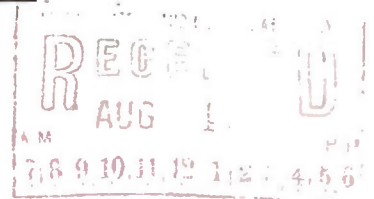
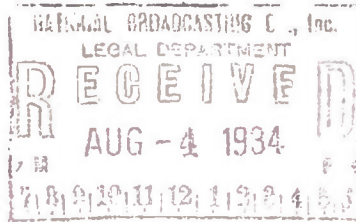


# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**



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*[Handwritten signatures and scribbles at the bottom of the page]*

August 3, 1934.

## BROADCASTERS BUCKLE ON SWORDS FOR EDUCATIONAL HEARING

Commerical broadcasters are not under-estimating the fight they will have to make Monday October 1st, when the Broadcasting Division of the Federal Communications Commission will give them their chance to be heard in the Commission's study of the proposal that Congress by statute shall allocate fixed percentages of radio broadcasting facilities to particular kinds of non-profit radio programs.

"This action initiates the most important survey of broadcasting yet undertaken," Philip G. Loucks, Managing Director of the National Association of Broadcasters declared, calling the commercial broadcasters to arms.

"It opens the door to every person and group of persons who have from time to time opposed commercial broadcasting and gives them an opportunity to make public record of their objections.

"Upon the report made by the Commission, Congress in the next session undoubtedly will formulate a permanent policy with respect to the licensing of broadcast stations.

"The National Association of Broadcasters will act as the coordinating agency through which the broadcasters will present their side of the case. But every station, large and small, network and non-network, must cooperate closely with the Association in assembling the vast amount of data which must be presented.

"The National Association of Broadcasters as a body is opposed to the parceling of channels to special groups and will present facts to substantiate this position.

"This important hearing, which may last from four to eight weeks, calls for prompt action on the part of the Association and the Association must have the unstinted support of every station interested in the perpetuation of the American system of broadcasting. To collect the vast amount of data necessary to coordinate the presentation of this data, and to meet the challenge which is thrown out to all broadcasters by it will demand the closest cooperation from each and every broadcaster who is interested in a fair and adequate presentation of the broadcasters' case."

The commercial broadcasters are naturally aroused over any plan to increase the "non-profit time on the air as this would necessarily mean the taking away of some of the facilities of the commercial stations. Also the broadcasters, in principal, are opposed to Congress taking a hand in allocating radio facilities. This would make radio more of a political football than ever and would virtually amount to Congress becoming a super- Communications Commission.

Indirectly responsible for the Commission's present investigation is Rev. John B. Harvey, Superior General of the Paulist Fathers, owners of station WLWL in New York. Father Harvey after being turned down by the Federal Radio Commission for additional broadcasting hours for his station went on the warpath. He declared that WPG, a commercial station at Atlantic City was on the air 110½ hours a week while WLWL, because it was obliged to share the same channel, was only allowed to broadcast 15½ hours a week.

The Paulist Father asserted that the commercial broadcasts have corralled 97½ per cent of the broadcasting facilities of the United States. His contention was that educational stations should have at least one quarter of the country's broadcasting facilities.

"How has education fared at the hands of the Federal Radio Commission?" "Most ignominiously!" Father Harvey declared dramatically when testifying before the Senate Interstate Commerce Committee. "At one time there were in the United States 105 stations classified as educational. Today there are but 30. What has become of the other 75 and why?"

Following the priest's appearance in Washington thousands of telegrams and letters poured in to Congress from all parts of the country, resulting in several bills being introduced in the Senate and House that 25 per cent of all broadcasting facilities be allocated to cultural, educational, religious, labor and other non-profit making stations, notably one by Senator Robert Wagner, Democrat, New York, and Senator Hatfield, Republican of West Virginia.

Later the Wagner-Hatfield bill was incorporated as an amendment to the Communications Act. When the amendment came up for consideration in the Senate, Senator Fess, Republican of Ohio said; "Everyone must be impressed with the pollution of the air for commercial purposes until it is actually nauseating. The practice is to turn off the radio about as quickly as one gets to it, because so much of the matter broadcast is offensive.

"Senator Wagner will probably recall that sometime ago I offered an amendment to the Radio Act allocating not less than 15 per cent of the time for educational purposes. I never could get any reaction in favor of it.

As soon as it was offered the stations began a propaganda against it; just why I do not know, and the same thing would be true here."

Despite this severe criticism of the broadcasters Senator Fess nevertheless voted against the 25 per cent amendment. It was beaten in the Senate by a vote of 42 to 23. Subsequently, in conference a clause was inserted in the Communications Act calling for a study of the entire non-profit radio programs situation by the Commission, stipulating that a report with recommendations should be made to Congress not later than February 1st.

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#### INSURANCE PREMIUM COLLECTED THROUGH COIN-OPERATED RADIO

Insurance premiums and money to pay for a radio set are collected by a Paris, France, company through the use of a slot attachment, according to Radio World.

Intended to appeal to listeners who have young children for whom they desire to make provision, the scheme calls for supplying each client with a radio receiving set which can be operated only by the insertion of a coin.

For every franc put into the slot, the set works for 24 hours, it is explained. At the end of the month the money is collected by the company and placed to the policyholder's credit against the annual premium and the cost of the radio set. After 18 months the set becomes the property of the holder, provided payments have been met regularly, and a reduction is made in the amount which must be inserted to maintain the insurance.

Larger sets to operate with two or three francs are also available, it is stated, so that larger payments may be made.

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#### CBS NEW ACCOUNTS AND RENEWALS

RENEWAL -Wasey Products Inc., New York (Kremel Hair Tonic and other Wasey Products) Starts - September 10, 1934, Tues to Fri Incl. 12 noon to 12:15 P.M. EDST- Sunday 7:00 EDST(PM) 24 stations -Program "The Voice of Experience."

RENEWAL - American Home Products-A.S.Doyle Floor Wax starts Sept 30, 1934-Sunday 2:30-5:00 PM-47 stations. Program - "Lazy Dan, The Minstrel Man with Irving Kaufman".

NEW - MacFadden Publications, Inc (True Detective Mysteries) Starts September 5, 1934-Wednesday 10:30 to 11:00 PM Program True Detective Mysteries' Crusade Against Crime. Agency- Ruthrauff & Ryan, Inc.

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8/3/34.

A. B. S. ADDS TO ITS STAFF

Numerous additions to the staff of the American Broadcasting System by George B. Storer, president of the new network, have been made, which include - Hampton G. Wall, Toledo attorney, general counsel. Mr. Wall has been a member of the law firm of Fraser, Hiett, Wall and Effler of Toledo. He will have his offices in New York.

Philip F. Whitten has been made sales director of WMCA. Mr Whitten entered commercial broadcasting in 1931 as an account executive of the Columbia Broadcasting System. In March 1933 he resigned from CBS to become sales manager of WINS.

WMCA is the New York key station of the A.B.S. Karl Knipe, former sales manager of CBS is director of sales of ABS

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COURT HOLDS KEN-RAD MUST PAY TO RCA LICENSEES

Judge Dawson, sitting in the District Court of the United States for the Western District of Kentucky, has handed down a decision in the case of the Radio Corporation of America against the Ken-Rad Corporation, holding that, under a tube license agreement between the parties, the Ken-Rad Corporation, as licensee, must pay royalties on sales of tubes to all other licensees of the Radio Corporation of America, with the sole exception of sales to tube licensees licensed to make and sell radio tubes under license agreements similar to the one involved in the litigation.

In his opinion Judge Dawson stated that no ambiguity existed in the contract with reference to the obligation of the Ken-Rad Corporation to pay royalties on sales to licensees of the Radio Corporation of America. "I do not see", said Judge Dawson, "how it is possible for any one to misunderstand or to have any doubt of the meaning of Section 4 of Article 3, if it is read in connection with the entire contract and the subject matter of that contract is kept in mind. The words "licensee" and "Licensees", used in that section, to my mind so clearly refer to licensees licensed to make and sell radio tubes under the patents referred to in the contract that it is difficult for me to understand how any other construction of the language used can be seriously contended for."

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Mackay Radio and Telegraph Company has concluded negotiations with "Radio Austria" for the opening of 24 hour service handling all classes of reelegraph traffic between the United States and Austria through the radio stations at Sayville, L.I. and Vienna. This is the only direct radio circuit between the United States and Austria, a Mackay announcement states.

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Carlton Smith for NBC and Bob Trout, Columbia, White House announcers went to the Pacific Coast to join President Roosevelt. The plan is for Columbia to pick up the Glacier Park speech for NBC and NBC to handle the Green Bay job for Columbia.

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William S. Paley, President of the Columbia, is believed to be in the midst of negotiations with local station owners for an outlet to be brought or leased by CBS, the Los Angeles correspondent of Billboard reports.

"Rumor ties him up with Earle A. Anthony, owner of KFI and also interested in another station. Anthony's differences with National Broadcasting Company may have something to do with this particular angle, but the fact that Paley is after a Coast-owned CBS outlet appears to be quite definite."

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The detailed tabulation just made by Lawrence D. Batson of the Electrical Division of the Department of Commerce showing the number of receiving sets in use in various countries of the world, and the number of broadcasting stations of each of the principal wavelength divisions, is now available in multigraph form.

