship, the Enquirer automatically began paying a basic 25% additional assessment to the A.P.

The National Carbon Company has scheduled an advertising campaign in newspapers in nine major markets for its new Eveready Mini-Max "B" battery for portable radios. The product makes use of other batteries of equal capacity. Some thirty makers of portable radios have designed sets using the battery. J. M. Mathes, Inc., is the agency.

Eighty thousand contributions toward the \$1,000,000 Metropolitan Opera Fund have been made by radio listeners who appreciate the regular Saturday afternoon broadcasts of the opera, it was announced Sunday. The contributions have been received by the Radio Committee, of which David Sarnoff is Chairman, and Mrs. August Belmont and Miss Lucrezia Bori, Vice Chairmen. Gifts from radio listeners have come from every State, the District of Columbia, Canada, Switzerland, France, the West Indies and Chile. The radio audience in New York State has made the largest number of donations, 14,882. Pennsylvania, with 7,681 contributions, is second, and California, with 6,831, is third. The contributions from Massachusetts total 6,082, from New Jersey, 4,145, and from Connecticut, 2,292.

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A.P. MOVES TO LIBERALIZE RADIO ACTIVITIES

Confronted with the need for increased revenue to meet the increased costs of news collection, the Associated Press is currently polling its membership by mail to determine "the advisability of liberalizing radio activities to make possible a larger income and at the same time enable the Association to meet, insofar as is appropriate, the radio policies of competitors", according to Editor & Publisher.

A single question has been submitted to the membership, accompanied by a letter dated Feb. 29 and signed by Robert McLean, Philadelphia Bulletin, President of the A.P. The letter points out that the Board is seeking an expression from the members on this long-controversial issue to guide it in any action it suggests to meet the revenue situation. It is understood the Board and the membership will act on the matter at the annual meeting, to be held in New York April 22 at the Waldorf-Astoria.

A "Yes" or "No" answer is requested from each member on the following question:

"Do you favor the Associated Press liberalizing its radio activities to the extent that necessary revenue therefrom can be provided to meet the increased news collection costs which confront the Association?"

Mr. McLean's letter recalls the adoption of a resolution by the members at the 1939 meeting, urging the Board of Directors to consider again the use of A.P. news in the broadcasting of sponsored programs, and the subsequent action taken by the Executive Committee May 24, when a set of tentative rules and regulations governing the use of news in sponsored programs was adopted, and subsequently approved by the Board and modified in January of this year. "The steps that have been taken, however, have not been productive of much increased revenue", Mr. McLean told the members.

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PAPER USES SHORT-WAVES TO SERVE CLIENTS

The Chicago Daily News foreign news service has inaugurated short-wave radio transmission, via Press Wireless, Inc., to serve several West Coast newspaper clients with Daily News foreign dispatches, effective March 1, it was announced last week by Lynn E. Aldrich, Daily News Treasurer.

Short-wave broadcasting of dispatches to the West Coast eliminates wire costs and the daily file of foreign news is sent in code "F-O-B the air", Mr. Aldrich explained. Clients are responsible for reception and cost of receiving, under this plan.

Newspapers having radio station affiliations can arrange for reception of the short-wave broadcasts, or a paper can delegate a local amateur short-wave radio operator to translate the messages. Either method represents a saving in transmission costs across the continent. Press Wireless broadcasts from Long Island, N.Y., the dispatches over a special short-wave length from 8:30 to 10:30 A.M., E.S.T. Latest addition to the list of clients receiving Daily News foreign service is the London Telegraph.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1217

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"F.M." HELD PROMISING FOR MILITARY COMMUNICATIONS

Frequency modulation, which will be the subject of a hearing before the Federal Communications Commission beginning next Monday, March 18th, has distinct possibilities for military communications, according to Capt. K. M. Soukaras, of the U. S. Signal Reserve Corps, Washington, D. C.

Writing in the current "Signal Corps Bulletin", Captain Soukaras discussed the new form of radio transmission in non-technical language.

"Transmission of intelligence by radio is normally effected by radiating into space a modulated carrier wave which, when received at the point of service, is suitable transformed back into the original intelligible signal", he said. "In the past amplitude modulation has been used almost exclusively. At the present time considerable interest has been aroused in the use of frequency modulation, which is thought to possess far-reaching possibilities in the communications field, both for commercial and military application.".....

"A radio carrier wave is a sinusoidal alternating electro-magnetic wave of high frequency. As such, it has, in common with all natural waves, amplitude, frequency, phase angle, and speed of propagation. For radio the last is a natural constant and cannot be changed. The other three properties of the wave, however, may be subjected by suitable means to a periodic change which is slow compared to the carrier frequency, thereby giving rise to amplitude, frequency, and phase modulation.

"In pure amplitude modulation, the period and phase of the high frequency carrier remain constant, while the amplitude of the carrier is made to vary in accordance with the instantaneous amplitude of the modulating signal wave.

"In frequency modulation, the carrier amplitude remains constant, while the frequency of the carrier is made to vary above and below its nominal unmodulated value in accordance with the instantaneous amplitude of the modulating signal wave.

"At the transmitter end either one of the above methods for modulating the carrier may be used. The propagation in space is carried out by well known natural laws and is beyond the control of man. At the receiver the reproduction of the original signal can normally be effected by only one means, that of the well known rectification process, regardless of the method originally employed for modulating the carrier. This means that phase and frequency modulation must be changed to amplitude modulation at the receiver in order to recover the original signal.

"There are many military situations and instances in which radio by necessity becomes the only satisfactory means for signal communication. For example, distances between points may be great, the terrain may be unfavorable for the employment of some other means of signal communication, or there may arise an urgent necessity for the immediate transmission of a message. In such cases radio is extremely useful and effective. Nevertheless, radio appears to suffer from two distinctly serious disadvantages: (a) it is not secret, and (b) transmissions may be interfered with by enemy jamming. Here is where it is believed that frequency modulation will find its greatest usefulness for military application. Frequency modulation is seriously thought to possess distinct possibilities in providing secrecy of messages and in greatly reducing all types of interference, whether man-made or nature-made.

"Frequency modulation is well adapted to radio communication utilizing the ultra-high frequencies, that is, that part of the radio spectrum above 30 megacycles, where transmissions are normally along the line of sight and do not go appreciably below the horizon. For radio telephony, secrecy of messages may be insured by employing single side band transmission in conjunction with the inversion of speech. On the other hand, unwanted noise and interference may be suppressed by employing wide frequency swings of the frequency modulated carrier, which in regard to adequate channel separation is a problem of rather small consequence when ultra-high frequencies are used. For military application, frequency modulation has additional advantages over those already mentioned. The cost, weight and bulkiness of the frequency modulation transmitter are considerably reduced in comparison to the ordinary amplitude modulation transmitter without adding in any way to the complexity of transmitter-receiver operation which is just as straight-forward as that of the well known amplitude modulation case. In addition, for the same effective carrier output, the input of a radio-telephone frequency modulation transmitter is one-half of the corresponding input of an amplitude modulation transmitter. This is of particular significance to airplane radio-telephone sets.

"In addition to the Armstrong system of modulation there are other, and perhaps simpler, methods to produce frequency modulation at the transmitter. For example, it is well known that the frequency of oscillation in a vacuum tube oscillator is mainly determined by the inductance and capacitance of its tank circuit. Frequency modulation is readily accomplished by periodically varying either the inductance or capacitance of this circuit, the rate of frequency variation and the magnitude of the variation from the mean nominal frequency being small in comparison with the natural frequency of the circuit.

"A frequency modulation receiver is similar to a conventional superheterodyne receiver with the addition of the conversion circuit or slope filter and of a limiter, so-called because it limits or cuts off any unwanted amplitude modulation in such a way that only the frequency modulation components of the signal may be received. The frequency modulation receiver consists of

the conventional radio-frequency amplifier, first heterodyne detector, intermediate frequency stages, limiter, frequency-amplitude conversion circuit, and second detector followed by the audio output stages. The limiter is simply an overloaded or saturated amplifier tube such that its output remains constant regardless of the changes in its input. In this manner all unwanted amplitude modulation that may have found its way into the desired frequency modulation may be removed.

"In frequency modulation, it is the wide frequency swing of the carrier at the transmitter and the limiter action in the receiver which provide the fundamental means of noise and interference suppression.

"When two adjacent channel frequency modulated signals have their carrier frequencies separated by less than the total signal band width occupied by each signal, interference does exist. Therefore, to prevent mutual interference between two adjacent frequency modulated signals, the respective carriers must be separated by a frequency interval at least equal to the total signal band width occupied by each signal. Since in radiotelephony employing frequency modulation, in order to provide adequate noise suppression, a wide frequency shift of the carrier is required which is normally of the order of 80 to 100 kilocycles, a channel separation of 200 kilocycles wide has been assigned by the Federal Communications Commission for frequency modulation broadcasting. Another reason for using such wide frequency swings with ultra-high frequency carriers is to provide the equivalent of 100 per cent frequency modulation analogous to the 100 percent modulation of the corresponding amplitude modulation case. A frequency modulated wave is said to be completely modulated when the resulting side frequencies are sufficiently large with respect to the carrier as to produce at the receiver 100 percent modulation in amplitude, after frequency modulation has been suitably transformed into amplitude modulation.

"Frequency modulation will probably find its greatest all-round usefulness when employed at the ultra-high frequency end of the radio spectrum, particularly the centimeter range. The simultaneous operation at the ultra-high frequencies of frequency modulation transmitters separated from each other by comparatively short distances without producing mutual interference is possible provided the respective carriers are separated by frequency intervals equal to the total side band width occupied by each signal. Separation of the carriers by less than this amount will produce particularly strong interference. On the other hand, due to the optical transmission properties of the ultra-high frequencies, it is possible to operate several transmitters simultaneously on the same carrier frequency provided the physical separation between transmitters is such as to sufficiently attenuate the unwanted signal, which is then rejected by the frequency modulation receiver as unwanted interference. Cross modulation does not obtain with frequency modulation. Finally the problem of frequency allocation when ultra-high frequencies are used is generally considerably simplified. The demand for frequency modulation will inevitably become more insistent with time, both for commercial and military application."

"F.M." HEARING TO RECESS FOR WEEK-END

The Federal Communications Commission announces that its informal engineering hearing on aural broadcasting, to begin Monday, March 18th, will be adjourned Friday and Saturday in order to devote that full time to Commission meeting and other routine business.

The "F.M." hearing is expected to last ten days or two weeks and will decide for the present the fate of nearly 100 applications now pending before the Commission from broadcasting groups which seek licenses to establish "F.M." stations in their territories. Many of the nation's oldest and best-known broadcasters are represented in the roster of applications.

Among the matters sought by the F.M. exponents at their Washington hearing are an equal status with present broadcasting stations using conventional "amplitude modulation", the establishment of a new "F.M." band in the ultra-high frequency spectrum, a power maximum of 50,000 watts instead of 1000 watts, and the use of 200 kilocycle separation between stations for best results.

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G.O.P. OR NEW DEAL, RADIO WILL WIN IN 1940

Regardless of whether the Republicans return to power or the New Deal remains entrenched in Washington, the radio broadcasting industry stands to win some substantial earnings in 1940.

Estimates that "several million dollars worth of political time placements" will be made on the nation's radio stations between now and the November elections are carried in the current Broadcasting magazine.

A check at Republican and Democratic party headquarters, the trade periodical states, shows that at least as much money will be spent for radio time in the Summer and Fall as was expended in 1936. That was \$850,000 by the Republicans and \$600,000 by the Democrats. This does not include money expended on local contests.

Independent stations stand to gain by the inability of the networks to clear commercial hours for the political candidates, it was said. Many transcriptions are to be used in spot broadcasting throughout the country. Network billings in 1936 for national campaigns aggregated \$1,275,000.

Robert I. Berger is expected to handle radio contacts for the Republicans and Wells (Ted) Church for the Democrats again, the magazine stated.

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CROSLEY GRANTED C.P. FOR "F.M." STATION

The Crosley Corporation this week was granted a construction permit by the Federal Communications Commission for a new experimental high frequency broadcast station to employ frequency modulation, to be located in Cincinnati, Ohio. The applicant proposes a broad investigation of the relative merits of frequency modulation and the present standard broadcast system, and of wide and narrow band frequency modulation in transmitting high fidelity programs, with attention to receivers suitable for dual operation.

The station proposes to operate on 43200 kilocycles, 1 kilowatt special emission for F.M., unlimited operation. The antenna is planned atop the Carew Tower, Cincinnati. The permit is granted upon an experimental basis only, subject to change or cancellation by the Commission at any time, without notice or hearing, if need for such action arises.

This application was filed by the Crosley Corporation pursuant to announcement by the Commission on December 19, 1939, that, pending outcome of the informal engineering hearing on aural broadcasting to begin March 18, it would grant the following classes of applications:

(a) Applications for permission to carry out programs of fundamental research not authorized in the past and which show satisfactory promise of being able to contribute substantially toward the development of aural broadcasting service, and

(b) Applications filed by existing licensees to experiment with aural broadcasting on frequencies above 25000 kilocycles, provided the request to operate additional stations involved a program of experimentation directly related to the existing station.

At the same time the Crosley application was granted, the Commission authorized Westinghouse Electric & Manufacturing Co. high frequency broadcast station WLXK to move its transmitter from Boston to Hull, Mass., for operating on 42600 kilocycles, 1000 watts, special emission for F.M., and approved request by General Electric Co. to move the transmitter of its high frequency broadcast station W2XOY from Albany, N.Y., to New Scotland, N.Y., to increase its power from 150 to 1000 watts and install new equipment for operating on 43200 kilocycles, special emission for F.M.

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Grant of a construction permit to the Presque Isle Broadcasting Co. for a new station at Erie, Pa., was affirmed by the Federal Communications Commission this week. The action was taken after consideration of exceptions and briefs filed by Stations WLEU at Erie, and WWSW, at Pittsburgh. The Presque Isle Broadcasting Co. is authorized to operate unlimited time, using the frequency 1500 kc, with daytime power 250 watts, nighttime 100 w.