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"I am Milton Biow," said a voice over the telephone to Miss Alice Wood, hostess at the desk of the main studio floor of the NBC headquarters in Radio City. "My agency handles the Philip Morris program. Will you please prepare the clients room for me and my party? We are on the way over." Miss Wood blinked and looked around. There was Milton Biow, whose agency does have the Philip Morris advertising account, standing a few feet from her desk. She turned the call over to him. The voice on the wire repeated the request. "I'm sure there must be some mistake -I'm Milton Biow and I'm already here." "Are you sure?" the caller demanded. "Well I always have been, up to the present anyway." "My error," the strange voice answered weakly and hung up.

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## FEDERAL GOLD PRICE LEAK PROBE STARTED BY TELEGRAPH DIVISION

The Federal Communications Commission last Wednesday launched an investigation into every phase of telegraph company operation, looking into the record of alleged monopolistic practices and probing into the long unsolved mystery of how speculators learned gold price quotations ahead of Treasury announcements.

The commission also began inquiries to determine what, if any, use was made of telegraph facilities by financial speculators in mysterious advance reports dispatched out of Washington last winter on Treasury gold price quotations.

One order of the commission called on telegraph companies to furnish full data on rates. Annexed to the order were 45 questions, asking information on classes of service, special handling of messages and extra charges.

The commission sought to discover if either Western Union or Postal Telegraph has contracts for exclusive rights to send out service on ball games. It was curious to learn whether big wire customers are preferred service, and whether attractive offers are made to get business.

By Oct 1, the telegraph companies must send the FCC copies of all their contracts, particularly those that may have to do with arrangements with railroads and other concerns for exclusive service privileges.

Another item was whether legitimate cash business is being diverted over sub-leased wires that amount to private systems. The FCC wanted to know whether such leased facilities are used for the business intended, or if everybody with access to the wires may use them for private telegrams.

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## TELEPHONE DIVISION SEEKS ADDITIONAL DATA

The regular meeting of the Telephone Division of the FCC Thursday was not held because of the absence from the city of Commissioner Walker who is in Oklahoma. The day before the Division held a short meeting presided over by Commissioner Case at which the following General Order (No. 4.) was adopted:

"That every carrier subject to the Communications Act, engaged principally in wire telegraph by October 1, shall file with the Commission, a verified report in duplicate showing the method by which and the extent to which it is furnishing interstate or foreign wire telephone service.



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"The Report shall indicate clearly among other things the types and classes of wire telephone service rendered by such carrier; the condition upon which the service is offered; the rates charged and whether such rates are the same as, or higher or lower than rates of competing telephone carriers for similar services; the facilities offered; the total income derived from such service and from each class of such service for each year beginning in 1925 and the ratio of such revenues to the total revenues of the carrier for each year reported; and where such service is offered on a subscription or contract basis, the number of subscribers or persons contracting for each class of service for each year beginning with 1925.

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#### MACKAY RADIO APPOINTS MARINE SUPT; AND WASHINGTON MANAGER

Mackay Radio announces the appointment of Mr. Arthur F. Wallis as Marine Superintendent of its Atlantic Division succeeding Mr. E. J. Girard who is appointed District Manager at Washington, D. C. in charge of Mackay Radio's new stations and offices there.

Mr. Wallis installed and operated some of the Navy's first radio equipment and served as radio operator and chief operator on shipboard and at shore stations in the Navy until 1910, and returned to the Navy as Communication Officer in the War, attached to Third Naval District in New York, serving as radio censor, traffic officer and officer in charge of aircraft radio.

Mr. Wallis resigned his commission in 1921 and joined the Independent Wireless Telegraph Company. In 1925 he entered the employ of the Tropical Radio Telegraph Company and went to Mackay Radio from that company in the Spring of 1934.

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#### RMA TAKES UP CUDGEL AGAINST SPAIN'S DISCRIMINATION

Following the report that Holland was endeavoring to negotiate a treaty with Spain whereby Dutch interests would be allowed to export 70% of the receiving sets into that Country and the rest of the World only 30%, Bond Geddes, executive vice president of the Radio Manufacturers Association has filed a stiff protest with Secretary of State Hull and Secretary of Commerce Roper.

Mr. Roper acted immediately by cable advising commercial attaches in both countries of the displeasure of the United States. Secretary Hull has promised to take similar action.



8/3/34

## VOICE OF SAFETY TO WARN CAPITAL TRAFFIC

"The gentleman with the purple spats and orange tie will kindly step back to the curb until traffic passes. Thank you."

It is the courteous "Voice of Safety" speaking and the scene is apt to be most anywhere downtown in the National Capital after 10 a.m. Wednesday. The described gentleman must do as he is told, or else - - . This or something like it will be in order as the second step in Washington's new traffic safety campaign is taken. The white automobile, spic and span with black lettering - "Voice of Safety" will make it's official debut at ceremonies near the Capitol Plaza.

From a loud-speaker on the automobile police will issue polite warnings and instructions to motorists and pedestrians.

Captain Milton D. Smith, second in command of the Traffic Bureau, recommended four of his policemen as alternating crews for the car. The men work in 8-hour shifts, patrolling downtown streets 16 hours a day.

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## DO RADIO STARS EARN THEIR PAY?

"Every penny the sponsors spend on radio programs and the cost runs into millions of dollars a year, must come back and show a profit. Yet stars are hired at salaries which are stated to range from \$1,000 to \$7,500 for a single broadcast, and "time" on a major network costs as high as \$15,000 an hour," Robert Eichberg writes in "Radio Stars". Add these together, then add the cost of an orchestra and other artists in the show. Put the broadcast on two networks instead of one, and it can run into as much as \$50,000 a performance, more than it costs to stage many Broadway shows for an entire run," the writer continues.

"How can the sponsors afford it? Salaries paid radio artists are said to be \$100,000 a year for "Amos 'n' Andy", \$3,500 a performance for Rudy Vallee, \$7,500 each for Eddie Cantor, Ed Wynn and Will Rogers, \$5,000 for Al Jolson and equally astounding fees for other stars.

"Surely these entertainers must be super-salesmen of the air if their broadcasts are to pay for themselves. Of course, they make us listeners more familiar with the names of the products they advertise, but do they bring new customers into the sponsor's retail outlets?

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"Let's look at some confidential figures and find out. Here, for example, is Ed Wynn, who heads a show on 54 stations of the red network at 9:30 E.D.S.T. Tuesday nights. Wynn is said to get \$7,500 for his appearance, to which must be added fees paid to Graham McNamee, the Fire Chief Band, Don Vorhees, and the male quartet. Then on top of that add about \$7,700, the cost of time on the network for one-half hour. Texaco has to sell quite a few gallons of gasoline to write off the weekly cost of that show which runs into about \$20,000.

"Well what results do they get?

"Remember that silly little fireman's hat Wynn wears when he poses for publicity pictures? That "kady" gives the key to an analysis of Texaco gas sales which are directly attributable to Wynn's broadcast, for during his program it was announced that you could get a copy of the foolish fedora by going to any Texaco filling station and asking for it.

"Optimistically the sponsors ordered 1,000,000 hats for sale to their dealers. Bango! In a few days the hats were all gone, and they ordered that many more to satisfy the demand; 2,000,000 hats, surely that was enough. But was it? Not on your life. They had to buy 1,000,000 more!

"Three million - count 'em, 3,000,000 - hats costing the service stations 7 cents each were demanded by auto-owning, gasoline-buying radio listeners. And each hat given away meant a sale of Fire Chief gas, many to new customers at least some of whom, it is hoped, remain users.

Ed Wynn himself says, "I spent 29 years plugging the name 'The Perfect Fool.' Now, in a few short weeks, it's of no use. I am now 'The Fire Chief' and not even my best friends will call me anything else."

"Why he is so popular that when ex-President Hoover over-lapped Wynn's time with a campaign talk in one of the hottest political battles of history of the United States, some 6,000 people telephoned the network and complained about it.

"That'll do for the Chief. Let's look back a year or two at the Stebbins Boys, who as aerial representatives of Swift & Co., put on a sketch in which they were supposed to be editors of a small-town newspaper. On three nights they announced that anyone writing to them would be given free copy of the paper. Then the fun began.

The first day there were only about 2,000 letters and everybody was disappointed. The next day 28,000 were received and the third day an additional 35,000. Then came the week-end, and Monday found 157,000 more letters from subscribers until finally at the end of a week their paper had a circulation of nearly 350,000 which is bigger than that of most newspapers in the large cities, or of the national magazines.

"John and Esley Stebbins, in case you have forgotten were the characters played by Arthur Allen and Parker Fennelly, both veterans of the legitimate stage. Allen jumped from stock to Broadway where he played character parts; Fennelly played Hamlet on the road, touring and playing New York alternately for some 15 years. Their radio acting, however, won them more fame on the legitimate stage than did all the years they trod the boards, for the acme was reached when the curtain line of a melodramatic hit was, "Now my dear sir, you may go home to your radio and listen to the Stebbins Boys."

"Was Swift & Co.'s advertising manager, pleased with their work? He said, "In 8 weeks they made Brookfield Butter over 50 percent better known in 28 major cities."

"That's a bold comment, but now let's see some figures on a proven check-up of directly traceable sales as made by that pair of supersalesman, Freeman Gosden and Charles J. Correll, better known as "Amos 'n' Andy" - so much better in fact that I could not recall their real names.

"When I phoned NBC neither could the man who answered the 'phone in the press department; he had to look them up.

"But you can bet the Pepsodent people know those names, know them with a touch of awe and reverence, for they sold 2,000,000 tubes of tooth paste through a single brief campaign. Before and after the darky dialogue sketch, the announcer said that any listener sending in two cartons in which Pepsodent toothpaste was packed would be given a free bottle of mouth wash. The announcement was contained for a limited time or until 1,000,000 bottles of mouth wash had been requested. These requests were accompanied by cartons representing \$500,000 worth of tooth paste.

"In a recent magazine article a writer kids radio advertisers who say that your purchases of a product make their programs possible, urge you to continue buying. The effectiveness of such appeal was demonstrated by another Pepsodent Show, The Rise of the Goldbergs.

"You may recall when an announcement was once made during their program to the effect that "Although this program is presented for your entertainment, we cannot continue it unless it is making new users for Pepsodent Tooth Paste and antiseptic. If you want it continued, write us a note on the back of a Pepsodent carton." As an added inducement a bathroom tumbler was offered to all carton senders.

(TO BE CONTINUED)



## PRALL, COMMUNICATIONS COMMISSIONER DESIGNATE IN AUTO ACCIDENT

Considerable concern was felt in Communications' circles as to the extent of the injuries of Representative Anning S. Prall, of New York, who along with Senator Robert F. Wagner of New York, was injured when their car was crowded off the road by a truck at Westport, N.Y. They were en-route to the Seigneur Club at Lucerne, Quebec.

Dr. H. J. Harriss attending them said, the day following the accident: "Both men are comfortable and cheerful and have recovered from the shock that accompanied their injuries. They will remain here for the next few days, after which Representative Prall will be sent to a New York hospital for treatment of the double compound fracture of the lower right leg. After a few days rest I anticipate that Senator Wagner will be able to leave of his own accord with complete discharge."

Senator Wagner, driving, in attempting to pass one truck on a mountain curve turned off the highway to avoid hitting another truck coming from an opposite direction. His car dropped 20 feet but didn't turn over.

Representative Prall, who is 64 years old, upon his defeat for renomination was appointed to the Federal Radio Commission by President Roosevelt but never took his seat. The assumption is that Mr. Prall, a personal friend of the President will be appointed to the Federal Communications Commission to succeed Commissioner Hampson Gary when his (Prall's) term in Congress expires January 1st. Owing to the fact that Representative Prall was a member of the House at the time the Communications Act was passed, he cannot serve on the Commission during his present term of Congress.

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## NORMAN . BAKER TRIES TO COMEBACK

Norman Baker of Iowa whose station KTNT was closed down upon complaint of medical authorities and charged by the Radio Commission as being "inimical to public health", filed an application for a new station at Muscatine with 5 K.W. power on 1170 kilocycles frequency, limited time.

The application was returned to Baker by the Communications Commission as not being properly filled out.

"The State of Iowa is overquota and even if it weren't Baker wouldn't have a chance to get another station. Since the State is overquota he must now apply for the facilities of some Iowa station." a Commission official observed. "Norman is just taking a flier with the new crowd in the hope of coming back, but it will not do him any good as the older ones around here know him. Also there is the record of his previous case."

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WASHINGTON, D. C. 8 1934

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No. 747.

August 7, 1934.

## BROADCASTING DIVISION PLANS LITTLE BESIDES SURVEY

Hampson Gary, chairman of the radio division of the Communications Commission, said that aside from the routine activities carried on by the Radio Commission the radio division of the new Commission, which amounts to about the same as the old Commission, has no radical plans in mind at the present time. Judging from what Mr. Gary said the division will confine itself principally to "keeping on, keeping on" until it receives further instructions from Congress when that body meets next January.

The principal new work of the Commission, Mr. Gary said, will be the survey in preparation for the recommendation to Congress as to whether or not the legislative body shall stipulate a fixed percentage of broadcasting facilities to educational, religious and other non-profit making programs or radio stations.

"I find my work interesting and indeed fascinating", said Mr. Gary. "It is my intention to make a complete survey of the broadcasting field with the hope of being able to suggest ways and means to iron out some of the rough spots now present. My first concern, of course, under the law, and following my own impulses, is for the listeners.

"My colleagues are a unit on this subject and it is most gratifying to note their enthusiastic cooperation in all matters tending to improve the service to listeners throughout the country."

While viewing the broadcast structure from a national viewpoint as paramount, Mr. Gary declared there are problems confronting listeners in his home state of Texas which do not prevail elsewhere because of the vast territory embraced within the borders of that state.

"The quota system heretofore applied", he said, "works an injustice to those living in Texas and in some of the other sections of our great country. People living in sparsely settled sections of the country are the ones to whom radio should prove the greatest boon and blessing. Residents of congested sections have all sorts of other diversions and entertainment and means for keeping posted on the affairs of the nation and the world. Those living in the rural

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sections depend largely on radio to keep them in direct touch with the outside world."

Mr. Gary said he intends to make a careful study of synchronization as it may offer possibilities for the solution of some problems confronting rural listeners in Texas and elsewhere. He is watching with keen interest experiments now being conducted whereby KRID at Dallas, and WTIC, Hartford, Conn., operate full time simultaneously on the same frequency - 1040 kc, and other experiments being conducted on the same channels by stations operating simultaneously part time.

He pointed out several stations are also being operated successfully on a common frequency, full time, by means of matched crystals.

"Engineers tell me", he said, "that the real tests of synchronization will come this winter when propagation of signals will be at its best. It is my hope that these tests will prove satisfactory, for then we can find room for more stations and can provide full time operation for other stations now obliged to split time, thus providing radio programs to many communities now served only a few hours each day.

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#### JUDGE SYKES EXPLAINS COMMUNICATIONS ACT

Judge Eugene O. Sykes, chairman of the Federal Communications Commission discussed briefly some of the most important provisions of the Communications Act in a radio address over the Columbia Broadcasting System last Friday night. Judge Sykes spoke through Station WJSV in Washington.

The Chairman expressed no opinions with regard to the merits of the Act, but merely explained for the benefit of the average listener what the Communications Act provided for.

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#### WASHINGTON PLANS TWO MORE "VOICE OF SAFETY" CARS

The "Voice of Safety" police automobile, which began cruising the streets with a loud-speaker warning to careless motorists and pedestrians, has proved efficient enough to warrant two additional machines, in the opinion of Police Chief E.W. Brown.

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The regulation patrol cars of the Traffic Bureau are to be equipped in the near future with loud speakers. These will lecture on the enforcement of traffic regulations while proceeding about routine police duty.

Sergt Walter H. Thomas, assistant traffic director of the safety campaign, estimated that the observance drive now on in the Capital was saving the motoring public between \$150 and \$200 a day in fines.

Two more vocal cars, Sergt Thomas said, should cut down the traffic penalty bill to reasonable proportions. The Police Department would be happy to deprive the District of this source of revenue if it would make Washington's well-known reckless drivers "safety conscious," Sergt Thomas declared.

There were some amusing incidents when the "Voice of Safety" (an automobile painted white equipped with a loud speaker and manned by two Washington traffic policemen) cruised about the City.

An ice cream vendor, pushing a two-wheeled cart in quest of business, was walking blissfully along in the street some yards from the burb. "The ice cream man will please keep over to the right!" the Voice announced in stentorian tones. The ice cream man moved over, stopped and scratched his forehead. It was obvious he had never heard about the Voice of Safety until that moment, and he was perplexed. "Stop back of the cross walk while waiting for the green light," the Voice warned a truck driver who had edged across the white line. The driver grinned sheepishly and made a gesture of compliance.

"Boy, get up on the sidewalk!" - - this to a dirty faced urchin on Pennsylvania Avenue. The boy got up, his eyes wide as he looked around to make sure the remarks were not directed to some one else.

A pedestrian was walking across the avenue at Sixth Street. He was brought to an abrupt halt by the voice "You're walking against the red light - that's very dangerous," the man was told. He laughed good-naturedly and waved his acknowledgment.

"Come on, Virginia, move along there," the voice said referring to a car with a Virginia license. "You're parked double - move on please." "Don't park abreast, please." The lady from Virginia - please don't park there - thank you."



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No one seemed offended, all seemed to take the admonishing in good grace - but nearly every one was embarrassed.

"It's working fine, so far," a municipal officer remarked. "But wait until the Voice of Safety accosts the wife of some congressman or other official - I fear the worst!"

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DO RADIO STARS EARN THEIR PAY  
(Continued)

Amos and Andy offered to swap photos of themselves for Pepsodent cartons and got 75,000 takers in a week, Robert Eichberg wrote in "Radio Stars".

"Add it up", Mr. Eichberg continues, "right here we have a total of 2,895,000 cartons, not letters, but cartons, each representing a 25-cent sale, sent in by listeners replying to only three ideas. Do a little multiplication and then decide whether or not the Pepsodent programs earn their pay.

"Then take the Kraft Musical Revue which featured Al Jolson and Paul Whiteman in a presentation running for 2 hours in New York and 1 hour in New England. We are told that each of these stars rates \$5,000 a show and, with the station time and all, it cost Miracle Whip Salad Dressing a pretty penny. Well, was it worth the money?

"Let John H. Platt, Kraft's advertising manager tell you, as he told Sales Management, "Inside of 3 weeks from the first announcement, 85 percent of the distributors in the territory stocked Miracle Whip. In 6 weeks it was in first place in sales throughout New York and New England." True, newspapers and other media were used in this campaign, but radio gets a big share of the credit.