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MACKAY DENIED PERMIT FOR ROME SERVICE BY FCC

Existing cable and radiotelegraph facilities between the United States and Italy are adequate to handle present or prospective traffic, the Federal Communications Commission asserted this week in denying the application of Mackay Radio & Telegraph Company, Inc. (Dela.), for modification of the fixed public service licenses of point-to-point telegraph stations WJD, WDU, WMK and WID to add Rome, Italy, as a primary point of communications.

Upon consideration of all the facts of record the Commission concludes in its Findings of Fact and Conclusions that:

"The applicant does not propose to lower the existing rates or to offer new classes of service, but proposes to render a service similar to that now available to the public over existing routes. There has been no complaint from the public as to the service now available to it by means of existing systems. It does not appear that the proposed service of the applicant would be superior to the service of the existing carriers, or that the effect of the proposed operation would be to improve the existing service. Nor does it appear that the needs of the national defense would be better met by the addition of the proposed circuit. The record does not provide any sound basis upon which it may be determined that any substantial increase in the traffic between the United States and Italy will occur through the proposed operation or that the added facilities will create new traffic. The traffic and revenue secured by the applicant would for the most part come through diversion from and at the expense of the carriers now in the field. There is at the present time keen competition for the Italian traffic between American carriers. The traffic and revenue available do not justify intensifying the existing competitive situation or the resulting reallocation in view of the other facts of this case. Under the provisions of the agreement between the applicant and its foreign correspondent, traffic from the United States to Egypt, Palestine and Syria, handled via the proposed circuit, would be carried by the applicant at a substantial loss to itself, and traffic to all of the hinterland countries referred to in these findings would produce less revenue for the applicant's system than the same traffic would produce if handled via the facilities of the Commercial Cable Company. The proposed circuit has not been shown to be necessary to the continued existence and public service of the applicant or its affiliated companies as competing factors in international communications.

"In light of the foregoing facts and of the entire record in this proceeding, the Commission concludes that public interest, convenience, or necessity will not be served by the granting of these applications."

Commissioners Walker and Thompson dissented.

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TIME EXTENDED FOR MAKING POWER MEASUREMENTS

While the State Department waited for Mexico to file with the Cuban Government at Havana its ratification of the North American Radio Treaty, the Federal Communications Commission this week notified all standard broadcast stations that the time for making required power measurements has been extended.

The State Department has been advised that the Mexican Ambassador to Cuba is enroute to Havana to deposit the signed treaty and thus pave the way for a general reallocation of frequencies in this country.

The FCC in its notice to licensees said:

"Under date of January 25, 1940, Mexico ratified the North American Regional Broadcasting Agreement. In order to place the allocation plan set forth in this Agreement in effect, the frequency assignments of a majority of standard broadcast stations must be changed. Resistance measurements made in accordance with the Standards of Good Engineering Practice for the presently assigned frequencies will not be sufficiently accurate for the frequencies assigned under the Agreement.

"The time within which existing standard broadcast stations shall have made the necessary measurements and obtained authority to determine the operating power by direct measurement of the antenna power as required by Section 3.51(a) (2) is hereby extended from July 1, 1940, to December 1, 1940.

"This in no way affects the requirements as now set forth in Section 3.51 with respect to new standard broadcast stations, nor does it affect the requirements of the Standards of Good Engineering Practice in that the power shall be determined by the direct method when making field intensity measurements."

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KWBD SHOW CAUSE ORDER ISSUED BY FCC

On the ground that he apparently made false and misleading statements relative to his financial condition, the Federal Communications Commission has ordered W. B. Dennis to show cause on or before March 29, why the construction permit issued to him July 12 last for a radio broadcast station at Plainview, Texas, should not be cancelled.

The call letters KWBD were assigned to the station, which proposed to operate on 1200 kilocycles, 100 watts power, daytime only.

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WALKER INSPECTS DON LEE TELEVISION STATION

Paul A. Walker, member of the Federal Communications Commission, last week inspected the Don Lee television station W6XAO.

The Commissioner's visit followed closely upon the heels of another test given Thomas S. Lee's plant a few weeks ago by Bernard H. Linden, FCC Inspector in charge of the Southwest District.

Mr. Walker's arrival marks the first visit of an FCC member to the West in several years, and the fact that he is the only Commissioner who has inspected every television station in the country added much importance to his official inspection.

Since going on the air December 23, 1931, Mr. Lee has presented 6,000 hours of entertainment in more than 2,550 separate programs to Los Angeles' several hundred home television receivers

During his visit in Hollywood Commissioner Walker was conducted through the television studio of W6XAO by Harry R. Lubcke, Director of Television, and Inspector Linden. The party also observed transmissions on several receivers, one seven miles from the transmitter. Close observers declared that Mr. Walker was impressed by both the quality and quantity of program content and the production technique of the nightly shows.

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UNITED STATES-ECUADOR RADIO SERVICE IN PROSPECT

Establishment of direct radiotelegraph service between the United States and Ecuador is in prospect as a result of the Federal Communications Commission adopting Proposed Findings of Fact and Conclusions looking toward R.C.A. Communications, Inc., adding Quito, Ecuador, as a primary point of communication for its point-to-point stations WBU, WES, and WKO, at Rocky Point, N.Y., and as a secondary point of communication for its other fixed stations.

"There are material advantages to be gained by; and, as a matter of international communications policy, there are sound reasons for; the establishment of a direct radiotelegraph service between the United States and Ecuador", declares the Commission. It points out that the only public telegraph service of standard message classification now available between the two countries is offered over the cable system by AACR. Establishment of the proposed service, it adds, would not imperil or seriously affect the ability of AACR to continue its public telegraph service.

Besides offering an efficient public radiotelegraph service of standard international message classifications between the United States and Ecuador, R.C.A. Communications would provide facilities for the transmission of addresses program material for broadcast.

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: : : TRADE NOTES : : :
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The Federal Communications Commission this week adopted an Order granting the application of Southern Bell Telephone and Telegraph Company, Atlanta, Ga., for a construction permit for a coastal harbor station near Charleston, S.C., to operate in the public service using the frequency of 2566 kilocycles with a maximum power of 400 watts, unlimited time, with A2 and A3 emission.

An injunction restraining the publication of a magazine called "Information Please" was granted Wednesday by New York Supreme Court Justice Carroll G. Walter on application of Golenpaul Associates, stagers of the radio skit "Information Please". The court held that the defendants had lost their right to the name after the magazine had ceased publication about two years before the radio production started.

The principal defendants in the suit were Stanley S. Boressoff and Information Publications Corporation. Mr. Boressford is the principal stockholder of the corporation. It issued two numbers of the magazine under the title "Information Please", in 1936. Recently it proposed reissuing the publication.

Revenue from spot and local advertising carried over the 15 stations programmed by NBC in February, 1940, amounted to \$502,400, an increase of 31 percent over February, 1939, when the figure was \$383,100, according to James V. McConnell, National Spot and Local Sales Manager of NBC. The February figure shows the same upward trend of the January, 1940, total of \$516,400, which broke all previous records for the month and marked up a gain of 31 percent over the January, 1939, figure of \$392,700.

Methods of calculating interference as embodied in the Federal Communications Commission's propagation curves, being recognized by the industry as a whole, take precedence over limited measurements, the Commission held this week in affirming its Proposed Findings of Fact and Conclusions of September 16th last, looking to authorizing the Salt River Broadcasting Co., licensee of Station KOY, Phoenix, Ariz., to change that station's frequency from 1390 to 550 kilocycles, the authorized power to remain at 1 kilowatt. The contemplated grant was opposed by the Oregon State Agricultural College, on the ground that it would interfere with operation of the latter's station, KOAC (550 kilocycles, 1 kilowatt), at Corvallis, Ore.

Stations KYUM, Yuma, Arizona, and WFMJ, Youngstown, Ohio, will join the National Broadcasting Company networks on March 15 and 24, respectively, bringing the number of NBC affiliates at that time to 186.

Crosley Corporation and Subsidiary report for 1939 a net profit of \$84,949, equal to 16 cents each on 545,800 no-par capital shares, against \$84,901, or 16 cents, the year before.

Contending the District of Columbia is one of the areas in the United States considered to be receiving the best radio service from a technical standpoint, the American Broadcasting Co., operator of Radio Station WOL, has challenged the authority of the Federal Communications Commission in issuing a license for a new radio broadcasting station in Washington to Lawrence J. Heller. It has asked the Commission to reopen the proceedings and to set the application down for a hearing. Mr. Heller asked the Commission to deny the petition of WOL, holding that a hearing would be but an "empty gesture".

James L. Fly, Chairman of the Federal Communications Commission, and Alfred J. McCosker, President of WOR and Chairman of the Board of the Mutual Broadcasting System, will be heard over WOR Tuesday (April 2) from 9 to 9:30 P.M., in a recorded rebroadcast of the addresses they delivered earlier in the day at the Radio Day luncheon of the Advertising Club of New York. Topics of both speakers will be announced later.

Proposed grant of a construction permit for a coastal harbor radiotelephone station at Cape Girardeau, Mo., to be operated in the public service by Eddie Erlbacher, was announced by the Federal Communications in its Proposed Findings of Fact this week. In connection with his towboat service, Erlbacher proposes to maintain a constant listening watch covering an area of approximately 20 miles. Distress calls, emergency calls, weather reports, river data, lock news, and similar information will be handled without charge. In addition, the station will provide two-way telephone communication between boats within the range of the station and land telephone stations.

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BYRD EXPEDITION RADIO CONTACTS AUTHORIZED

Authority to add the Byrd Little America antarctic and Fahnstock South Sea expeditions to R.C.A. Communications, Inc., point-to-point radio telegraph transmitting station at Rocky Point, N.Y., to enable those expeditions to receive programs especially addressed to them and broadcast by radio stations in the United States, has been granted by the Federal Communications Commission.

It was in the form of special temporary authority for the R.C.A. station to communicate with United States Antarctic Service Division, Department of the Interior, at Little America, and with the Fahnstock South Sea Expedition aboard the yacht "Director II" for contact control purposes only, for a period not to extend beyond the current year, provided that no interference is caused to the regular point-to-point service for which the Rocky Point station is primarily licensed. Additional R.C.A. point-to-point stations at Bolinas, Calif. and Kahuka, Hawaii, are to furnish contacts to the Fahnstock expedition under the same terms.

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RCA MOVES TO EXPAND TELEVISION SERVICE

Applications for licenses to construct and operate television transmitting stations in Philadelphia, Washington and Chicago were filed this week with the Federal Communications Commission by the National Broadcasting Company, it was announced by David Sarnoff, Chairman of the NBC Board, and President of the Radio Corporation of America.

These applications are one feature of a coordinated plan to advance the public services of television on all fronts, Mr. Sarnoff explained.

The initial phase of this plan was launched Tuesday when 400 RCA television merchants met in New York City. New television receiving sets, prices, and program plans were announced at this meeting.

"R. C. A. Communications, Inc., will shortly file applications to cover television relay service between New York and Philadelphia, supplementing the radiotelegraph and facsimile service which this company now renders", Mr. Sarnoff stated. As soon as the New York-Philadelphia television relay service is in operation, additional applications will be filed with the FCC to extend this service to Washington, D. C.

"Our successful experience in the production of satisfactory television programs, and the dependable performance of television receiving sets within a radius of 70 miles from the NBC television transmitter on the Empire State Building, together with the recent favorable action of the Federal Communications Commission with respect to television programs, enable us now to proceed to establish television on a broad public service basis", said Mr. Sarnoff.

The plans of RCA call for three major developments, Mr. Sarnoff stated.

"First, an active merchandising campaign has been announced by the RCA Manufacturing Company, in which the new RCA-Victor television and radio receivers will be offered at moderate prices. The new receivers have been priced on the basis of quantity production before volume sales have been reached, a reversal of usual merchandising methods.

"Second, the present television program service of the National Broadcasting Company, which in the past few weeks has included a Broadway play, an intercollegiate track meet, a panoramic view of New York City from an airplane, and the first television performance of Grand Opera by the Metropolitan Opera Company, will be expanded and improved in variety and extent as rapidly as practicable.

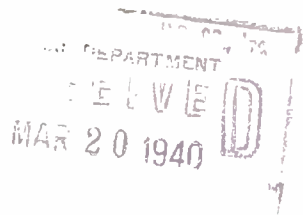
"Third, our invention of an efficient television radio relay system provides the means for interconnecting television transmitters for simultaneous delivery of programs in centers outside New York. Our initial step, the construction of such a relay system between New York and Philadelphia, will enable these two great metropolitan centers to exchange news programs, and the varied forms of education and entertainment made possible by television."

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

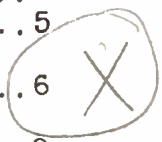
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March 19, 1940

"F.M." MORE IMPORTANT THAN TELEVISION, ARMSTRONG HOLDS

An intimation that frequency modulation broadcasting development will affect more persons than television was given by Maj. Edwin H. Armstrong, noted inventor, as hearings opened yesterday (Monday) before the Federal Communications Commission on the requests of "F.M." sponsors for more channels, greater power, and a lifting of the experimental limitation.

Major Armstrong, occupying the witness stand throughout the first day, defended the system of radio transmission that he has developed in the face of skeptical cross-examination by members of the Commission.

He predicted that FM stations gradually will replace the present day standard AM stations in urban centers because broadcasters, he explained, will want to replace an "imperfect medium" with a "perfect medium".

Rural areas will still have to depend upon standard amplitude modulation stations of today, Major Armstrong said, because of the difficulty in stringing a network of unwired FM stations across an area that can't support it commercially.

The operations of FM stations in the Northeast already have proved them superior in overcoming interference and static and in faithfulness of reproduction to present-day stations, the inventor said. The secret, he added, is the wider wave used in the ultra high frequencies.