"Irene Wicker, - that's not a mistake in her first name, a numerologist told her to spell it that way - is one of radio's best saleswomen. As "Kellogg's Singing Lady", heard over the blue network late every afternoon except Saturday and Sunday, she has been directly responsible for 38 women getting steady jobs. No Irene didn't hire them, but their work is to take care of her fan mail, and it keeps them mighty busy. You see, the Singing Lady offered to send her song book to people mailing her tops from Kellogg packages, and about 14,000 a day take advantage of the offer. So Irene is responsible for nearly 100,000 sales of Kellogg products every week.

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"Cities Service spends about \$300,000 a year on broadcasting and has been on NBC over 7 years. Its program features Jessica Dragonette. Now \$300,000 is a lot of money, but through radio broadcast advertising in one month they sold over 20,000 shares of common stock and one order for 50,000 barrels of oil. Down in Dallas, Tex., a salesman closed a contract for 9,000 gallons of Koolmotor gasoline monthly, as a result of radio; these are only a few examples. So, you see, they get their \$300,000 back.

"The Carnation Milk Co. put on a contest for a slogan during their weekly half hour over 37 NBC stations, and, during the 13 weeks the contest lasted, received 659,270 slogans, most of them written on labels taken from the cans.

"Graham-Paige motor cars once put the Detroit Symphony Orchestra on the CBS chain in a series of weekly half-hours. A copy of a poem by Edgar A. Guest was offered anyone visiting the showrooms. About 50,000 people a week took advantage of the offer, and Graham-Paige had to increase their factory production schedules about 50 percent to meet the resulting demand for their cars.

"Walter Winchell clicked big on the same network when he broadcast for La Gerardine, a hair lotion selling for one and two dollars a bottle in competition with other products, many at 10 cents. Before Winchell took the air "Gerry" wasn't sold in drug stores. When he finished not only did they have complete distribution, but sales had increased 250 percent before the broadcast had been running 2 months. He's doing another grand job on Jergen's Lotion right now.

"The networks always point with pride to sponsors who have been on the air continuously over a long period of time. "Would they", station officials ask, "have stayed on so long if their programs didn't pay?" To which we can only answer, "No one can fathom the mind of a radio sponsor. Let's see some figures."

"In response they trotted out a handsome set of statistics on the A. and P. Gypsies, whom Harry Horlick had on NBC continuously since 1924, save for a 2-months' vacation in 1927. They've played 66 solid months on the air since 1927, which is a longer run than even Abie's Irish Rose. They're credited with increasing the chain store's sales 173 percent.

"And now to take a peek at inexpensive broadcast. Ida Bailey Allen, as you know, broadcasts at a time of day when charges for time are low. Likewise she appears under the joint sponsorship of several trade-marked brands, which further reduces the cost for each of her sponsors.

"One of them who makes a product retailing for 15 cents, had 7,000 handy little kitchen appliances left over from a former premium stunt and asked Mrs Allen to give them away over the air. So she offered one to anybody sending in 10 flaps torn from the product, thus proving actual sales of \$1.50 for each request. Suddenly the advertiser found that all the appliances had been given away. Still package tops poured in, until more than 200,000 had been received. The cash return, as proven by package tops, was \$304,500 from just that two-line announcement."

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#### FINCH TALKED OF AS TELEGRAPH DIVISION DIRECTOR

W.H.G. Finch, head of the International News (Hearst) Service radio department is being prominently mentioned as the Director of the Telegraph Division of the Federal Communications Commission.

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#### BOSTON AND PROVIDENCE CASES SET FOR HEARING

Applications of stations in Boston and Providence have been set for hearings by the Broadcasting Division of the Radio Commission. The dates will be announced later.

Station WHDH, Matheson Radio Co., of Boston has applied for a modification of license to increase hours of operation from daytime to unlimited time using 500 watts night, 1,000 watts daytime until sunset at Denver. This will be heard by the entire Commission, along with an application by WNAC, Boston.

WJAR, The Outlet Co., Providence, has applied for modification of license to increase power from 250 watts night, 500 watts daytime, to 1,000 watts day and night.

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#### RADIO MAKING PROGRESSES IN SOUTH AFRICA

When the Grahamtown radio station is opened some time this year in the Union of South Africa, that country will have complete radio coverage with satisfactory reception, according to Acting Commercial Attache E.B. Lawson, Johannesburg, in a report to the Commerce Department.

According to current estimates, the report states, there will be over 100,000 licensed receiving sets in the Union by February of next year.

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## ADMIRAL McNAMEE TO OPEN MACKAY WASHINGTON SERVICE

Admiral Luke McNamee, president of the Mackay Radio and Telegraph Company of California will inaugurate the first commercial radio telegraph service between Washington and other cities, Wednesday August 8.

That they may witness the opening and meet Admiral McNamee, invitations to a luncheon at the Mayflower have been extended to Communications officials and others of prominence at the Capital. Arrangements for the luncheon are in the hands of Frank C. Page, of New York, vice president of the International Telephone and Telegraph Company.

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## COMMODORE STANLEY HUBBARD ESCORTS PRESIDENT ROOSEVELT

Several prominently identified with radio have been among those to extend a welcome to President Roosevelt on his trip from the West Coast. Senator Dill greeted him at Spokane and many are of the opinion that the President may have urged the Washington Senator to reconsider and to run again, as the latter has until Saturday(August 11) to definitely file his intentions.

Stanley E. Hubbard vice president and general manager of KSTP, St Paul noted yachtman in those quarters, will act as commodore of the flotilla of 25 yachts which will escort President Roosevelt from Wabasha(Minn.) to Winono, Wednesday afternoon, (August 8.)

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## SARNOFF PRAISES MARCONI'S MICRO-WAVE HARBOR BEACON

Returning from two months abroad David Sarnoff president of the Radio Corporation of America said he had a conference in London with Senator Guglielmo Marconi and learned at first hand of the inventor's plan to pilot ships into port and their berths in the docks by the use of short wave, or centimeter wave lengths and said that he regarded the invention as highly important for the shipping world.

"The device might readily," he said, "be used, when perfected, on all lightships outside of New York or any other port to guide vessels safely into the harbor in fog or heavy snowstorms."

"Germany, Great Britain, Holland and France are all doing research work in an effort to perfect television," Mr. Sarnoff added, "but I did not see anything abroad which is superior to developments along the same lines in the United States." He said that the British has appointed a commission of experts to study the subject.



Mr. Sarnoff added that business had much improved in Great Britian but was generally dull in France.

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#### PICTURE PEOPLE JOIN BROADCASTERS IN FIGHT ON COMPOSERS

As a part of their opposition, the American Society of Composers new seat tax scale the film people have requested permission of the National Association of Broadcasters to intervene in a suit that the NAB has pending against the Society. A letter requesting authority to join radio as a co-litigant in its test cast was addressed to Newton D. Baker chief counsel for the NAB. This action was filed last year in behalf of WIP, Philadelphia, with the New York Federal Court. It charged the Society with being a monopoly and asked that the performing rights combine be ordered dissolved.

It is also reported that the picture interests will endeavor to subject the composers to a Congressional investigation in the hopes of having the copyright laws revised.

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#### BROADCASTING DIVISION ACTS UPON NUMEROUS APPLICATIONS

The Broadcasting Division of the F.C.C. took the following action at its meeting Tuesday afternoon (August 7.)

Albert S. Moffat, Lowell, Mass granted CP to move transmitter and studio from Lexington to Lowell, Mass; 1370 kc, 100 w night 250 w. day; specified hours. WLEY  
WBAA Purdue University, W. Lafayette, Ind. suspended grant for Mod. of Lic to change frequency from 1400 to 800 kc and application set for hearing because of protest of WILL, Urbana, Ill.  
WDAF Kansas City Star Co., Kansas City, Mo. denied petition to intervene in the proceedings with refernce to the application of WHB Broadcasting Co., Kansas City, for special auth. to operate on 1120 kc, 500 w. from LS to midnight at Kansas City.

Also WBAP Carter Publications Fort Worth, Texas, granted petition for regular renewal of license. WBHS Radio Sta, Huntsville, Ala. Granted regular renewal of Lic to continue operation at Huntsville, Ala. and consent to Vol. Assign of Lic. to Virgil V. Evans. Appl to move sta to Greenwood S C has been withdrawn. WOL American Broadcasting Co. Wasnington, D.C. denied request for hearing on protest against grant made June 15, 1934, of an increase in day power from 500 w to 1 KW to WRC, Washington, on the ground that the allegations in the protest are "vague" problematical and conckectural and are not such as to present substantial interest."

Also WHDF The Upper Mich Broadcasting Co. Calumet, Michigan, granted CP to move transmitter from Calumet to outside of Larium, Mich, and make changes in equipment. WKBZ, Karl L. Ashbacher, Muckegon, Mich. granted Mod of CP to change location of station locally in Muskegon and extend commencement date to Aug 8.

Also WCAL St. Olaf College, Northfield, Minn. granted license 1250 kc, 1 KW night, 2½ KW day; specified hours. KWYO R.E. Carroll d/b as Big Horn Broadcasring Co. Sheridan, Wyo. granted license; 1370 kc 100 watts, unlimited. WTRC The Truth Publishing Co. Inc. Elkhart, Ind. granted Vol Assign to Lic to Truth Radio Corp. KMBC Midland Broadcasting Co. Kansas City Mo. granted license for auth to change type of equipment auth by CP. WDGY Dr. Geo. W. Young, Minneapolis, Minn granted license covering new eqpt and increase in power from 1KW to 1KW night 2½ KW day; 1180 kc ltd time. WMAL Nat'l Broadcasting Co. Wash ington, D.C. granted license for auxiliary purposes 630 kc, 250 watts night 500 w. day.