Standard stations of today, Major Armstrong observed, cannot achieve high fidelity reproduction on account of "a mistake made by eight wise men, of whom I am one", when Herbert Hoover took steps to regulate the new industry as Secretary of Commerce. The mistake was the limitation of station separations to ten kilocycles, he explained.

There are now three manufacturers making FM transmitters and ten are licensed to produce FM receivers, the witness said. More than 75 applications for construction permits are awaiting action by the FCC.

Television, which only recently was given an "amber light" by the Commission, now stands somewhat in the way of FM broadcasting, a cross-examination of Major Armstrong disclosed, as frequency modulation sponsors want some of the channels assigned to visual broadcasting.

Major Armstrong suggested that television be moved up into the higher ultra high waves. Intimating that FM broadcasting has made greater progress than television, he replied that "a very small portion of the public would be affected" when Commissioner T.A.M. Craven asked whether the public should be deprived of television development to give the FM broadcasters what they wished.

"If I hadn't been burdened with the development of frequency modulation", Major Armstrong said, "I probably could have showed the television people how to use the high frequencies myself."

Chairman James L. Fly remarked that the FCC expected to see some "substantial improvements" in television by September 1st, when the new rules become operative.

An indication that the Radio Corporation of America will oppose any encroachment on the television channels in the bands around 40 megacycles came from Frank W. Wozencraft, counsel of RCA, who insisted that Major Armstrong read additional paragraphs from an RCA report on FM several years ago. The witness had read only a portion which endorsed the system.

Major Armstrong, in explanation, said that engineers of the R.C.A. Communications, Inc., had made one finding, but that RCA engineers had reached an opposite conclusion.

Commissioner Craven several times asked Major Armstrong how many 50 KW. FM stations would be needed to serve the entire country, but the witness insisted that he could not furnish the information. Subsequent witness might, he added.

Major Armstrong said that the primary service area of FM stations would be larger than that of standard stations of the same power and the clearness of signals considerably greater. FM stations, however, have no secondary service area, he added.

Relay distances, without wires, whereby an FM network can operate may be as great as 130 miles, the witness said.

Ten channels in the ultra high frequency band might be satisfactory as a starter for FM expansion, Major Armstrong said, although this would furnish "service of a sort" only in the East. Wide bands will provide much better service, he said, than narrow bands, experiments have shown.

Major Armstrong said that his predictions as to the future of FM, made during an FCC hearing in 1936, had "been borne out in every respect".

Anticipating objections from educational groups, he said he believed that they would want to broadcast with FM equipment once frequency modulation broadcasting is commercialized because it would give them the advantage of proximity to commercial channels on the receiver's dial.

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76 APPLICATIONS FOR FM; 22 HOLD FCC PERMITS

The latest count of applications for construction permits to erect frequency modulation stations is 76, all of which are awaiting the decision of the Federal Communications Commission on the general question of lifting the experimental limitation on FM and assigning it more channels.

Sixteen FM stations are licensed and operating and six more hold construction permits.

FM stations on the air are:

117,430kc.

W2XMN, Edwin H. Armstrong, north of Alpine, N.J., /40,000 watts, 42800 kc.; W2XQR, Bamberger Broadcasting Service (WOR), New York City, 1,000 w., 43,400 kc.; W2XDA, General Electric Co., (WGY), Schenectady, N.Y., 50 w., 43200 kc.; W2XOY, General Electric Co. (WGY), New Scotland, N.Y., 150 w., 43200 kc.; W2XQR, John V. L. Hogan (WQXR), New York City, 1000 w., 43200 kc.; W3XO, Jansky & Bailey, Washington, D. C., 1000 w., 43200 kc.; W9XAO, The Journal Co. (WTMJ), Milwaukee, Wis., 1000 w., 42600 kc.; W2XWG, National Broadcasting Co. (WEAF), New York City, 1000 w., 42600 kc.; W2XAG, Carman R. Runyon, Jr., Yonkers, N. Y., 5000 w., 117190 kc.; W1XPW, WDRC, Inc., Hartford, Conn., 1000 w., 43400 kc.; W8XVB, Stromberg-Carlson Co. (WHAM), 1,000 w., 43200 kc.; W1XSO, Travelers Broadcasting Service Corp. (WTIC), Hartford, Conn., 1000 w., 43200 kc.; W1XSN, Westinghouse E. & M. Co. (WBZA), Springfield, Mass., 1,000 w., 42600 kc.; W8XVH, WBNS, Inc., Columbus, O., 250 w., 43000 kc.; W8XAD, WHEC, Inc., Rochester, N.Y., 1,000 w., 42600 kc.; W9XEN, Zenith Radio Corp., Chicago, Ill., 1000 w., 42800 kc.

FM stations authorized for construction:

W9XYH, Head of the Lakes Broadcasting Co., (WEBC), Superior, Wis., 1000 w., 43000 kc.; W3XMC, McNary & Chambers, Bethesda, Md., 100 w., 42600 kc.; W1KK, Westinghouse E. & M. Co. (WBZ), Boston, Mass., 1000 w., 42600 kc.; W1XTG, Worcester Telegram Pub. Co. (WTAG), Worcester, Mass., 1000 w., 43400 kc.; W1XOJ, Yankee Network, Boston, Mass., 50,000 w., 43000 kc.; The Crosley Corp. (WLW), Cincinnati, O., 1000 w., 43200 kc.

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STATIONS NUMBER 821 AS OF MARCH 1

The Federal Communications Commission issued operating licenses to two stations and granted four permits for the construction of new stations during the month of February. There were 771 stations operating and 50 construction permits outstanding as of March 1, bringing the total to a new high of 821.

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ASCAP HOLDS BUCK ARREST WAS RADIO "BOOMERANG"

The arrest of Gene Buck, President of the American Society of Composers, Authors, and Publishers has done the broadcasters, who instigated it, much more harm than the Composers, according to an official of ASCAP.

"Not the slightest harm of any sort has come to ASCAP as a result of the Buck arrest, nor has any good been done to the cause of the broadcasters", he said. "On the contrary, you would be amazed at the extent of comment written, telegraphed and telephoned that we have received which, to say the least, is very critical of this action upon the part of the broadcasters, and very complimentary to ASCAP as to its purposes, policies and method of operating. The act was a boomerang, and repercussions from it will for a long time be detrimental to the interests of those who fomented the matter.

"As to Buck, personally, I think it may have hurt him physically a good deal. He is not well - he was under tremendous mental strain for a prolonged period prior to the death of his mother, and her passing was a terrible shock. Seeking tranquility in a purely personal capacity out in the middle of the desert, broadcasters arrested him on faked charges at a time and under circumstances when they could give him the greatest inconvenience and personal humiliation. It was a wholly unworthy, unethical, malicious and contemptible act."

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NEW DEVICE HIDES SOURCE OF BBC BROADCASTS

A new secret British radio invention, more complicated, perhaps, in its scientific make-up than the recent electrical device that now enables ships to sail unharmed over German magnetic mines, has placed the British Broadcasting Corporation in the unique position of being able to continue its news and other programs without interruption by Nazi air raiders, according to a London correspondent of the New York Times.

In Germany and, for that matter, France up to a few days ago the approach of hostile aircraft has necessitated closing down the transmitting station in case its radio "beams" should give the airmen a guide to their destination - much the same way as ships are steered in fog by radio beams sent out from shore stations.

Now the British claim to have discovered a means of sending out radio programs without giving a listening airman any directional clue regarding its source, and the discovery is expected to go down in history as one of the outstanding radio achievements of the war.

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USE OF RADIO IN SPECIAL EMERGENCIES CITED BY FCC

There is one class of radio station license issued by the Federal Communications Commission which, though little known, is playing an increasingly important role in the economic life of the nation, according to the Federal Communications Commission. This particular type of license covers special emergency stations. These stations have already demonstrated their value in time of localized stress, and now loom as a valuable adjunct to the linking of communications for widespread protection of life and property.

Special emergency stations have rendered valuable service in regional disasters, such as the New England hurricane and in time of flood when the normal means of communication are destroyed or are rendered inoperative. It would be difficult to obtain information as to casualties and extent of damage, and even more difficult to restore communication, were it not for the temporary facilities which can be rapidly established to meet such emergencies. The use of special emergency stations in this connection is probably the most spectacular use to which these stations are now put.

The Long Lines Division of the American Telephone and Telegraph Company, as well as many local telephone companies, have been issued licenses for special emergency stations. Special equipment has been designed for the purposes. This equipment can be stored in a chest. In time of emergency, it can be loaded in a truck, driven to the scene, and quickly and easily set up for operation. When so used, the design of these stations permits either communication between construction crews at the scene of the emergency or the interconnection of regular land lines in such manner that regular subscriber communication can be re-established.

Aside from service in time of disaster, these stations are in growing daily use by public utilities. For example:

The economic life of our country has become so dependent upon electricity that a sudden and complete disruption of electric service to any large metropolis would make that city practically uninhabitable. The network of interconnecting electric power lines has greatly reduced the hazards which would be created by failure of a single plant. However, constant vigilance is required to maintain the transmission lines, which constitute this network, for the most efficient service. As these transmission lines normally carry very high voltages, and since they cannot be disconnected for any extended period, close coordination is needed between the working parties and the switching central at the power house.

Special emergency stations make this possible. Some utility engineers say the time is rapidly approaching when no power distribution system or gas, oil, or water distribution system operating over a large area will be considered fully equipped unless it has a radio communication system to augment the

wire, telegraph, telephone, and carrier current communication systems.

There is a particular day-to-day emergency demand for radio communication by public utilities within the metropolitan districts. To illustrate: Should an automobile run into a light pole and knock it down, electrical voltages of dangerous potentials are exposed and endanger passers-by. Also, there have been occasions in which a street car has run over a pedestrian and in order to remove the victim it has been necessary to jack up the street car from the rail. Without radio communication, it is necessary for a service truck to be dispatched from some far quarter to the scene even though a truck with proper equipment might be working only a block or two away.

Other emergency services of this nature include repairs of wires downed because of sleet, and restoration of power to hospitals, etc. To meet these situations, the Commission allocates appropriate frequencies and issues authorizations to public utilities interested solely in metropolitan area service.

Inasmuch as the number of frequencies available for such assignment is extremely limited, it is required that those public service units eligible to receive emergency station licenses cooperate among themselves in the choice and use of frequencies so as to avoid duplication and interference. For this and other reasons it has become common practice for various public utilities in a single area to pool their needs, one utility requesting the license and rendering the service while the other utilities receive this service and contribute to the cost of operation on a pro-rated basis.

Recent Commission authorizations illustrate this arrangement. In the New York metropolitan area there are a number of public utilities, including the New York Telephone Company, which are eligible for and have need of special emergency radio communication. In order to reduce the capital investment and to receive the maximum benefits from this type of communication, the New York Telephone Company has taken the lead and is constructing a sufficient number of special emergency stations to serve all utilities in that metropolitan area.

This radio service will be made available for the handling of only such communications as meet the definition of emergency in the Commission's rules and regulations. In order that the cost of operation may be recovered, and to prevent this new system from becoming a burden on the general telephone subscriber, the telephone company is to make charges to the various utilities concerned, in much the same manner as to the telephone and teletype subscribers. In other words, a definite charge per call will be made and the company will be given a guarantee in the form of a minimum service charge.

On January 1 of this year, 76 special emergency systems involving 368 individual transmitters had been authorized by the Commission.

The rules and regulations governing special emergency stations appear as Part 10 of the Rules and Regulations of the Federal Communications Commission, which are available in pamphlet form from the Superintendent of Documents, Government Printing Office, Washington, D. C., at a cost of 5 cents a copy. Information and application forms may be obtained either from the Washington headquarters of the Commission or from any of its field offices.

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FCC INSPECTORS HELP FIND ODD INTERFERENCE

Not all of the interfering noises which come out of a loud speaker are due to the operation of other radio stations, a neighbor's oil burner or the electric sign at the corner. Recently, severe interference was experienced to air-ground communication at one of the larger municipal airports. Although it was obvious from the nature of the interference that it was not caused by radio station operation, the Federal Communications Commission was requested to cooperate in the location of the sources.

After some investigation, the interference was located on the fifth floor of a building about two miles away from the airport. The machine causing the interference was a printing press equipped with a high tension device used to neutralize the frictional electric charge produced on the paper being printed. The actual source of the interference was a spark discharge in a defective high tension switch, which switch was connected with approximately twenty feet of unshielded wire. An adjustment made to the defective switch eliminated the spark discharge and the interference.

Because of their manifold duties and limited number, the Commission's Inspectors are physically unable to investigate all cases of interference. However, they are glad to cooperate when possible consistent with their regular duties and to give advice even though personal participation in an investigation is impracticable. Many power companies maintain apparatus for and have personnel trained in the location of the sources of interference and willingly cooperate with the public.

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Stations KSAL, Salina, KVGB, Great Bend, and KFBI, Wichita, all located in Kansas, are the newest affiliates of the Mutual Broadcasting System, swelling the total to 123. KSAL, Salina, operating on 1500 kc., with 250 w. day and 100 w. night, and KVGB, Great Bend, operating on 1370 kc. with 100 w. power, joined the network on March 16. KFBI is now located in Abilene, Kans. When the station moves to Wichita on May 1, its affiliation with Mutual will become effective. KFBI operates on 1050 kc. with 5000 w. power at sunset, Pacific time. These three stations, along with KTSW, Emporia, will form the newly-organized Kansas State Network, with WHB, Kansas City, Mo., as the key point.

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U.S. TELEVISION PROGRESS ALARMS BRITISH INDUSTRY

The British Postmaster-General was questioned in the House of Commons recently concerning the present situation with regard to television broadcasting in this and other countries, and whether he would consider an early resumption of television broadcasting, as an encouragement both to research work and to manufacturers of television sets, enabling them to establish a British product in world markets, according to the American Commercial Attache at London. The Postmaster-General replied that television service from Alexandra Palaces was suspended in the national interest on the outbreak of war, and he could hold out no hope of its early resumption. He stated he understood television services were being conducted in a few other countries, but he had no information suggesting they had passed the experimental stage.

"Despite this expressed opinion, agitation for resumption of television continues in the trade and press", the American representative reports. "It has been stated the Radio Manufacturers' Association is to ask the Postmaster-General to receive a deputation which will submit the case for reviving the British Broadcasting Corporation's television service from Alexandra Palace. Manufacturers believe that it would be possible to reopen the station, taking proper precaution to prevent the transmissions from being used as a beacon by enemy raiders. Leaders of the industry contend that Britain, which led the world in television, will fall far behind the United States unless an effort is made to continue regular programs during the war.

"An instance of America's progress was pointed out in the news that an American firm had developed a link extending the range of television to 1,000 miles. It was stated that similar equipment was actually order by the Post Office from a British firm in 1939 and was to have been delivered this Spring, which would have made possible the erection of provincial transmitters, taking their programs from Alexandra Palace. Television manufacturers maintain television will ultimately benefit export trade and provide foreign currency; it will encourage research for vital national purposes. Again the British manufacturers stress the fact that the last war gave America domination of the film market, and fear this may repeat itself with television."

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The Esso Television Reporter, first sponsored news series designed expressly for the new medium, will be televised for the first time Wednesday, March 20, over the National Broadcasting Company's Station W2XBS. William Spargrove, one of several NBC announcers used in the Esso daily broadcast news series, will be the reporter.

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/\$5,500,000 TELEPHONE RATE REDUCTION EFFECTED

Impending reduction of long distance telephone rates to effect a saving to the public of approximately \$5,500,000 annually was announced last week by the Federal Communications Commission.

As a result of conferences and negotiations which it initiated with the American Telephone and Telegraph Company, long distance rates are cut to benefit the public by almost half a million dollars a month.

The reductions will apply to calls beginning with air line mileages of 420 miles and extend through the maximum mileage covered by the schedule, which is 3,000 miles. The proportionate reduction is increased with air line mileage so that the greatest reduction is at the maximum mileage represented approximately by the rates from New York to San Francisco. For example: The new schedules will reduce the station-to-station day rate between New York and San Francisco from \$6.50 to \$4.00. The reduced rates are to become effective not later than May 1.

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McNINCH WOULD BACK FARLEY, SAYS WILE

Frederic William Wile writes in his syndicated column:

"To the political sensation of the hour - President Roosevelt's reported and undenied statement that Jim Farley is ineligible, on religious grounds, to a place on the 1940 Democratic ticket - this column is enabled to make a significant contribution. It consists of categorical evidence that one of the men chiefly responsible for Al Smith's failure to carry the Solid South in 1928 would heartily support any presidential ticket of which Jim Farley might be a part. The man in question is Frank R. McNinch of North Carolina, former Chairman of the Federal Power and Federal Communications Commissions, and at present a Special Assistant to the Attorney General.

"About three years ago, when Mr. Farley's presidential ambitions began to bud, Mr. McNinch took occasion to communicate with the Postmaster General. At that time there were no suggestions of a Roosevelt third-term candidacy. Big Jim was just one of a dozen 1940 Democratic 'possibilities'. What the then F.C.C. chief said to Mr. Farley in effect was that if the national chairman should be the nominee this year, Jim's religion would in no degree militate against Mr. McNinch's hearty support of the ticket. The North Carolinian expresses no preference, as of today, for any Democratic candidacy, but as far as a Farley nomination might be concerned, the leading Southern 'Hoovercrat' of 1928 would not be swayed from his regular party allegiance on religious grounds. He would be heart and soul for Sunny Jim, should the latter be nominated at Chicago for either place."

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"DRIPPING DRAMAS" ON AIR DEFENDED BY BROADCASTERS

"Dripping" love dramas and the crackling of gangster guns on the air waves were defended last week as good business, if not culture, by broadcasting company officials as a symposium in Mount Vernon, N. Y., before representatives of Westchester women's clubs who are conducting an "I'm Not Listening" boycott of radio programs they find objectionable.

"We are in the broadcasting business to make money and dripping dramas pay for the worthwhile programs that don't pay their way", Donald S. Shaw, Executive Vice President of Station WMCA, told the thirty-five club presidents and committee chairmen, according to the New York Times.

He said that it might be a "sad commentary", but it was a fact that a leading soap company had found through surveys that the radio public listens to serial stories and "they sell soap - and plenty of soap."

Radio listeners like to be teased; that is why there are so many serials of the "Did Jenny really break her left leg? - Tune in tomorrow afternoon and find out" type, according to Mr. Shaw. He added that radio had never offended to such an extent as some of the comic magazines.

Mrs. Charles H. Phelps, Jr. of Bronxville complained that the radio hours from 5 P.M. to 8 P.M. had become "hideous" with sordid adventure and "cheap wisecracks that belong in the gutter". Her 9-year-old son, Mrs. Phelps said, had become, through the radio, altogether too familiar with "gun-toting gangsters, gun molls, the Big Boss and his henchmen, the inside of prisons and the hot seat". He knows, she added, "how to cover up a traip to escape the bulls, how to cut telephone wires, how to hide license plate numbers, so that he can scam successfully." She recommended as a substitute for gangland theatrics the dramatization of historical events dealing with romantic but actual heroes, even that stories from the Bible be sandwiched between Charlie McCarty and "flashes in staccato fashion on the latest tidbits from Hollywood" on Sunday evenings.

A. L. Simon, Publicity Director of Station WHN, advised the women to be patient. He said radio was in its infancy, but bad as some of its programs might be, it already had advanced education. "To women not so culturally fortunate as you club ladies, radio is a boon", he said.

Leslie Evan Roberts, a WMCA Vice President, asserted that there was "as much tripe to be found in literature and on the stage as on the radio". It was his opinion that the majority of listeners either did not understand or were bored by the higher type of program, and as long as they demand serials, they will get them.

Gilson Gray, Commercial Editor of the Columbia Broadcasting System, sent a letter expressing regret that he was unable to attend and deploring "the boycott inherent in the 'I'm Not Listening' campaign." It was, he said, "not quite democratic or American."

Mrs. Everett L. Bernard, Chairman of the "I'm Not Listening" Committee, reported that the movement had spread to 39 States.

HEINL RADIO BUSINESS LETTER

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RF

FM HEARINGS END FIRST WEEK; FCC ASKS MORE DATA

The first week of the frequency modulation hearing was concluded Thursday with a request by James L. Fly, Chairman of the Federal Communications Commission, that the Frequency Modulation Broadcasters, Inc., submit a plan for channel allocation so that the FCC might get a definite idea of how many channels would be needed to make FM broadcasting effective.

Spokesmen for the Radio Corporation of America stated they were prepared to present such a chart immediately, but Chairman Fly suggested that they wait until next week, when the inquiry will be resumed.

It was still too early to predict what the attitude of the Commission will be on the request of the FM sponsors for additional channels, but observers believed that the FCC will proceed cautiously so as to disturb the status quo as little as possible and yet give the new technique of radio transmission an opportunity to develop.

The inquiry will continue all next week except for a two-hour recess on Thursday so that the FCC may hear the weekly motions docket.

A day-by-day summary of the first week's testimony follows:

Maj. Edwin H. Armstrong, inventor of the new frequency modulation method of radio transmission on Tuesday testified that he has expended close to \$800,000 of his own private funds on the development of the new method of static-free broadcasting.

This sum, he said, is equal to the amount of all royalties he has received from his other radio inventions, including the famous regenerative and superheterodyne circuits which paved the way for the present day type of radio receivers. Major Armstrong added that he will continue such research "as long as I can still pay for it".

The second day of the hearing before the FCC was concerned mainly with Major Armstrong's continued testimony, covering such points for members of the Commission as the possible effects of FM on standard broadcasting, modification of frequency allocations, and the patent situation with reference to FM.

In discussing the latter, the inventor told the FCC that his original superheterodyne and regenerative discoveries, sold together, netted him but \$330,000 although they have meant

unestimated millions to radio manufacturers. His third outstanding discovery, the super-regenerative circuit, was sold for \$425,000.

In his testimony, Major Armstrong suggested that the conversion of a single television channel to FM usage, coupled with frequencies now available, would more than handle all FM station needs for years to come. "The art", he stated, referring to regular broadcasting, "is on the verge of the greatest development in its history. There is no doubt in my mind that FM will relieve congestion in the present broadcast band."

Major Armstrong foresaw FM networks, without the use of wire lines as is commonly the case, in operation this coming Summer. Justifying his contention that frequency modulation is worthy of space in the radio spectrum despite similar demands by other radio services, he declared: "Frequency modulation is ready to give service to the public, the others are not."

Major Armstrong was followed on the stand by Paul A. Porter, Washington counsel for the Columbia Broadcasting System. On behalf of his client, Mr. Porter pointed out that although CBS has two license modifications for FM now pending before the FCC, the network has no actual operating data to present. However, he added, in the event of conflict between frequency modulation and television for channels, CBS has requested that the Commission give preference to the latter.

A third witness on Tuesday was Everett L. Diller of Kansas City, Mo., owner of high frequency experimental station W9XA. Describing his research with conventional methods of amplitude modulation on higher frequencies, Mr. Diller expressed a conviction that FM holds greater possibilities for broadcasters of the future.

A ten-year period of "evolutionary", not "revolutionary", radio progress was forecast Wednesday by John Shepard, 3d, President of Frequency Modulation Broadcasters, Inc. He said that one decade would see present-day broadcasting swept from the air, except in sparsely populated areas.

This change, he explained, will be demanded by the public once the FCC permits frequency modulation to go from experimental to commercial operation. Frequency modulation (FM) is the so-called static-free method of broadcasting. Its proponents, including Mr. Shepard's organization, are asking the Commission for broadcasting channel assignments which will permit the system to offer sponsored programs.

Members of the Commission questioned Mr. Shepard on the economic changes which might result through the authorization of two systems of broadcasting because of the fact that the receiving public would have to have two sets.

Mr. Shepard expressed the belief there would be a transitory period of an estimated 10 years when there would be a gradual shifting from the present amplitude modulation system to frequency modulation. During this period, he said, users of radio advertising would pay proportionate amounts for the service, based on the number of receivers for each system that were estimated to be in use.

Mr. Shepard said he thought it was essential that the Commission authorize frequency modulation for standard broadcast service in order to encourage licensees to have longer daily schedules. Under the experimental license system now prevailing for FM stations, Mr. Shepard said, the applications are limited to large corporations which have money to spend on experimentation and to those primarily interested in research. This limitation, he said, also had the tendency to freeze out smaller broadcasters who cannot enter the field until they have some assurance that they can get a return on their investment.

Following Mr. Shepard's testimony, three expert witnesses took the stand to tell why they, too, think FM is superior as a public service to the conventional amplitude modulation (AM).

During cross-examination of one of these, counsel for the Radio Corporation of America began to open the road for testimony possibly showing that all the good points claimed for FM are not necessarily inherent to the FM system. This was RCA's first active participation in three days of hearings.

Mr. Shepard, who is also the President of the Yankee Network, said that at first FM broadcasts would cost advertisers little and there would be few listeners. As FM pulls more and more listeners from AM, he continued, advertisers will have to use both systems. At the end of his ten-year estimate, the situation will be reversed, he said, with FM having virtually all the advertisers and charging high rates, and with AM having only a few at low rates.

On Thursday, Chairman Fly demanded that F.M. Broadcasters, Inc., submit a plan of radio channel allocation to demonstrate its claim for additional allocation.

Commissioner Fly insisted that the Commission could not consider the advantages claimed for FM unless those claims were reflected by a table demonstrating how its allocations should be assigned. The Commission asks, he added, that the claims be presented on the basis of operations.

Philip Loucks, counsel for F.M. Broadcasters, said the organization can show the efficiency and general needs of the new system, but cannot at this time plot the needs under operating conditions.

Horace Lonus, counsel for Major Armstrong, said that the F.M. group cannot draw plans without knowing how many channels

should be considered. The group, he added, has to have the assignments to start with.

Chairman Fly told him to start with the channels the F.M. proponents are seeking.

All the witnesses Thursday were technical experts presented by F.M. Broadcasters to show the good points of the system. They included Prof. Daniel C. Noble, on leave from the University of Connecticut; A. P. Sise, Supervising Engineer of the Yankee Network; Maurice Levy, Electrical Engineer of Rochester, N.Y.; and I. R. Weir, of General Electric, Schenectady.

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MONOGRAPH ON FCC PROCEDURE MAY BE PRINTED

The monograph prepared by the Attorney General's Committee on Administrative Procedure of the Federal Communications Commission and other Federal independent agencies, may be published soon as a Government document.

Senator Hayden (D.), of Arizona, introduced a resolution in the Senate Thursday asking that all of the Committee's monographs be published. The resolution was referred to the Senate Committee on Printing for a report.

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FINCH DEMONSTRATES FACSIMILE FOR NEWSMEN

A demonstration of the latest developments in facsimile radio transmission was given in Washington Thursday night for Capital newspaper men by William G. H. Finch, of New York, inventor of a facsimile system.

The exhibition was given at the Shoreham Hotel and was attended by many of the engineers and attorneys following the FM hearing before the Federal Communications Commission.

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Television broadcasts twice a week have started in Japan, according to Variety. Inaugural was on Empire Foundation Day, by the Broadcasting Corporation of Japan from the technical Research Institute at Kamata-cho, Setagaya, Tokyo. Special receiving sets have been spotted at the experimental laboratories of the corporation on Atago Hill, where the former broadcasting studios were located before the completion of the new build at Higiyu, at the Tokyo Television Institute, the Tokyo Science Museum, in newspaper offices and department stores.

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PLANS FOR RMA CONVENTION AND SHOW COMPLETED

Tentative plans for the annual radio industry gathering at Chicago next June, for the sixteenth annual RMA Convention and the Radio Parts National Trade Show, both at the Stevens Hotel, have been completed, according to Bond Geddes, Executive Vice President. The RMA convention and membership meeting will be held June 11 and 12, and the Radio Parts National Trade Show, sponsored jointly by RMA and the Sales Managers Clubs, will occupy the entire Exhibition Hall of the Stevens Hotel, June 11-14. Virtually all exhibit space for the parts show has already been reserved, far in advance of schedule, with parts, tube and accessory firms having reserved 142 booths to date, equal to the reservations on May 7 last year. A "radio special" train is also being planned from New York to Chicago.