Also KWKC Wilson Duncan Broadcasting Co., Kansas City, Mo to operate without approved freq. monitor for a period not to exceed 15 days. WKRC WKRC, Inc Cincinnati, O Spec Temp. Auth. extended for period Aug 3 to 16 incl. to operate without an approved freq. monitor. WHBC Edward P. Graham, Canton, O. to operate simultaneously with station WNBO from 9 to 11 pm EST Aug 13, and 9 pm to 12 pm EST Aug 14; also granted spec temp auth to operate from 12 midnight to 6 am EST Aug 15. KLS S.W. Warner & E.N. Warner c/o Warner Bros. Oakland, Cal. Mod of Lic. to increase hours of operation from daytime to unltd. WBZA Westinghouse Elec & Mfg Co. Boston, Mass. Spec Exp Auth to transmit dissimilar programs over WBZA daytime up to 1 hour before sunset, when synchronized with WBZ, for period of 30 days.

The following miscellaneous cases were acted upon:

New Seymour Turner, Portable (Phila, Pa.) granted experi- mental Visual Broadcasting CP to Nov 1, 1934 65000 to 75000 kc. 5 watts. QATR Harold Thomas, Waterbury, Conn. denied Spec Temp Auth to operate on 1200 kc, 100 watts, unltd. time until station WORC in required to revert to its regularly licensed freq. of 1200 kc. WLTH Voice of Brooklyn, Brooklyn, N.Y. Mod of Lic. to operate on 1400 kc, 500 watts, WLTH 3/4 time, WBBC 1/4 time, hertofore set for hearing, was dismissed at request of applicants.

New Joseph Pappalardo, Lawrence, Mass. CP for new station to operate on 1120 kc, 100 wats, inltd time. hertofore designated for hearing was dismissed at applicant's request. New American Radio Productions Inst Inc Brooklyn, N.Y. CP, 1400 kc. 500 w unltd time (Fac of WBBC, WLTH, Ward and WVFW) heretofore designated for hearing, was denied because applicants failed to enter appearance within time allowed.

NBC NEW AND RENEWAL ACCOUNTS

NEW - Parmalee System Inc. (Taxi Service ) World Wide Advertising Corp, starts July 30, 1934, time Mon, Wed, Fri 6:15 to 6:30 PM EDST; WEAF only- Program "The Parmalee Harmony Taxi Drivers" -Laddt Trio and White. RENEWAL - The F.W.Fitch Co Fitch's Shampoo) Des Moines, Iowa, Agency L.W.Ramsey Co., Davenport Iowa starts Sept 9, 1934. Sundays 7:45 -8:00 PM . 11:00-11:15 PM Network -7:45-8 WEAF WTIC WJAR WTAG WCSH WLIT WFBR WRC WGY WBEN WCAE WTAM WWJ WSAI WMAQ KSD WOC WHO WOW WKBF 11:00 - WTMJ KSTP WIBA WEBC WDAY KFJR WKY WBAP KPRC WOAI KTBS KOA KDYL KGO KFI KOMO KHQ WDAF. -Program "Irene Besley."

CHANGE Effective July 24 and thereafter the PROCTOR AND GAMBLE CO. Program "Ivory Stamp Club with Tim Healy" will be heard on Tuesday, Thurs Sat at 7:00-7:15 PM instead of 6:30- 6:45.

NEW Proctor & Gamble Co (Draft) Cincinnati Ohio. Agency H.W.Kastor & Sons, 360 N Mich Ave Chicago, Ill starts Aug 14, 1934. Time Tues, Wed, Thurs 3:15- 3:30 PM; 3:30 -3:45 PM starting Aug 2. Network WLW WHO WOW WDAF WIBA KSTP Program "Rainbow Court"-dramatic show with Irna Phillips, Irene and Walter Wicker and Lucy Gilman.

NEW Bonwit Teller & Co (Woman's Wear) 721 -Fifth Ave Agency Cecil Warwick & Cecil, Inc. New York, Starts August 3 only, Friday 7:00-7:15 PM EDST WJZ only. Paris Style Openings by May Birkhead from Paris, France.

NEW Ironized Yeast Co. Atlanta, Ga. starts Sept 11, 1934. Tues, Thurs and Sat 7:30-7:45 PM -12 stations-originating WABG Whispering Jack Smith and His Orchestra-Agency Ruthrauff & Ryan Inc. (Columbia Broadcasting Company) Also NEW Brillo Mfg Co. Brooklyn, N.Y. Oct 7, 1934 Sunday 12:30 -12:45 PM 24 stations Program "Tito Guizar's Midday Serenade".

NEW United American Bosch Corp (Radios, automobiles horns and magnetos, etc) Springfield, Mass Agency E.T.Howard Co Inc., Starts August 19, 1934. Sundays 5:30-5:45 PM EDST Network WJZ WBZ WBZA WBAL WMAL WSYR WHAM KDKA WGAR WJR WCKY WENR KWK KWCR KSO KOIL KREN KSTP WKBF WTMJ WIBA WEBC WDAY KFJR WSM KWCR WMC WSB WAPI WJDX WSMB KOA KDYL KGO KFI KGW KOMO KHG. Program - "Radio Explorers Club."- Historical talks by explorers from the Museum of Natural History with incidental music.

NEW Wheatena Corp. Rahway, N.J Agency McKee & Albright Starts August 27, 1934. Mon to Fri incl. 6:45 to 7:00 PM EDST Network WEAF WEEI WTIC WJAR WTAG WCSH WFI WLIT WFBR WRC WGY WBEN WCAE WTAM WWJ WLW Program "Billy Batchelor"-dramatic sketch



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::::BUSINESS LETTER NOTES::::  
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William S. Paley, president of Columbia, is due back from the West Coast this week, and Edward Klauber, vice president who has been sitting on the lid in Mr. Paley's absence will start on his vacation.

Mr. Klauber was one of those who attended the recent dinner given to the new Communications Commissioners in Washington.

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Benedict Gimbel, Jr., president of WIP, Philadelphia was a visitor at the New York headquarters of the American Broadcasting System to discuss with network officials details regarding programs and the recent affiliation of his station with the chain.

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Station WHBM, Green Bay, Wis., has filed an appeal from a decision of the old Federal Radio Commission denying WHBM the right to change from 1200 to 1360 kilocycles and increasing its power from 100 to 1,000 watts. WHBM is seeking the facilities of WGES, Chicago and WIND, Gary, Ind.

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An inconspicuous carbon-type microphone from the early days of commercial broadcasting is a radio relic in the private office of Le Roy Mark, president of WOL, member station of the American Broadcasting System in Washington, D.C. The instrument was used in 1926 for his first broadcast from the White House by Calvin Coolidge, who was inducted into office as President of the United States eleven years ago.

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Speaking at a symposium on ballroom dancing, Samuel L. Rothafel, "Roxy", announced that in the near future he would return to the stage work that has made his name famous.

"Roxy" will be heard over a Columbia network at an early date sponsored by Fletcher's "Castoria."

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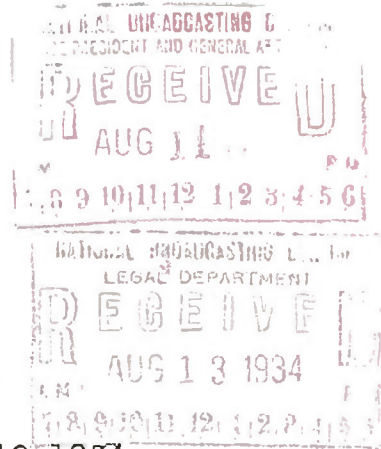


# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**



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No. 748.

August 10, 1934.

## MACKAY RADIO LINKS CAPITAL WITH ELEVEN CITIES

Communications Commissioners, Army and Navy and other prominent government officials and newspaper correspondents, witnessed, at a luncheon, the ceremonies of the opening of Washington's first commercial radio inter-city telegraph service, linking the National Capital by Mackay Radio with New York, Boston, Chicago, New Orleans, Seattle, Tacoma, Portland, San Francisco, Oakland, Los Angeles and San Diego. Kansas City and Atlanta will be next.

A sending and receiving station was installed in the room. Messages of greeting were sent to Col. Spsthene Behn, President of the International Telephone and Telegraph Corporation, who was at St Jean de Luz, France and had to be reached from Madrid by telephone, Col W.F. Repp, vice president in charge of the Argentine System, and Captain Schuyler Cummings of the S S. Manhattan a day out of New York.

Frank C. Page, vice president of the International Telephone and Telegraph, who Admiral Luke McNamee, president of Mackay Radio later characterized as "a prince of good fellows" in announcing that the messages had been sent caused a laugh by saying, "I've got all the replies here in my pocket in case there is a delay in any of them coming in."

The first to be heard from was Captain Cummings of the Manhattan and the others came in shortly thereafter. Mr. Page declined to send a message from one of the guests to Senator Huey Long, asking Huey what the heck he was trying to do with the militia down in New Orleans. However, Mr. Page accepted a radiogram from Judge E.O. Sykes, chairman of the Federal Communications Commission to Admiral Byrd, but added, "I won't promise time of delivery on that."

Mr. Page, who acted as toastmaster, said that the United States was the only country of any size which hadn't developed inter-city commercial radio service.

Admiral McNamee, the only speaker, said that the Administration was to be congratulated upon creating a Communications Commission and that it was the first constructive thing which had ever been done by this country for the regulation of communications. Remarking that he was new to the

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business the Admiral told a story about a dog owned by a ventriloquist.