The annual radio industry banquet, for RMA members and guests, will be held Wednesday evening, June 12, in the Grand Ball Room of the Stevens Hotel. Chairman Paul V. Galvin and the RMA Convention Committee are arranging a program of entertainment. Another social event will be the annual industry's golf tournament on Thursday, June 13, at the Calumet Country Club.

The Radio Parts National Trade Show promises to be the most successful event since its inauguration. As usual, exhibits are confined to parts, accessories and tubes, without display of standard lines of receivers. The show, which promises to tax facilities of the Exhibition Hall at the Stevens Hotel, is again under the management of K. A. Hathaway. Tuesday, Wednesday and Thursday, June 11, 12, 13, will be observed as "Jobber Days", and the show will hold "Open House" for radio service men, amateurs and others in the industry on Friday, June 14, closing at 10 P.M.

President A. S. Wells of the RMA and the Convention Committee are arranging for many industry and group meetings during the annual June radio gathering. These will include meetings of the Radio Servicemen of America, the Sales Managers Clubs, "The Representatives", and other organizations of the industry. All four RMA general divisions - set, tube, parts and amplifier and speaker manufacturers - will hold meetings, and the annual membership luncheon meeting of RMA will be held on Tuesday, June 11.

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More than 20,000 Spanish-speaking people in Central and South America learning the English language by radio, judging by letters received by General Electric's international station WGEO. Two years ago a Spanish program was started in answer to requests for simple English lessons, and a series was begun with the weekly lessons later put in printed form and mailed to listeners upon request. Last year the original class had reached a point where it was difficult for a new "student" to pick up with the class and it was found necessary to start another class.

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"HAM" FINE BRINGS WARNING TO AMATEURS

Coincident with an announcement this week of the punishment of a radio amateur for unlicensed operation of a "ham" station, the Federal Communications Commission this week issued a warning to enthusiastic but careless youths interested in radio experimentation, and a veiled threat to spies who might employ such means to record messages.

Russell Callender, of St. Paul, Minn., was indicted for violation of Sections 301 and 318 of the Communications Act of 1934, as amended. The indictment contained two counts: operating an unlicensed radio station and operating a radio station without holding a valid radio operator license. The U. S. District Court imposed a fine of \$25 on each count.

Sundry cases of unlawful operation of amateur radio stations coming to its attention has caused the Federal Communications Commission to warn that it is referring such matters to the local United States attorneys, with recommendation for indictment and prosecution.

"The Commission appreciates that enthusiastic youth can unwittingly violate the law in this respect, in which case warning and, perhaps, confiscation of apparatus, is sufficient to end the practice", an FCC spokesman said. "However, there has of late been an increase in the number of grown-ups who apparently knowingly and wilfully send out unlawful signals to interfere with authorized radio transmission, and sometimes even fake police and aviation calls with serious portent.

"All radio transmitting equipment is required to be licensed. This is to prevent confusion on the air. It should be apparent to anyone familiar with radio regulation that unlicensed operation is easily detected. To begin with, stations are identified by call signals and, further, they are assigned certain channels, called frequencies, for their emissions to travel in. The broadcast bands can be likened to highways, and the stations to autos with license tags. Each station is assigned a particular lane on the ether highway, and to deviate from it means "collision" with one or the other of the crowded adjacent lanes.

"When a station's emission strays from its allotted course there is interference. This interference is immediately detected by the Commission's inspectors engaged in monitoring activities, or otherwise policing the ether. The amateurs themselves are quick to report a strange signal or an erratic 'driver' on their ether course. Amateurs have rendered valuable emergency service in time of floods, hurricanes and other stress, and are justly proud of their record.

"Also, the appearance of unlawful signals can be reported by standard broadcast stations, on the basis of complaints of listeners; or by police, marine, aviation or other radio services experiencing new and strange interference.

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"Such a report goes to the Commission's field office in the particular area concerned. A Commission monitoring station can record the illegal broadcast and check on the origin of the same. If necessary, mobile equipment is used to trace the 'pirate' station. This work entails time and expense on the part of the Commission.

"It is advisable to point out that amateur licenses (as well as all other radio licenses) are restricted to citizens. Also, amateurs are prohibited from using secret code. Hence, any strange message sent out on the air is heard by many ears and quickly reported."

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RCA MOVES TO PROMOTE TELEVISION IN NEW YORK

The Radio Corporation of America this week proceeded to promote the sale of television receivers in the New York area in anticipation of developments made possible in television broadcasting by the promulgation of liberalized rules by the Federal Communications Commission.

A special program service for New York owners of television receivers was announced by Alfred H. Morton, NBC Vice President in Charge of Television, as RCA took full page advertisements in New York newspapers to announce improved "television for the home".

Transmission of regular NBC network programs over the static-free television sound channel of Station W2XBS began Wednesday evening. The television sound channel is to be used three hours each night, with NBC network programs being broadcast at such hours as television programs are not on the air, Mr. Morton said. The new sound broadcasts will be selected from the schedules of both NBC networks and may include, in addition, some programs designed exclusively for the new service.

"For some time now", said Mr. Morton in making his announcement, "we have felt that the peculiar technical qualities inherent in television's sound channels could be made more serviceable both to viewers and to families owning late model radio sets equipped to receive television sound. The television channel, is located in the realm of the ultra-short wave. The wave-length of Station W2XBS, for instance, is slightly more than six meters. This is so far removed from the wave-lengths used by nature that a severe thunderstorm is inaudible on the television sound channel and a bolt of lightning causes no more than a tiny click."

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Mr. Morton's announcement accompanied a statement by David Sarnoff, President of the Radio Corporation of America, covering the tripartite RCA-NBC plan for television promotion. Mr. Sarnoff emphasized the reduction of prices to bring television receivers within the reach of the average American family and plans for a television network by means of the newly developed RCA radio relay.

"An improved program service has been evolved by the National Broadcasting Company", said Mr. Sarnoff, "and is now available to residents in the New York area within the transmission range of the RCA transmitter atop the Empire State Building. As soon as network relays are erected, the National Broadcasting Company will provide a program service for other communities. This relay service also will be available to other broadcasting companies desiring to transmit television programs."

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PALEY INVITES ADULT EDUCATION BOARD TO NEW YORK

The broadening scope of activities of the Columbia Broadcasting System under its Adult Education Board was emphasized this week in connection with invitations to fourteen leaders in education and public life of the country -- all members of the Board -- to meet Monday, April 8, at CBS's New York City headquarters. William S. Paley, Columbia's President, issued the invitations.

The Board meets with a two-fold purpose:

1 - to review CBS educational activities of the past year, including broadcasting of such outstanding programs as "Americans at Work" and the "People's Platform", which were created at the instance of the Board.

2 - to discuss proposals for new educational projects and further extension of present programs.

The Board will be afforded its chance to review CBS educational activities when Sterling Fisher, CBS Director of Education, presents his annual report.

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 ::: TRADE NOTES :::
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Effective April 1st, William J. Fagan returns to the Columbia Network Sales Department in the position of Assistant Sales Manager, according to William C. Gittinger, CBS Vice-President in Charge of Sales. Mr. Fagan had been with Columbia from December, 1929, to July, 1937. He was originally in the Sales Promotion Department and later became Sales Service Manager and then Account Representative. Since 1937 he has been Business Manager of the Radio Department at Benton & Bowles, Inc.

A meeting of the RMA Board of Directors will be held Thursday, April 11, at the Roosevelt Hotel in New York City. President A. S. Wells of RMA has arranged the meeting to consider many important industry problems, including developments in television and frequency modulation, and there also will be several meetings of industry groups and committees. Dr. Ray H. Manson, Vice President and General Manager of Stromberg-Carlson Telephone Mfg. Company, of Rochester, New York, has been elected to the RMA Board of Directors, to succeed the late George A. Scoville of that company. Dr. Manson has been active in the engineering work of the Association for many years and will serve as an RMA Director for a term expiring in 1941.

Jules Dundes, of the CBS Sales Promotion Department, has been named Sales Promotion Manager of WABC, Columbia's key station in New York City. Mr. Dundes' appointment is in line with the CBS policy of having each of its owned and operated stations function with its own promotion staff. Mr. Dundes has been in the Sales Promotion Department of CBS for four years. Prior to that he was on the New York Post for five years.

The question whether radios should be barred from taxicabs reached a settlement of a sort this week when New York City Police Commissioner Valentine announced that he had informed the Broadway Association, sponsor of the idea, that the police would not object "either to retention or removal of radios".

While this was taken as tantamount to a refusal of the Association's request for outlawing the taxicab radio, H. Frederick Bright, Managing Director of the Association, said that he understood on good authority that a ruling might be made by which a radio must be connected to the meter.

Federal collections of the 5 percent radio tax in February, 1940, totaling \$632,977.54, were unprecedented in any other February since the radio tax became effective in 1932. The radio tax collections last month were 56.6 percent above the February, 1939, excise tax of \$404,201.56, and compared with the January, 1940, collections of \$678,062.77.

Frederick Mordaunt Hall, journalist, critic and author, has joined the Publicity Department of the Columbia Broadcasting System. He will work with E. R. Sammis, head of the Magazine Division of the Publicity Department. Mr. Hall comes to Columbia with a distinguished record as a newspaperman and critic both here and abroad.

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NBC TO BUILD GLASS NEWS BROADCASTING STUDIOS

A. A. Schechter, Director of the News and Special Events Division of the National Broadcasting Company, announced plans this week for the immediate construction of specially-devised news broadcasting studios to be built in the NBC News Room on the fourth floor of the RCA Building, Radio City.

In outlining the plans for the built-in glass studios, which will incorporate the latest technical radio developments, Mr. Schechter gave a three-fold reason for their immediate construction.

First, he said, was the strong possibility of additional war news from the long-threatened Spring offensives. Secondly, he named the impending political conventions and elections which, as in past years, will be covered completely by NBC, and, thirdly, he disclosed that NBC now is contracting for many additional sponsored news programs, making imperative the speaker-type studios which will be constructed. NBC has AP, UP and INS services.

The new studios will be built adjacent to the battery of teletypes over which flow in an endless stream the happenings, both big and small, in world capitals and remote hamlets, and the powerful short wave monitoring equipment, which keeps NBC in constant touch with the news of the world.

Mr. Schechter likened the new studios to "gold-fish bowls" as the glass structures will make the actions of the commentator inside visible to everyone in the News Room. Slots will be built into the sides of the studios so that news bulletins may be fed in a constant stream through the aperture without the necessity of opening a door.

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G.E. REDUCES PRICES OF TELEVISION RECEIVERS

As of March 15, marked reductions in the prices of all television receivers have been announced by the General Electric Company. The reductions range from \$75 to as much as \$200 on various models. The reductions follow:

Model HM-171, a table model picture receiver with sound converter, with a five-inch picture tube, reduced from \$195 to \$99.95.

Model HM-185, complete television receiver in console cabinet, with five-inch picture tube, reduced from \$250 to \$175.

Model HM-225, a 22-tube console with nine-inch picture tube, reduced from \$385 to \$310.

Model HM-226-7A, a 29-tube combination offering both television and three-band radio reception, reduced from \$575 to \$445. Has 12-inch tube.

Model HM-275-3A, top set in the G-E line, is a 30-tube deluxe combination console, offering both television and three-band radio reception, with 12-inch picture tube, reduced from \$795 to \$595.

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CBS \$700,000 STUDIO TO OPEN MAY 15

As the most important project in its current expansion program, the Columbia Broadcasting System is spending \$700,000 for remodeling the old eight-story Julliard School Building, across East 52nd Street from its headquarters, 485 Madison Avenue, New York City, into a modern studio and experimental laboratory annex. The annex is expected to be finished about May 15 and will afford needed extra broadcasting space convenient to the CBS main building.

Using only the skeleton of the old structure, this annex will house seven studios, in which will be embodied very technical advance and also a revolutionary innovation for improvement in quality of sound definition.

The 30-year-old Manhattan landmark, formerly with row on row of windows, will present a strikingly changed facade, for it is to be windowless up to the sixth floor. The lower part will be of matt glazed terra cotta in grey and blue shades. The entrance will be in stainless steel, with doors of heavy sheets of non-shatterable glass, like those of the Madison Avenue headquarters.

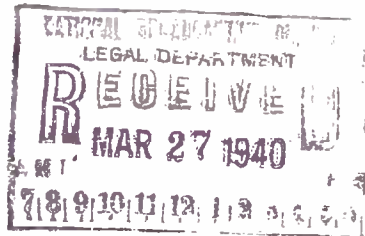
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HEINL RADIO BUSINESS LETTER

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March 26, 1940.

TELEVISION'S FUTURE UNCERTAIN AFTER FCC SURPRISE

The immediate development of television was halted this week and the newly-born industry's future was thrown into confusion following the surprise action of the Federal Communications Commission in suspending its recent order because of promotional activities of the Radio Corporation of America.

Just what the result of a new hearing, scheduled to start April 8th, will be, no one could say. The FCC action was interpreted in some quarters as a move "to crucify" RCA, which has taken the lead in the commercial development of television.

David Sarnoff, President of RCA, said in New York he was "amazed" at the FCC's action, which was announced on Saturday, while other leaders in the radio industry kept silent.

The FCC action was precipitated by Commissioner Paul Walker, a proponent of Government operation of utilities, and was seconded by Commissioner Frederick I. Thompson, newspaper publisher. It was supported by Chairman James L. Fly and Commissioner Thad H. Brown.

The only dissenting vote was cast by Commissioner T.A.M. Craven, who is understood to have protested that the FCC was exceeding its authority in trying to control the production and marketing of television receivers.

Newspaper advertisements appearing in New York papers were responsible for the Commission's action, it was said. These advertisements, containing a statement by RCA, were headed "Television for the Home". The statements outlined the recent development of visual broadcasting and invited "the participation of the public in this effort of American private enterprise to create a new art and new industry".

Members of the Commission who voted to reopen the inquiry argued that RCA was attempting to "freeze" the development of television despite the refusal of the FCC to fix standard lines for visual broadcasting at this time. They also expressed fear that the public is being persuaded to invest in receivers prematurely.

Mr. Sarnoff, who was at White Sulphur Springs, Va., issued a statement through his New York offices denying any intention of flouting the Commission's recommendations.

"I am amazed at the action of the Commission", Mr. Sarnoff said. "We have spent nearly \$10,000,000 in developing television and in trying to create a new art and a new industry.

"We thought that we were proceeding exactly in accordance with the order on the subject recently adopted by the Commission."

The Commission's latest television move came only a few hours after the National Broadcasting Co., a subsidiary of RCA, filed an application with the FCC for a construction permit to erect a television broadcasting station in the National Capital. It was said to be the plan of the broadcasting company to have the station completed by December, and together with other stations to be erected throughout the country, to broadcast the inauguration ceremonies next January.

"Television promotional activities on the part of the Radio Corporation of America has prompted the Federal Communications Commission to order a further hearing, beginning April 8, to determine whether research and experimentation and the achievement of higher standards of television transmission are being unduly retarded by this company, its subsidiaries, or other licensees, and whether the effective date for the beginning of limited commercial operation should be changed from September 1 to some subsequent date", the FCC stated in announcing its decision. "Meanwhile, that section of the new rules permitting restricted commercialization is suspended pending further order.

"The current marketing campaign of the Radio Corporation of America is held to be at variance with the intent of the Commission's television report of February 29. Such action is construed as a disregard of the Commission's findings and recommendations for further improvement in the technique and quality of television transmission before sets are widely sold to the public.

"The question of the present status of television transmission and the feasibility of its general reception by the public was the subject of the recent extensive hearings before this Commission. Because of the fluid state of the art and the continuance of research and experimentation, the Commission declined for the time being to establish television transmission standards. Authority to issue such standards is of course vested only in the Commission. Recommendations to insure that the standards when issued would be based upon a sufficiently advanced technical state of the art were incorporated in the report of February 29.

"Actual demonstration to members of the Commission", the report pointed out, "indicates the need for further improvement in the technical quality of television." The Commission stressed the need of continued research in various significant phases of the field involving the number of lines and the number of frames per second, the retentive quality of screens, the mechanics of scanning, the problem of various screen sizes with particular reference to larger screens, the problem of polarization and the related question of the type of antennas, and various alternative methods of synchronization. Inherently this research and experimentation has potentialities of great value to the public.

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"The intent of the Commission was to give the industry further opportunity to move forward in an orderly manner and upon a sound scientific basis without causing injury to the public and resultant injury to the new industry itself, particularly to other manufacturers cooperating in seeking to bring about video improvements through experimentation rather than crowding the market with present-day receivers which may soon become obsolete. Economic loss to the public, the report warned, would be occasioned by 'premature purchase in a rapidly advancing field'.

"Not all types of television transmission can be received by any receiver. In the present state of the art it is impossible to decide what type of transmitter will be made standard. More research and experimentation will be necessary, and is being conducted, before any such standardization can be achieved. Receiving sets constructed or on the market today may not be capable of receiving television programs from standardized television transmitters when the art has sufficiently advanced to permit such standardization. Public participation in television experimentation at this time is desirable only if the public understands that it is experimenting in reception and not necessarily investing in receiving equipment with a guarantee of its continued usefulness. Television is here to stay, but conceivably present day receivers may for practical purposes be gone tomorrow.

"Promotional activities directed to the sale of receivers not only intensifies the danger of these instruments being left on the hands of the public, but may react in the crystallizing of transmission standards at present levels. Moreover, the possibility of one manufacturer gaining an unfair advantage over competitors may cause them to abandon the further research and experimentation which is in the public interest and may result in crowding them into the market with apparatus at present efficiency levels. Rapid advance is desirable - but television is of great and permanent significance to the public. It is therefore of greater importance that the task be done thoroughly and with an eye to television's potential usefulness to the public. These are the goals which the Commission deems the public interest to require."

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An announcement of a public sale of property of the defunct Grigsby-Grunow Co. in the U. S. District Court for the Northern District of Illinois, Chicago, was released this week by Frank M. McKey, trustee in bankruptcy for the corporation. The sale will be at 11 o'clock April 8 in Room 1802, 7 South Dearborn Street, Chicago, before Referee Wallace Streeter.

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NAB AND ASCAP REOPEN WAR WITH NO HOLDS BARRED

The American Society of Composers, Authors, and Publishers and the National Association of Broadcasters, who have been fighting over music copyright fees for years, renewed their war this week with both sides determined to take no quarter.

ASCAP fired the first gun with a proposal to boost substantially the broadcasting industry's payments to the music copyright owners. Negotiations will start April 15, it was said. Neville Miller, President of NAB, who has been busy for several months organizing Broadcast Music, Inc., in an effort to give the broadcasters another source of music, issued a statement attacking the ASCAP's demands. And the war was on in earnest.

In its statement the ASCAP Board asserted that the use of music in radio had increased so materially since the contract now in effect was signed in 1931 that several new policies would be necessary in the new contract.

"A survey of radio in 1936 showed that during the first quarter 10,000 radio programs used a total of 638,302 musical compositions under the control of ASCAP", John G. Paine, General Manager of ASCAP, said. "The increase of the use of the Society's music on the radio is revealed in the report of the last quarter in 1939 which shows that 16,000 programs used a total of 2,169,503 musical compositions, a phenomenal increase in the use of music on the air.

"In 1932 advertisers paid radio approximately \$25,000,000; in 1939 advertisers paid radio approximately \$171,000,000. ASCAP fees are based on a percentage of radio gross receipts from advertisers. If radio's revenue is decreased, ASCAP's receipts decrease in proportion. Mr. Miller either purposely or accidentally reported the Society's receipts from radio at a sum \$1,000,000 greater than they have ever been in any one year.

"As a side comment to this", Mr. Paine said, "radio broadcasters were given a flat deal by the Society in 1931 when the radio industry was in its infancy, under which agreement the broadcasters got their music for practically nothing. In 1932, it was found that the largest users of music on the radio were paying nothing, or practically nothing, for their use of music. Even today sustaining programs pay ASCAP only a nominal charge for use of our music."

Mr. Paine added that while the Society received more royalties from radio than from any other industry or profession, it should be kept in mind that 75 percent of all radio programs was composed of music from ASCAP's repertoire."

Mr. Miller immediately made the following statement:

"The American Society of Composers, Authors and Publishers made public today its demands for a 100 percent increase in

the payments made to it by the broadcasting industry. This increase is demanded by ASCAP despite the fact that the radio broadcasting industry is already making payments to ASCAP at the rate of five million dollars a year. This sum is five times as great as that paid by any other industry. It represents over two-thirds of ASCAP's total revenue and is an increase of 900 percent over the sums paid by broadcasters in 1931.

"Although most of ASCAP's statement talks about the alleviation of certain abuses which ASCAP itself admits exist in its present licensing system, when the camouflage is stripped away the proposal boils down to a demand that the broadcasting industry should double its payments for the radio performing rights in the compositions controlled by ASCAP's publisher and composer members.

"ASCAP's demand was put forward without previous negotiation with broadcasters and after a refusal to meet with the negotiating committee appointed by the National Association of Broadcasters. Although ASCAP attempts to divide the broadcasting industry by making concessions to certain groups, the total amount of the reductions which it suggests is inconsiderable compared to the total amount involved.

"Moreover, ASCAP's new plan perpetuates the major abuse about which broadcasters have always complained, and requires broadcasters to pay to ASCAP a percentage of all broadcasting revenue even that obtained for programs which do not utilize ASCAP music, such as news broadcasts, sports events and programs of classical music. The broadcasting industry will be unified in resisting demands, the effect of which would be to impose charges wholly destructive of the American system of broadcasting.

"ASCAP is again attempting to take advantage of its monopoly of popular music to impose an unfair method and rate of payment upon broadcasters, but ASCAP has this time overreached itself and has made demands which the broadcasting industry must resist as a matter of life and death.

"These demands will strengthen Broadcast Music, Inc., the organization recently created by the broadcasting industry to foster new creative talent by increasing the already widespread support of its aims."

Gene Buck, President of ASCAP, in Phoenix, Arizona, labelled Mr. Miller's statement "pure bunk".

"Certainly there will be an increase in payments, but only on the big commercial broadcasts, which can well afford it", he asserted. "Fees under the proposed contract would be collected at the source when the chains make their terms with advertisers. Hundreds of the smaller stations actually will pay less under the new set-up."

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He charged that Mr. Miller "is setting up a smoke screen" to place himself in a good strategical position for bargaining conferences between the broadcasters and the ASCAP next month. The five-year contract expires on December 31st.

Broadcast Music, Inc., he termed a "puppet organization" of the National Association of Broadcasters.

"It cost the NAB more than \$2,000,000 to set up this competing outfit", he added. "I wish them luck. They can have the glory, but we'll keep the artists."

Mr. Buck said that Mr. Miller's statement on increased costs under the new ASCAP contract was "about 75 to 80 percent off" on the gross.

Terms of the proposed contract call for royalty payments varying from 3 to 7½ percent of the broadcasters' income, according to the size of their stations, for use of ASCAP-controlled music, Mr. Buck explained.

The present contract requires payment of 5 percent of a radio station's income from advertising, in addition to a "sustaining" fee which varies according to a station's size or scope.

ASCAP is a non-profit organization of composers to protect their music copyrights and collect royalties on their songs.

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LICENSE OF STATION KGFI ORDERED REVOKED

The Federal Communications last week ordered revocation of the license of the Eagle Broadcasting Co., Inc., to operate radio station KGFI at Brownsville, Texas, effective April 15. If the company requests hearing within 15 days of formal notification, the order will be held in abeyance pending outcome of the hearing.

Unauthorized transfer of the management, control and operation of the station in violation of Section 310(b) of the Communications Act of 1934 as amended is the basis for the revocation order.

On or about October 7, 1938, the Eagle Broadcasting Co., by and through Ewol E. Wilson and Ernest E. Wilson of Corpus Christi, are alleged to have surrendered possession to James G. Ulmer of Tyler, and M. D. Gallagher of Brownsville. The latter are said to have exercised management until about April 22, 1939, when Lawrence D. Yates took contractual control.

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FCC WINS COURT VICTORY; MAY IGNORE COMPETITION

The Federal Communications Commission won a significant victory this week when the U. S. Supreme Court held that it does not need to consider the possible effects of competition in granting a construction permit for a new radio station. The decision means that free competition shall prevail within the broadcasting industry and only the fittest shall survive.

The opinion, written by Justice Roberts, reversed a ruling by the Federal Court of Appeals for the District of Columbia, which required the Commission to issue findings of fact on this question.

"Plainly it is not the purpose of the Federal Communications Act to protect a licensee against competition, but to protect the public", Justice Roberts said.

"Congress intended to leave competition in the business of broadcasting where it found it, to permit a licensee who was not interfering electrically with other broadcasters to survive or succumb according to his ability to make his programs attractive to the public."

Justice Roberts emphasized that Congress "has not, in its regulatory scheme, abandoned the principle of free competition."

No dissent was announced. Justice McReynolds did not participate.

The Court of Appeals directed the Commission to make findings of fact as to whether a proposed station to be operated by The Telegraph Herald of Dubuque, Iowa, would financially injure a station already operated by Sanders Brothers.

A license had been granted to The Telegraph Herald by the Commission, which contended that existing stations have no right to "protection from competition".

The Commission asserted that Sanders Brothers had suffered no legal injury, and had no right to appeal to the Court of Appeals.

The Supreme Court held that "resulting economic injury to a rival station is not in and of itself, and apart from considerations of public convenience, interest or necessity, an element the petitioner must weigh and as to which it must make findings in passing on an application for a broadcasting license."

The Supreme Court decision was the latest in a long string of victories for the youthful FCC counsel, William J. Dempsey, who argued the Dubuque case in the court early in February.

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FM CHANNEL NEEDS OUTLINED FOR COMMISSION

As the frequency modulation hearing went into its second week, FM Broadcasters, Inc., presented a partial plan of its channel needs to the Federal Communications Commission in response to a request made last week by Chairman James L. Fly.

Paul A. DeMars, Technical Director of the Yankee Network, said that the frequency modulation sponsors want six channels between 40 and 50 megacycles for development of aural broadcasting.

He said the kind of frequency modulation stations should be determined by the size and geographical distribution of communities to be served. For the present, he recommended confining frequency modulation broadcasting to urban areas.

Henry P. Thomas, General Electric radio engineer, described advantages of frequency modulation over standard broadcasting, contending a one-watt station under the new method to be the equivalent of a 50-watt transmitter of the present type.

Other witnesses were Dr. Greenleaf Whittier Pickard, consulting engineer for the Yankee Network, and E. R. Weir, General Electric engineer.

The Don Lee Broadcasting System has made application to initiate experiments in frequency modulation, according to Thomas S. Lee, President.

Research will be made in the Armstrong method on 1 KW, according to application made at the Federal Communications Commission. Frank Kennedy, Chief Engineer of the System, was in Washington this week at FCC frequency modulation hearings in support of the contention for the expansion of radio service.

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MAGNETIC STORM DISRUPTS RADIO WIRE COMMUNICATION

An invisible storm without wind or rain struck at radio, telephone, telegraph and cable services over half the world Sunday, disturbing communications for three to five hours, damaging electric plants, upsetting marine and aerial compasses, and causing hundreds of thousands of dollars damage and loss of revenue.

The magnetic disturbance, the worst in the memory of experts, was first observed at 8:49 A.M., at Cheltenham Magnetic Observatory, near Baltimore, Md. It reached greatest intensity between 11 A.M. and 2 P.M. Decreasing toward nightfall, it was accompanied by brilliant Aurora Borealis manifestations in northern latitudes and was expected to diminish gradually and to end Monday.