The vaudeville actor was stranded in a New England village and as a last resort decided to sell the dog. As he passed the country store he said addressing the dog, "It's pretty hot to-day." "Not so hot", the dog replied. The storekeeper exclaimed in amazement, "Can that dog talk?" "Sure" the actor replied. "Want to sell him?" the storekeeper asked. "I'm so hard up, I am afraid I'll have to." "How much do you want for him?" "Five hundred dollars." the actor stated.

This flabbergasted the storekeeper but they finally agreed upon \$200. After ramsacking his safe the storekeeper came out with \$100 in bills and silver and gave his note for the other hundred.

"Whereupon" Admiral McNamee concluded, the dog said, "I won't say a damned word until he pays that note."

The sending station for the Mackay Washington radio link is at Muirkirk, Md., and the receiving station at Saysville, L.I. The Washington receiving station is near Rockville, Md.

Rather than an overcrowded head table at the Mackay luncheon at the Mayflower in Washington there was an informal seating arrangement at small tables about the room with Communications Commissioners and others so seated as to give each table a distinguished guest or two. This also avoided the embarrassment of trying to seat guests in their relative order at a head table. Seating arrangements were well carried out by Thomas P. Dowd, Washington Superintendent of the Postal, and favorably known to all Washington Correspondents.

Those who attended the luncheon were:

E. O. Sykes, Chairman, Federal Communications Commission.  
Irvin Stewart, Commissioner, Federal Communications Com.  
Hampson Gary, Commissioner, Federal Communications Com.  
Thad H. Brown, Commissioner, Federal Communications Com.  
Albert E. Stephan, Interstate Commerce Commission  
Edwin L. White, Federal Communications Com.  
Herbert L. Pettey, Secretary, Federal Communications Com.  
William N. Krebs, Federal Communications Com.  
Norman S. Case, Commissioner, Federal Communications Com.  
George Henry Payne, Commissioner, Federal Communications  
Gerald C. Gross, Federal Communications Com  
John B. Reynolds, Federal Communications Com  
C. B. Jolliffe, Chief Engineer, Fed Communications Com.  
Ellery W. Stone, Operating V.P. Mackay Radio

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Frank G. Wisner, Federal Communications Commission.  
Dr. J. H. Dellinger, Bureau of Standards  
David A. Salmon, State Department  
Lieut Comdr G. W. Johnson, Naval Communications U. S. N.  
J. L. Koehl, Agriculture Department  
Lieut Comdr E. M. Webster, U. S. Coast Guard  
Capt Townsend, War Department, Signal Corps.  
Leighton H. Peebles, Deputy Administrator NRA  
Clarence H. Osthagen, Asst Deputy Administrator NRA  
Harry C. Butcher, Columbia Broadcasting  
Hon. Joseph E. Davies  
E. B. Lockett, International News Service  
Robert D. Heinl, Heinl News Service  
Paul Wooten, New Orleans Times-Picayune  
Arthur Hachten, San Francisco Chronicle  
Carter Field, Boston Herald  
Oliver McKee, Jr Boston Evening Transcript  
G. L. Vidal, Director, Bureau of Aeronautics, Dept of Com.  
C. H. Butman, Radio Consultant  
B. M. McKelway, Washington Star  
E. K. Jett, Federal Communications Commission  
Ralph C. Mulligan, Boston Traveler  
Martin Codel, Broadcasting Magazine  
Lynne M. Lamm, Daily Metal Trade  
P. O. Coffin, V. P. Chesapeake & Potomac Telephone Co.  
Paul Spearman, Gen'l Counsel, Fed Communications Commission  
Lieut Comdr Wheeler, Naval Communications U. S. N.  
William Hard, McNaught Syndicate  
Thomas P. Dowd, Supt. Postal Telegraph-Cable Co. Washington  
Col. A. H. Griswold, V. P. International Tel & Tel Corp.  
Haraden Pratt, V. P. Mackay Radio  
T. E. Nivison, V. P. Mackay Radio  
E. J. Girard, Washington Manager, Mackay Radio

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#### BAKING PROGRAM ATTRACTS LOCAL SPONSORS

An unusual idea in chain broadcasts in which local sponsors are obtained for each station releasing the program was introduced nationally by the Los Angeles office of Irwin Wasey & Co. in a Columbia Broadcast recently. The program is known in Los Angeles as the Franco-American Baking Company's Hi-Jinks, a local favorite for three years.

The one-time national hook-up was arranged to introduce it in other localities. When local baker tie-ups are arranged in sufficient number it will become a regular national feature, it was stated. Meanwhile the program is going over the California-Columbia-Don Lee network each Sunday night, with local bakeries sponsoring it in each city.

The net-work idea necessitated a change in the originating station, and fairly large newspaper space was taken Sunday morning to announce the switch from KFWB to KHJ (Columbia)



## POWERFUL GROUP MOVING TO PROTECT CLEAR CHANNELS

Setting forth that the clear channel system is in imminent danger of a total or partial break-down with a corresponding destruction of rural broadcast service and a deprivation of large areas and a substantial portion of the country's population of broadcast reception thirteen leading clear channel stations have petitioned the Federal Communications Commission to make a technical study and investigation of the entire clear channel situation. Furthermore, this group recommended that pending the taking of such action by the Commission, no new or further duplicate nighttime operation be permitted on clear channels on which duplicate nighttime operation is not already authorized and that no new or further duplicate daytime operation be permitted except under and safely in accordance with the mileage frequency separation tables recommended by the Commission's Engineering Division

Those petitioning the Communications Commission requested an opportunity for an oral presentation of their proposals before the Broadcast Division of the Commission

They were: WSM, Nashville; KGI, Los Angeles; WJR, Detroit; WLW, Cincinnati; WOAI, San Antonio; WSB, Atlanta; WFAA, Dallas; WBAP, Fort Worth, all represented by Louis G. Caldwell. WHAS, Louisville represented by Swagar Sherley, KNX, Los Angeles represented by Paul M. Segal. WHAM, Rochester, N.Y. represented by Bethuel M. Webster and Paul M. Segal, WLS, Chicago represented by D.M. Patrick.

The thirteen clear channel stations ask that the investigation be carried on for a period of a year under the supervision of a radio engineer of recognized ability, integrity and independence and preferably a member of the Commission's technical staff, and with the cooperation of all broadcasters and radio laboratories willing to give such cooperation, with particular reference to

(a) the extent to which the people of the United States, and particularly those located in rural areas, are dependent upon clear channel stations for broadcast receptions, and so far as possible, a circulation of the areas and the population which are thus dependent for any service at all, and for a choice of more than one program:

(b) the extent to which such service should be protected from interference due to the simultaneous operation of other stations on the same channels, including the fixing of standards as to what service is deserving of such protection,

the designation of the location and boundaries of regions, if any, between which such simultaneous operation is possible at nighttime without violation of such standards, and the conditions as to power and otherwise under which such simultaneous operation is permissible, and the conditions as to power and mileage separation under which such simultaneous operation is permissible in the daytime;

The protesting stations declare that with a total of 607 broadcast stations in operation on January 1, 1932, the Federal Radio Commission reported to the United States Senate that only 46 per cent of the total area of the continental United States had consistent radio reception at night (56.2 per cent daytime), corresponding to 89.6 per cent of the total population (94 per cent daytime).

A large portion of the area and population receiving consistent reception is served only by clear channel stations while the remaining area and population received an intermittent service received only from clear channel stations.

Certain developments have led to a widespread apprehension that the clear channel system is breaking down, the thirteen stations declare, among those being,

"Since November 11, 1928, the Federal Radio Commission has from time to time, and in increasing measure, relaxed the interpretation and the enforcement of its regulations regarding clear channels, with the result that at present two or more stations of substantial power are authorized to operate simultaneously at night on 9 of the 40 clear channels.

"Those actions of the Federal Radio Commission, and the lack of any clarification by the Commission of its regulations and as to its future policy, have lead to a steadily increasing number of applications seeking similar privileges on the remaining clear channels."

"Upon the conclusion of such study and investigation, the protesting stations say finally, " and the submission of a report based thereon, the Federal Communications Commission can then determine on the basis of accurate and trustworthy data whether or not the clear channel system as originally established by the Federal Radio Commission in 1928, should be preserved or modified; and in what respects its regulations on the subject should be clarified, amended or restated; and will be in a position rigidly and uniformly to apply and enforce such regulations as it shall find best calculated to serve public interest, convenience and necessity."

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## NEW BROADCASTING DIRECTOR SEES NO GENERAL REALLOCATION

There may be power increases here or wave-length shifts there but according to Hampson Gary, chairman of the Broadcasting Division of the Federal Communications Commission, he hardly expects to make any widespread reallocation.

"If any changes are made they will be evolutionary rather than revolutionary," Mr. Gary said in an interview with Martin Codel, radio writer, broadcast last week by N.B.C.

"We intend to build solidly on what has already been done by the former Radio Commission. There will be no radical shifting of wave lengths or the like, so far as I am concerned."

Mr. Gary said that in a technical sense radio had acquitted itself remarkably. "We have one of the finest systems in all the world," the new Commissioner continued, "We don't want to exercise bureaucratic control and we don't want to dictate what manner of entertainment or discussion shall go on the air. It is not desirable or even necessary. We want the broadcasters to maintain, for the sake of their own continued existence, a clean, wholesome American attitude and balance.

"There is certain advertising being done on the radio which is unfortunate to say the least. I've heard some people on the air who should not have been. I would like to say that the radio advertisers themselves, together with the radio stations and networks, could well develop their own school of ethics, guiding themselves."

Mr. Gary said, under all circumstances, the broadcasters have done a good job and their common sense has been a pretty good guide so far.

It was brought out that Mr. Gary, who was our wartime envoy to Egypt and later Minister to Switzerland, was very definitely a personal choice of President Roosevelt's rather than a political selection. He was an old friend of Mr. Roosevelt, having first made the chief executive's acquaintance back in the war days when Mr. Roosevelt was Assistant Secretary of the Navy and Mr. Gary was special counsel and then a solicitor of the State Department. Their contacts ever since have been maintained.

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## NEW ALL-CURRENT RECEIVER IN GERMANY

A German manufacturing concern has just placed on the domestic market the first locally-produced alternating and direct current superhetrodyne radio receiving set, Vice Consul C.T.Zawadzki, Berlin, has learned.



This set is a four-tube model equipped with a Hexode mixed step, an intermediate frequency step with back-coupling, and is provided with a power amplifier pentode and end pentode. The hum noises from the network are said to be no greater than on Alternating Current receivers of a similar construction. An indirectly heated 20-volt loudspeaker tube is used for rectifying the anode current, the report states.

The new all-current is said to have the advantage that there is no need for switching over when changing from one class of current, which means that the plug of the receiver can be inserted in a Direct Current or an Alternating Current plug box without the necessity of making any alterations in the receiver.

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#### TRADE COMMISSIONER WARNS NON-RESPONSIVE RADIO ADVERTISERS

Judge Ewin Davis of the Federal Trade Commission, author of the famous Davis amendment in the Radio Act warned radio stations which have not "come through" with advertising continuities that their failure may cause serious consequences.

"Most stations have co-operated to the fullest, but those who have not and do not may expect that we shall keep especially close watch on them, and that the Communications Commission will likewise be kept fully informed of the situation," Judge Davis said.

More than 1300 stations were heard from in July, the networks being among the first. The radio stations suspected of false advertising are being handled just the same as the newspapers and the heavy hand is apparently about to descend upon the comparatively few broadcasters who have not submitted their programs. Already a dozen or so radio advertisers have been called on the carpet but their names have not been made public.

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#### PRALL AND WAGNER STILL LAID UP

Representative Anning S. Prall, of New York, supposed to be slated for the Communications Commission January 1st, and who was injured in an automobile accident at Westport, N.Y. August 1st, was taken in an ambulance, accompanied by his family physician to a hospital near his home on Staten Island. Mr. Prall who suffered a broken leg is reported to be



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convalescing satisfactorily. Senator Rob Wagner, of New York, who was also in the smash, less seriously injured, is nevertheless still confined to the Doctor's office at Westport.

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#### COMMISSION ISSUES NEW RADIO CALL LIST

A radio station call list showing the broadcasting set-up when the new Communications Commission took over has just been issued. The list is mimeographed and the number of copies is limited.

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#### GOOD DEMAND IN SWITZERLAND FOR RADIO SETS

The demand for radio receiving sets in Switzerland during the past three years has been very strong and while no statistics are available for 1933 there is evidence that the increased demand continued during the year, according to a study of radio broadcasting in that country by Consul David B. Macgowan, Berne.

Approximately 35 percent of the radio receiving sets recorded in Switzerland at the present time are of American manufacture. German manufacturers account for 30 percent; Dutch, 20 per cent; Austrian, 10 per cent; and the remaining 5 per cent originated in other countries, principally Great Britain, the study shows.

European competition is very keen in the radio markets of Switzerland, especially in the smaller "midget" apparatus having at approximately equal prices the advantage of universal power transformers and additional long-wave shifting features, according to the Consul.

Three new Swiss firms manufacturing 4 to 8-tube receiving sets began operation in 1932. It is reported there production was comparatively small, not exceeding 500 sets. Approximately 80 per cent of the parts used in the manufacture of these sets are said to be of American origin. Exports of radio apparatus from U.S. to Switzerland during 1933 were valued at \$333,523 compared with \$651,432 in 1932, \$1,132,691 in 1931 and \$218,704 in 1930.

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Commissioner Thad Brown will leave Washington August 15th, and will not return until after Labor Day.

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The hearing of the applications of the Ohio stations, among them WKBN, Youngstown, WAIU, Columbus, WJAY, Columbus, and also WXYZ, Detroit has now been set for Wednesday September 26th.

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Acting Deputy Administrator William P. Farnsworth announced that the public hearing on the advertising agency trade's proposed code of fair competition, scheduled for Thursday, August 16th, has been postponed, subject to the call of the Administrator.

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Hampson Gary, having been appointed a member of the Communications Commission, has retired from the law firm of Ellis, Ferguson, Houghton & Gary in Washington, and the name of the firm has been changed to Ellis, Ferguson and Houghton.

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Gene Stafford was appointed manager of production and studios of the American Broadcasting System-WMCA network. He will also have charge of announcers. Stafford formerly was director of programs and productions for WMCA.

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The Commission has granted a license renewal to station WPJM at Prescott, Arizona, and has turned down Frank Wilburn at Prescott who applied for the WPJM frequency on the ground that he was not financially able to construct and operate such a station.

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COMMISSION MEETS MONDAY TO DISCUSS APPOINTMENTS

The full membership of the Communications Commission will meet Monday August 13th. It was said that only minor appointments would be discussed, perhaps confined to the Legal Division but that the appointment of Assistant General Counsels would not be taken up.

The same official said that neither would the appointments of assistant secretaries nor the directors of divisions be taken up, as far as he had been advised. The return of Postmaster General Farley, chief patronage dispenser, to Washington, added color to the report that other appointments might be made.

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FEDERAL COMMUNICATIONS COMMISSION

Applications Received (Broadcast Division)

WATR - Harold Thomas, Waterbury, Conn., Mod of lic to change frequency from 1190 kc to 1200 kc and hrs of operation from daytime to unlimited- contingent upon WORC releasing 1200 kc. WLVA -Lynchburg Broadcasting Corp, Lynchburg, Va. Construction permit to make changes of equip and increase power from 100 w to 100 w night and 250 w day. WBTM -Piedmont Broadcasting Corp, Danville, Va. Construction permit to make changes in equipment and increase power from 100 w to 100 w night and 250 w daytime. WDBO -Orlando Bdcasting Co. Orlando, Fla. Spec experimental auth to inc power from 250 w to 500 w night AMENDED to increase power to 1 kilowatt night. NEW Samuel Nathaniel Morris, Stamford, Texas. Construction permit to erect a new broadcast station to be operated on 1310 kc, 100 w unlimited time. WLBZ -Maine Bdcasting Co. Inc., Bangor, Me. -Construction permit to make changes in equipment and increase power from 500 w to 500 w night, 1 kc daytime. NEW Ohio Valley Broadcasting Corp. Parkersburg, W. Va - Construction permit to erect a new broadcast station to be operated on 1120 kc, 100 w, unlimited time. NEW WHBY, Inc. Portable. Construction permit to erect a new broadcast pickup sta to be operated on 1622, 2060, 2150, 2790, 31600 kc 7.5 watts. NEW Norman Baker, Muscatine, Iowa. Construction permit to erect a new broadcast station to be operated on 1170 kc, 5 kilowatts limited time (5:30 am to local sunset and midnight to 3 a.m.) WHBF Rock Island Broadcasting Co., Rock Island, Ill. Construction permit to move the transmitter locally, install new equipment, and increase power from 100 w to 100 w night and 250 w day.

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FEDERAL COMMUNICATIONS COMMISSION

Applications Received (Telegraph Division)

NEW A.R. Burnham & L.D. Miller d/b as BURNHAM-MILLER FLYING SERVICE.- C.P. for new General Experimental station. 31600, 35600, 38600, 41000, 5 w. NEW Enrique Miles, Portable C.P. for new General Experimental Sts one frequency below 28000 and one frequency between 31100 & 31600 kc 10 w. WNFP City of Niagara Falls, N.Y. Niagara Falls, N.Y. License to cover C.P. for Municipal Police station. 2422 kc to 125 w. WIOXCL - Los Angeles Examiner, Portable Mobile Modification of C.P. for General Exp station. Extension of completion dte to 11/23/34.

WIOXCM - Same as T-I MPE - 3.

WPFH Baltimore Police Dept Baltimore, Md. Modification of license for Municipal Police Sta For auxiliary 200 w transmitter. NEW Interstate Geophysical Exploration Portable C.P. for new Geophysical sta. For one frequency between 3000-6000 kc 15 w. WSXBE - City of McKeesport Police Dept McKeesport, Penna. License to cover C.P. for General Experimental station. 33100 kc to 15 w. NEW University of Washington, Seattle, Wash. C.P. for new General Exp. sta. All Exp. frequencies 5 w.

Applications Received (Telephone Division.)

NEW Pacific Portland Cement Co., Portable-Mobile Construction Permit for New General Experimental sta. 38600 kc, 10 w.

NEW (CBS) Campbell Soup Co., Camden, N.J. Starts October 5, 1934. Friday 9:30- to 10:30 P.M. 84 stations coast to coast - originates KRJ, Los Angeles. Program Hollywood Hotel, El Brendel, comedian, Dick Powell and girl vocalist being selected by nationwide auditions. Louella Parsons interview movie stars; Ted Fiorito's Orchestra and vocalists. Agency F. Wallis Armstrong Co. Phila, Pa.