Northern lights were first reported seen in England between 9 and 10 P.M. (4 and 5 P.M., Washington time). The intensity of the storm was so great the lights might have been visible as far south as Washington had the night not been cloudy, Dr. John Fleming, Director of the Bureau of Terrestrial Magnetism, explained.

At 11 A.M., during the height of the storm, these events were taking place all over the world:

All radio telephone and cable service to Europe and radio to ships at sea was cut off, and service from San Francisco to Pacific points was subject to delay and interference.

Telegraphic service was seriously crippled, continuing only over special "carrier circuits" maintained between the busiest centers.

Short wave radio transmission became almost impossible, weak signals being heard from Rome and London, nothing at all from Paris, Berlin, Moscow, Stockholm and Holland.

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RADIO SIGNALS USED IN IONOSPHERE STUDY

Radio signals emanating from a recently constructed mobile unit will be used by engineers of the Bureau of Standards and National Geographic Society to observe changes in the ionosphere during the partial eclipse of the sun on April 7.

The ionosphere is a region of radio reflecting layers lying from 30 to 250 miles above the earth which makes long distance broadcasting possible by reflecting radio waves, which travel in straight lines.

The equipment will be set up in the vicinity of San Antonio, Texas, which is near the center of the eclipse path. Steadily increasing signals will be sent out and the time required for an echo to return will be recorded photographically, and will show variations in the ionization density of the layers and their heights.

Radio programs are stronger at night, engineers explain, because the higher layers become less densely ionized and radio signals reflected from them do not have to pass twice through the electrified region of the day layer, thus losing energy on the way. Engineers also believe that the observations may be helpful in determining the processes occurring on the sun which determine the ionization of the earth's atmosphere.

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The Federal Communications Commission had adopted an order granting the application of Southern Bell Telephone and Telegraph Company for a permit to construct a coastal harbor station at Madeira Beach, Florida, to operate in the public service using frequency 2598 kc. (subject to condition that the frequency assigned may be changed by the Commission at any time without advance notice or hearing to another assignment within the band 2500-2600 kc.); maximum power 400 watts, unlimited time with A2 and A3 emission. This station will serve vessels in the Gulf waters along the west coast of Florida, an area between the areas now served by the Miami and Port Sulphur stations. In the area proposed to be served are the harbors of Tampa, St. Petersburg and Clearwater, Fla.

World radio markets series issued by the Department of Commerce last week included reports on Switzerland, the Bahamas (supplement), and British India (supplement).

William T. Meyers has been appointed to a new position as Executive Consultant for chain-store and sales policies, according to Edward Wallerstein, President of Columbia Recording Corporation.

H. V. Kaltenborn has been signed by the National Broadcasting Company for a series of commentaries to be heard over the NBC-Red Network on Saturdays from 7:45 to 8:00 P.M., EST, and on Sundays from 3:45 to 4:00 P.M., EST, beginning Saturday, March 30, and continuing on that schedule until he sails for Rome on April 27th. While travelling extensively abroad to study the progress of the war, he is to be heard frequently over NBC.

The French Government announced this week in Paris a national funeral would be given Edouard Branly, 95-year-old French physicist, next Saturday in Notre Dame Cathedral. Mr. Branly, whose invention of the coherer led Marconi to develop wireless, died last Sunday night without a radio in his Paris home.

"To think that I had something to do with its invention", he used to say in expressing his disgust over use of radio for propaganda purposes.

Dr. Branly was acknowledged in scientific circles as the discoverer of how to detect and receive wireless impulses, although credit for harnessing them goes to Guglielmo Marconi.

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TELEVISION TRADE HALTED BY FCC ORDER

The merchandising of television sets, which had been begun on a large scale in the New York area last week, came to an abrupt halt Monday, as a stunned industry attempted to digest the import of the Federal Communications Commission's suspension of its order permitting limited commercialization of television, starting on September 1, and its criticism of RCA's promotion plans, according to the New York Times' business page.

Manufacturers were confounded by the statement and dealers were equally upset. Only one organization, however, the Dealers Group of the Electrical and Gas Association, took public exception to the Commission's action. Mortimer Fogel, Chairman of the Dealers Group, made public a letter to the Commission urging it to rescind its action.

Officials of the RCA Manufacturing Company held several conferences in the day but issued no statement, preferring to await the scheduled reopening of the television hearings by the Commission on April 8. It was generally reported in the trade that RCA promotion and advertising of television sets would be held in abeyance until after the hearings.

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FIRST S-W RATE CARD ISSUED BY NBC

The National Broadcasting Company this week will issue its first rate card covering commercial international broadcasting to Latin America, according to an announcement by L. P. Yandell, in charge of commercializing NBC's short-wave service.

The new rate card, first of its kind ever issued, applies to both short wave stations owned and operated by the company, WRCA and WNBI, and allows sponsors to contract for a minimum of 13 weeks, instead of 52 weeks heretofore required, and for a minimum of five minutes per program, instead of the 15 minutes required previously.

Provisions are made for unusually high discounts and rebates, including a discount of 40 percent offered to yearly advertisers. Mr. Yandell explained this was in order to encourage purchases of time for longer periods.

Three languages will be used for the programs - Spanish, English and Portuguese. The latter classification will cost less because of the smaller number of such language groups as compared with those understanding Spanish or English.

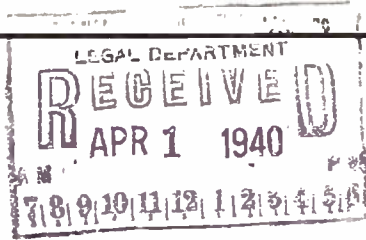
Hourly rates are listed at \$300 for Class A time in the Spanish and English classifications and at \$180 for Portuguese programs. Mr. Yandell revealed that a listener breakdown shows an audience approximated at 800,000 in Argentina; 350,000, Brazil; 150,000, Mexico, and 160,000, Cuba.

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FCC COURT VICTORY ALSO COMFORT TO BROADCASTERS

Despite the fact that the Federal Communications Commission was sustained by the U. S. Supreme Court in the Duguque, Iowa, case, as reported in the previous issue of the Heintz Service, the text of the decision gave comfort this week to broadcasters who have feared encroaching Government control of their business.

The Supreme Court, while holding that the FCC does not need to recognize the economic consequences of the licensing of radio frequencies, went further in its interpretation of the Communications Act and pointed out that the law gives the FCC "no supervisory control of the programs, of business management, or of policy" of licensees.

After reviewing the history of the case, the Court commented on its significance thus before announcing its decision reversing the Court of Appeals and upholding the FCC.

"We hold that resulting economic injury to a rival station is not in and of itself, and apart from considerations of public convenience, interest, or necessity, an element the petitioner must weigh and as to which it must make findings in passing on an application for a broadcasting license.

"Sec. 307 (a) of the Communications Act directs that 'the Commission, if public convenience, interest, or necessity will be served thereby, subject to the limitations of this Act, shall grant to any applicant therefor a station license provided for by this Act.' This mandate is given meaning and contour by the other provisions of the statute and the subject matter with which it deals. The Act contains no express command that in passing upon an application the Commission must consider the effect of competition with an existing station.

"In contradistinction to communication by telephone and telegraph, which the Communications Act recognizes as a common carrier activity and regulates accordingly in analogy to the regulation of rail and other carriers by the Interstate Commerce Commission, the Act recognizes that broadcasters are not common carriers and are not to be dealt with as such. Thus the Act recognizes that the field of broadcasting is one of free competition. The sections dealing with broadcasting demonstrate that Congress has not, in its regulatory scheme, abandoned the principle of free competition, as it has done in the case of railroads, in respect of which regulation involves the suppression of wasteful practices due to competition, the regulation of rates and charges, and other measures which are unnecessary if free competition is to be permitted.

"An important element of public interest and convenience affecting the issue of a license is the ability of the licensee to render the best practicable service to the community reached by his broadcasts. That such ability may be assured the Act contemplates inquiry by the Commission inter alia, into an applicant's financial qualifications to operate the proposed station.

"But the Act does not essay to regulate the business of the licensee. The Commission is given no supervisory control of the programs, of business management or of policy. In short, the broadcasting field is open to anyone, provided there be an available frequency over which he can broadcast without interference to others, if he shows his competency, the adequacy of his equipment, and financial ability to make good use of the assigned channel.

"The policy of the Act is clear that no person is to have anything in the nature of a property right as a result of the granting of a license. Licenses are limited to a maximum of three years' duration, may be revoked, and need not be renewed. Thus the channels presently occupied remain free from a new assignment to another licensee in the interest of the listening public.

"Plainly it is not the purpose of the Act to protect a licensee against competition but to protect the public. Congress intended to leave competition in the business of broadcasting where it found it, to permit a licensee who was not interfering electrically with other broadcasters to survive or succumb according to his ability to make his programs attractive to the public.

"This is not to say that the question of competition between a proposed station and one operating under an existing license is to be entirely disregarded by the Commission, and, indeed, the Commission's practice shows that it does not disregard that question. It may have a vital and important bearing upon the ability of the applicant adequately to serve his public; it may indicate that both stations, - the existing and the proposed - will go under, with the result that a portion of the listening public will be left without adequate service; it may indicate that, by a division of the field, both stations will be compelled to render inadequate service. These matters, however, are distinct from the consideration that, if a license be granted, competition between the licensee and any other existing station may cause economic loss to the latter. If such economic loss were a valid reason for refusing a license, this would mean that the Commission's function is to grant a monopoly in the field of broadcasting, a result which the Act itself expressly negatives, which Congress would not have contemplated without granting the Commission powers of control over the rates, programs, and other activities of the business of broadcasting.

"We conclude that economic injury to an existing station is not a separate and independent element to be taken into consideration by the Commission in determining whether it shall grant or withhold a license."

FM HEARING ENDS; FREQUENCIES ARE ISSUE

After eight days of testimony, the Federal Communications Commission concluded the frequency modulation hearing Thursday and asked all parties to submit briefs by April 15 as it took the case under advisement. No decision is expected before May.

While observers agreed that FM sponsors had made a good case for the new technique of radio transmission, the two major practical problems were left unsolved, i.e., whether wide or narrow bands are to be used and where the additional FM frequencies are to come from.

Major Edwin H. Armstrong, inventor of frequency modulation, and the FM Broadcasters, Inc., made a strong plea for wide bands and urged that additional channels be allocated to FM between 42 and 50 megacycles, which includes television's No. 1 channel, 44 to 50 megacycles.

The Radio Corporation of America, on the other hand, urged the Commission to approve narrow band transmissions and opposed invading television territory. As a compromise RCA witnesses suggested that television transmissions continue on present channels in New York, Chicago and Los Angeles, and that the frequency be used for FM broadcasting in other parts of the country.

Should RCA be forced to adopt a new wavelength for its television broadcasting in New York, witnesses said, it would be forced to build a new transmitter.

John R. Howland, Assistant to the President of the Zenith Radio Corporation, endorsed FM broadcasting as a supplemental service to standard or AM broadcasting but suggested that the FM broadcasters put the brakes on their enthusiasm. High fidelity broadcasting is not needed for children's programs, such as "Heigh ho, Silver", he said.

Frequency modulation broadcasting should be developed as an adjunct to AM broadcasting, he said, especially in areas that are not now served adequately.

Mr. Howland warned against any move that would make obsolete millions of present-day radio receivers, but he predicted that the home of the near future will be equipped with an FM receiver as well as a standard set.

J. E. Brown, Zenith engineer, disclosed that Zenith is preparing to market a combination AM and FM receiver for \$125.00. He predicted that with increased production the prices of FM receivers will come down.

The FCC was urged Wednesday to let the public decide whether "frequency modulation" radio stations - claimed to be free of static - are better than those using standard broadcast channels.

The Radio Corporation of America and its associated companies believe the new method is ready for commercial use, Frank W. Wozencraft, RCA counsel, told the Commission.

"We believe that it is impossible for any one to predict with any certainty the future of this new service", said Mr. Wozencraft. "Naturally, ultra high frequency, also known as high fidelity sound broadcasting will be in competition with standard band broadcasting, and only the public can determine which the public will prefer, and for which it is willing to pay, through the purchase of new receiving sets."

Major Armstrong and the F.M.B.I. asked for the television channel, now used by S2BX, operated by the National Broadcasting Company, a subsidiary of RCA. RCA offered a compromise plan under which channel 1 would be left to New York, Chicago and Los Angeles, where transmitters are working but would be given to FM elsewhere.

E. K. Jett, Chief Engineer for the FCC, pointed out that this arrangement would permit only five FM stations in New York, provided the Armstrong wide-band transmission was used. Already in New York there are four wide-band transmitters working with applications for more than twice as many.

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CHICAGO TELEVISION IS ONE YEAR OLD

Today (Friday, March 29) marks the first anniversary of Chicago's only television transmitter, W9XZV, owned and operated by the Zenith Radio Corporation. Experimental television programs have been transmitted from this station five days each week for the last year. A number of television receivers manufactured by Zenith have been loaned to experimenters and technicians in the Chicago area for observation and suggestion.

Continuous practical experiments under actual field conditions have resulted in a variety of improvements to both transmitter and receivers. However, Commander E. F. McDonald, Jr., President of the Company, announces that it is not entering into the manufacture of television receivers for sale to the public during the present stage of television development.

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The Western Division of the National Broadcasting Company will celebrate its thirteenth birthday Friday, April 5. The first Pacific Coast NBC Network program was heard April 5, 1927, over a network which linked five cities: San Francisco, Seattle, Portland, Spokane and Los Angeles. Today the Western Division of the National Broadcasting Company serves the eleven Western States and Hawaii through 36 stations of the NBC Red and Blue Networks.

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ASCAP AND CBS EXCHANGE CURT LETTERS

As the current battle between the American Society of Composers, Authors and Publishers and the National Association of Broadcasters continued this week, the ASCAP and the Columbia Broadcasting System exchanged curt notes.

John G. Paine, ASCAP official, wrote a letter to William S. Paley, President of the Columbia Broadcasting System, complaining that Edward Klauber, CBS Vice President, had walked out of a conference on the proposed new music copyright rates for radio.

Mr. Paine explained that a meeting of representative broadcasters had been called to get a "cross-section" view from the radio industry. After he had read a prepared statement and invited questions, Mr. Paine said, Mr. Klauber rose and "after delivering himself of a few mumbled remarks, indistinct and unclear, peremptorily left the room.

"The Committee feels that this man's conduct was unbecoming a gentleman and completely discourteous and certainly an abuse of the invitation extended to your Company", the letter continued. "We are certainly reluctant to believe that this discourtesy reflects in any degree the spirit of your Company.

"In view of the above, the Committee will be personally grateful to you if your Company will be represented by some person other than Klauber in any future discussions between us.

"You will be interested in knowing that this is the first letter of this character that has been written in the twenty-five years of our existence."

To this Mr. Paley replied, as follows:

"I am very sorry to hear from your letter that you regard Mr. Klauber's actions at your meeting yesterday as being discourteous. I have worked with Mr. Klauber for many years and know that it is impossible for him to behave in the manner interpreted by you in your letter.

"Having heard accounts of this meeting not only from Mr. Klauber but from Mr. Ream (Joseph Ream, CBS staff attorney), I am amazed that you should write such a letter or try to tell one of your largest customers who shall or shall not be delegated to have business dealings with you.

"Mr. Klauber was very much disturbed at the obvious attempt to eliminate the National Association of Broadcasters from the discussions with you, and stated clearly that so far as his company was concerned, your proposals would be referred to the negotiating committee of the National Association of Broadcasters. I am heartily in accord with his determination to resist all attempts to split our industry into hostile camps.

"Mr. Klauber, as Executive Vice-President of this Company, has complete charge of such business matters as may arise between your Society and this Company. If at any time he chooses to delegate this function to some one else, that is wholly a matter for his own decision."

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INQUIRY OF "PICK-UP" AND "DELIVERY" SERVICES ORDERED

The Federal Communications Commission this week announced that, on its own motion, it had instituted inquiry into the ramifications of the "pick-up" and "delivery" services furnished by the various telegraph companies.

Twelve telegraph carriers were ordered to show cause, at a hearing at a date to be set later, why the Commission should not find that:

"1. The furnishing, free of charge to certain customers or classes of customers, and not to others, of printer tie-lines, Morse tie-lines, telephone tie-lines, messenger call boxes, pneumatic tubes, messenger service, or other service or service equipment, or the making of allowances in lieu thereof, results in unreasonable discrimination;

"2. The doing of any of the things described in paragraph 1 above, except as specified in schedules duly published and filed with the Commission, constitutes an unlawful rebate or refund;

"3. The classifications, regulations, and practices of the carriers in connection with the things described in paragraph 1 above, or some of them, are unreasonable or otherwise unlawful; and

"4. The furnishing of special services, or special classifications of service, at special rates, such special services or classifications being conditioned upon the doing by the carriers of any of the things described in paragraph 1 above, is unreasonable, unreasonably discriminatory, preferential, prejudicial, advantageous, or disadvantageous; and why the Commission should not enter an order or orders directing the carriers, or any of them, to cease and desist such violations of the law, or such other order or orders as may appear to be appropriate in the premises."

The respondents are: The Western Union Telg. Co., New York City; Postal Telegraph Cable Co., New York City; R.C.A. Communications, Inc., New York City; Mackay Radio & Telg. Co. (Del.), New York City; Mackay Radio & Telg. Co. (Cal.), New York City; Globe Wireless, Ltd., San Francisco, Cal.; Press Wireless, Inc., Chicago, Ill.; Pacific Tel. and Telg. Co., San Francisco, Cal.; Commercial Cable Co., New York City; Commercial Pacific Cable Co., New York City; All America Cables & Radio, Inc., New York City; French Telegraph Cable Co., New York City.

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POLICE RADIO "CHASING" TO BE PROSECUTED, SAYS FCC

It has been brought to the attention of the Federal Communications Commission through complaints from police departments and other parties that certain automobile repair men, ambulance operators, and other unauthorized persons are making a practice of intercepting police shortwave radio messages relating to automobile accidents, crimes, etc., and using them for their own benefit, or for the benefit of other parties not entitled thereto, with the result that police investigation of mishaps and crimes is being hampered.

The United States Supreme Court in Weiss et al v. United States, 308 U.S. 321, decided December 11, 1939, that clauses 2 and 4 of Section 605 of the Communications Act of 1934 protect local intrastate communications as well as interstate and foreign communications from interception and divulgence. This section reads as follows:

"Sec. 605. No person receiving or assisting in receiving, or transmitting, or assisting in transmitting, any interstate or foreign communication by wire or radio shall divulge or publish the existence, contents, substance, purport, effect, or meaning thereof, except through authorized channels of transmission or reception, to any person other than the addressee, his agent, or attorney, or to a person employed or authorized to forward such communication to its destination, or to proper accounting or distributing officers of the various communicating centers over which the communication may be passed, or to the master of a ship under whom he is serving, or in response to a subpoena issued by a court of competent jurisdiction, or on demand of other lawful authority; and no person not being authorized by the sender shall intercept any communication and divulge or publish the existence, contents, substance, purport, effect, or meaning of such intercepted communication to any person; and no person not being entitled thereto shall receive or assist in receiving any interstate or foreign communication by wire or radio and use the same or any information therein contained for his own benefit or for the benefit of another not entitled thereto; and no person having received such intercepted communication or having become acquainted with the contents, substance, purport, effect, or meaning of the same or any part thereof, knowing that such information was so obtained, shall divulge or publish the existence, contents, substance, purport, effect, or meaning of the same or any part thereof, or use the same or any information therein contained for his own benefit or for the benefit of another not entitled thereto; Provided, That this section shall not apply to the receiving, divulging, publishing, or utilizing the contents of any radio communication broadcast, or transmitted by amateurs or others for the use of the general public, or relating to ships in distress."

"It would appear from the Court's construction of those clauses that any person who intercepts a local intrastate message and divulges the existence of same or uses the same for his own benefit or for the benefit of another not entitled thereto acts in violation of this section", an FCC spokesman said.

"The Commission's inspectors are being instructed to investigate complaints alleging violations of this nature in order that the Commission may refer to the appropriate United States Attorney for prosecution the cases in which it appears an indictment should be sought."

Heavy penalties are provided in Section 501 of the Communications Act for violations of its provisions. That particular section reads:

"Sec. 501. Any person who willfully and knowingly does or causes or suffers to be done any act, matter, or thing, in this Act prohibited or declared to be unlawful, or who willfully and knowingly omits or fails to do any act, matter, or thing in this Act required to be done, or willfully and knowingly causes or suffers such omission or failure, shall, upon conviction thereof, be punished for such offense, for which no penalty (other than a forfeiture) is provided herein, by a fine or not more than \$10,000 or by imprisonment for a term of not more than two years, or both."

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TELEVISION NEWS TEST HELD DISAPPOINTING

"Television's swaddling clothes effort at sponsored news broadcasting Wednesday night left something to be desired", Robert U. Brown wrote in last week's Editor & Publisher. "The highly touted attention-holding quality of the medium was not what it should have been, which might be explained by the fact that the spot news field is something radically new for television.

"Although FCC dictum prohibits television time from being sold until September, this was the first sponsored news broadcast. Esso Marketers, long sponsors of the Esso Reporter on regular broadcasts, paid for the out-of-pocket expense of the broadcast, its radio agency, Marschalk & Pratt, arranging all the details. The program, broadcast over NBC's W2XBS, was the first of a series to be sponsored by Esso every Wednesday night.

"Previewed by approximately 80 representatives of newspapers, trade press, and advertising, the 10-minute broadcast was good enough to provoke the imaginative mind to see the vast possibilities of the medium. Improvement, in control of static and finer screening, during the last year when this writer last saw television, was particularly notable."

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FLY TO ADDRESS RADIO EDUCATION SESSION

A program including Chairman James Lawrence Fly, of the Federal Communications Commission, Lyman Bryson and his CBS "People's Platform", George V. Denny, Jr., of Town Meeting of the Air, and Ed Kirby, NAB Public Relations Director, has been arranged for the Eleventh Institute for Education by Radio at Ohio State University, Columbus, Ohio, April 29 to May 1.

Chairman Fly will address the Institute at the annual dinner meeting Tuesday, April 30. He will be introduced by Judith Waller, Western Division Educational Director of the National Broadcasting Company.

For the first time, announcement of awards for the Fourth American Exhibition of Recordings of Educational Radio Programs will be made on the opening day. The announcement will come at the close of the morning session.

The National Association of Educational Broadcasters and the National Association of Teachers of Speech will hold closed meetings Monday evening. Ed Kirby will preside at a joint session of the National Association of Broadcasters, and the educational directors of CBS and NBC stations.

George V. Denny, Jr., and Frank E. Mason, NBC Vice-President and Assistant to the President, will be Chairman of two sections devoted to special problems. These will be held Monday evening. Mr. Denny is to preside at a discussion on Adult Education by Radio, and Mr. Mason will be Chairman of the section Pre-Professional Training of Radio Personnel.

Following the dinner Tuesday evening, round-table discussions will be held on eight general topics. Ed Kirby of the National Association of Broadcasters, will lead the discussion on Handling Controversial Issues. The section on News and Special Events will have as chairman A. A. Schechter, NBC News Editor and Special Events Director.

Subjects of other round-table discussions are Writing for Radio, Radio Production, Radio Workshops, Educational Script Exchanges, Recordings for School Use and Engineering Quiz Section.

On Wednesday morning the Institute will hear Guy Hickok, Manager of the International Division of NBC, who is to speak on "Developments in International Broadcasting". At the same session, Leonard Power, coordinator of research for the Federal Radio Education Committee, will discuss the activities of the FREC.

As in previous years, proceedings of the Institute will be published in a yearbook, "Education on the Air". All sessions will be held in the Deshler-Wallick Hotel except on Tuesday and Wednesday mornings, when meetings will be held at the Social Administration Building on the campus of Ohio State University.

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The period of the vernal equinox this year has brought with it a new problem for New York's Overseas telephone staff.

Flanking the A. T. and T. Company's "precision clock" in the window of its headquarters at 195 Broadway are eight other clocks, showing the time of day in other cities throughout the world. The clock times now shown are those for London and Paris, Berlin and Rome, Honolulu, Tokyo, Buenos Aires, Rio de Janeiro, Sydney, and San Francisco. The Overseas staff has assumed the duty of keeping these correctly set. This is no very great burden for people who handle calls to a score of remote countries daily, in which they must learn to convert clock-times with the east of an international trader dealing in dollars and sterling. The element requiring particular attention at this time of the year is the practice now common in many countries of changing the clock to get more sunlight hours for the working day.

This is not as simple as it sounds, because there is no international accord as to the date for changing the clock. It is, in fact, a gradual process spread over a considerable period:- beginning this year early in February, when London and Paris went on summer time on account of their nightly black-outs, and continuing through April, with America about the last to push its clocks ahead for the summer.

This is not entirely a period of one-way changes. If our days get longer, somebody else has to pay for it. In this case it's the people in the southern hemisphere. That is why Buenos Aires recently changed from summer time to standard. The result was to change the clocks of Buenos Aires so that they now read one hour ahead of New York, instead of two hours. This, it might be added, is only a temporary condition. When New York goes on daylight-saving time, the watches and steeple-clocks of the two cities will read the same. Thus there is a two hour spread in the course of a year.

These are among the shorter time intervals featured in the window at "195". For example, the Honolulu clock sometimes shows yesterday's time. Again, the hands on the Tokyo and Sydney clocks may mark tomorrow's time. Fortunately, however, the change due to daylight-saving schedules is not proportional to the distance, but is in all cases an hour.

There is one other feature which is encountered where one deals with standard time throughout the world. The selection of the reference meridian is sometimes a matter of local taste or convenience, and the variation from New York time is not always measured in even hours. Honolulu, for example, is five and a half hours behind New York; and when it's noon in New York, it's 5:20 P.M. in Amsterdam.

It is not probable that this task of the Overseas staff will be reduced to routine, as the company plans to change the

list of cities, and consequently the hours shown, now and again - that is to say, from time to time.

Except for these changes it will probably not be necessary for the Overseas staff to give much attention to the clocks at "195" after the end of April. At the end of the summer, however, when the sun is nearing the equator again on its southern slant, the hands of practically all of the clocks will go through the reverse motions, with the northern hemisphere going back to standard time and the southern hemisphere seizing daylight by the forelock.

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TELEVISION PROGRAM CARRIED 250 MILES

A record distance reception of a regular television network program brought New York City Easter services to the peak of Whiteface Mountain near Lake Placid in a weather observatory where hurricane winds and 18-below-zero cold greeted Easter morning, General Electric Company reports.

The television signal was carried 250 airline miles by relay from New York City through General Electric's relay television transmitter near Schenectady. G-E television engineers and four weather men saw the Fifth Avenue Easter parade in the midst of one of the winter's severest onslaughts on the top of the third highest peak of the Adirondacks.

The G.E. relay station is about midway between the transmitter of the NBC in New York City and Whiteface. It was the longest test made of the reception of the relayed signal since the beginning recently of regular network television programs.

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Telephone operating companies of the International Telephone and Telegraph Corporation in nine foreign countries report aggregate net gains of 5,393 telephones in February and 12,348 in the first two months of 1940. The two months increase compares with gains of 8,400 in 1937, 10,900 in 1938 and 11,000 last year and the February figure also represents a steady increase. These companies operate in Argentina, Brazil, Chile, Cuba, Mexico, Peru, Puerto Rico, Rumania and the international settlements of Shanghai, China.

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Printed copies of a broadcast by Gabriel Heatter on the occasion of the eighteenth anniversary of Station WOR, New York, February 22, were being distributed this week.

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