NEW Time Inc, New York N.Y. Time starts 9 to 9:30 EST

NEW Wm Wrigley, Jr. Co., Chicago, Ill. Starts Oct 1, 1934. Mon to Fri incl. - 7 to 7:15 p.m. and 11 to 11:15 p.m. EST 54 stations coast to coast - originates WBBM, Chicago. Program Nyrt and Marge.

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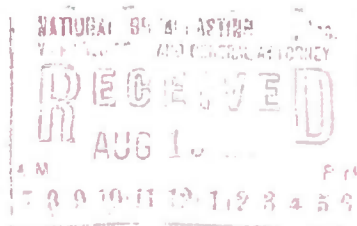
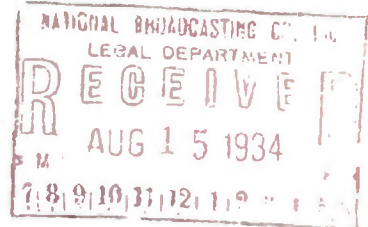


# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**



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## BROADCASTERS PRESIDENCY CAUSES CONSIDERABLE SPECULATION

Up to this time the election of the president and officers of the National Association of Broadcasters has usually been pretty well agreed upon ahead of the meeting but at the Cincinnati Convention, September 17th, the situation will be different. First because it will be the first election to be held under the new by-laws of the Association, and second, because thus far no president has served more than two terms and Alfred J. ("Hollywood") McCosker of WOR, Newark, is serving his second term. There is nothing in the by-laws that would prevent a president from serving as many times as the members desire to elect him.

Nevertheless there is already considerable speculation as to whether or not "Hollywood" who has been a popular president, and doubtless could be re-elected for a third term, will "choose to run."

Under the new by-laws the president will appoint a nominating committee as usual but in addition to whoever this committee nominates, the name of any other members may be placed in nomination, if signed by 10 members of the association.

Thus four or five tickets might easily be placed in the field. Certainly the new by-laws offer an opportunity to interject politics into the election of officers. Besides Mr. McCosker the names of Leo Fitzpatrick of WJR, Detroit, First Vice President of the Association, and John Shepard, 3rd, of WNAC, Boston, Second Vice President have been mentioned. Also that of Powel Crosley, Jr., of Cincinnati, but it was said in other quarters that because of his many interests Mr. Crosley probably would not consider serving. The opinion was ventured that no executive of either the N.B.C. or Columbia would be apt to run, the supposition being that anyone so closely affiliated with either of the major networks might meet with opposition.

The name of Judge Ewin Davis, now a member of the Federal Trade Commission, has been added to the speakers list at the Cincinnati Convention next month. Judge Davis, who as a member of Congress, helped draft the original Radio Act,

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and was the author of the famous Davis amendment providing an equal distribution of radio facilities, will tell the broadcasters what the plans of the Federal Trade Commission are with regard to false and misleading advertising as it relates to radio.

Those who happened to hear the straight-from-the-shoulder talk Judge Davis made to the advertising agents with regard to radio in Washington several years ago will no doubt look forward to what he will have to say in Cincinnati.

Judge Davis, a southern type of statesman, on the old Champ Clark order, though an excellent speaker, is seldom heard from but when he speaks usually talks to considerable length and puts much time and thought in what he has to say. It will have added importance at this time due to the fact that eventually Judge Davis will become chairman of the Commission.

Senator Clarence C. Dill, of Washington will also be among the speakers at Cincinnati.

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#### DEALERS CHARGED WITH MISUSE OF "MARCONI" AND "EDISON" NAMES

Unauthorized and wrongful appropriation of the names "Edison" and "Marconi" applied to radio sets manufactured or assembled and sold by them, is charged by the Federal Trade Commission in a formal complaint issued against Marconi Radio Corporation and Edison Radio Stores, Inc., doing business at 67 West 125th Street, New York.

The complaint charges the respondents with adopting and following the scheme of appropriating the names of well-known manufacturers, and applying them to radio sets manufactured or assembled and sold by them and thereby appropriating to themselves the good will of such well-known manufacturers, all in violation of the Federal Trade Commission Act, making unlawful unfair methods of competition in interstate commerce.

Joseph Frank is president of Edison Radio Stores, Inc., and controls both concerns. Referring to the use of the name "Edison" by the respondents, the Commission's complaint says:

"Among the companies organized and controlled by the said Thomas A. Edison before his death, is Thomas A. Edison, Inc. which said company is still engaged in the manufacturing of

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many of the machines and articles invented and developed by Thomas A. Edison. Thomas A. Edison, during the years 1928 to 1930, inclusive, manufactured and sold radio sets valued at many millions of dollars, and during the said period spent several millions of dollars in advertising its said radio products. All of the radio sets manufactured and sold by Thomas A. Edison, Inc., featured the name 'Edison' as part of their brand name."

The complaint charges that the respondents, Marconi Radio Corporation and Edison Radio Stores, Inc., have placed on radio sets sold by them escutcheon plates bearing the name "Edison" in large letters, followed by the words "Radio Stores, Inc." in small letters not readily seen by prospective purchasers. The respondents, the complaint avers, have no authority or license to use the name "Edison" on their radio sets and such use tends to and does mislead and deceive the trade and purchasing public into the erroneous belief that their sets have been manufactured by Thomas A. Edison, Inc. Such practices are asserted in the complaint to be false, deceptive and misleading and tend to divert trade to the respondents from their competitors who do not employ false, deceptive and misleading practices.

The respondents are given until September 14th next in which to make answer to the charges.

Two additional similar complaints were subsequently issued by the Trade Commission. The respondents are the Temple Electric Corporation, of 80 Cortlandt Street New York City, and Jack D. Mendelson, trading under the firm name of Metro Manufacturing Company 2052 80th Street, Brooklyn.

In both complaints, the respondents are charged with using the name "Edison" on the name plates of their radios, conveying the implication to the trade and to the purchasing public that the sets were manufactured by the Thomas A. Edison Company.

In the complaint against the Temple Electric Corp. the respondent is also charged with unfairly and improperly using the names "Victor" and "Brunswick". It is held in the case of the use of the name "Victor" that this carries the implication that the radio is the product of the R.C.A. Victor Company, while the use of the name "Brunswick" is claimed to be an unfair simulation of the name "Brunswick", a radio formerly produced by the Brunswick-Balke-Collender Company and now manufactured by the radio and phonograph division of Warner Brothers Pictures, Inc., which organized a corporation under the name of Brunswick Radio Corporation and purchased the radio business of the Brunswick-Balke-Collender Co.



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In the case of Mandelson, that respondent is charged with unfairly simulating the names "Brunswick" as well as wrongfully using the name "Edison" in the sale of his products.

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#### MANUFACTURERS CODE DECISION NOT EXPECTED SOON

A decision as to whether or not the radio manufacturers will be permitted to operate under a code of their own is not expected to be made until about the end of the month. At this time manufacturers are operating under the electrical code but at a hearing recently advance strong arguments in favor of a code of their own.

The National Electrical Manufacturers Association strongly opposed the application for a separate code for radio. Capt. William Sparks, of Jackson, Mich., chairman of the Code Committee of the Radio Manufacturers Association, Bond Geddes and others put up strong arguments in favor of the radio industry going ahead under "its own steam."

Numerous conferences have since been held with Government officials and the opinion has been expressed that the radio manufacturers will probably gain their point. If not, the fight will doubtless be continued because the radio manufacturers feel that their industry is too large and too important to be "lumped in with N.E.M.A."

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#### COMMISSION ALLOWS INTERLOCKING DIRECTORATES MORE TIME

The principal business transacted at the meeting of the Communications Commission, attended by the full membership, last Monday was extending the time of the present interlocking directorates for 90 days, to give the Commission time to lookk into the matter further. The new law says it shall be unlawful for any person to hold the position of officer or director of more than one carrier subject to the Communications Act unless such holding shall have been authorized by the Commission upon due showing that neither public nor private interests will be adversely affected thereby.

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Also personnel matters were discussed but no decisions were reached with regard to principal assistants which cause one observer to remark, "I guess Farley hasn't had time to get around to the Communications Commission yet."

Another meeting of the entire Commission will be held next Monday August 20th.

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#### NEW BRITISH STATION PROMISES NATION-WIDE COVERAGE

It is expected that the B.B.C.'s new giant station at Droitwich will attain for the first time in British broadcasting history nation-wide coverage. According to reports reaching the United States, the Droitwich station will be five times as powerful as the present 5XX at Daventry.

Records at the Communications Commission in Washington list Daventry's power at 20,000 watts which would mean that the power of Droitwich will be somewhere around 100,000 watts. This isn't anything like WWL, operating with 500,000 watts at Cincinnati, but is pretty high power for Europe.

The new station has two 700 foot masts. Droitwich is near Birmingham which is about 100 miles northeast of London.

"Those living in and around our big cities, where two programmes are now obtainable even with a simple wireless set, may find it difficult to believe that over 3,000,000 people in the north of England, north of Scotland and other parts of the country, at present get only a most miserable wireless service and, in some outlying places practically none at all unless an expensive receiver is installed," a British writer comments.

"Noel Ashbridge, the B.B.C.'s Chief Engineer, stated recently that when the new broadcast distribution scheme in Great Britain is complete - this involves improvements in the Regional service in addition to the opening of Droitwich - 98 per cent of the population will receive one programme well and 85 per cent will enjoy reasonably good reception of two programmes."

"Reception of our National programme on the Continent will be decidedly better than at present. This aspect of the matter is important, for it is obvious that radio is as potent an instrument of war as of peace.

"Should another conflict occur, there will be no more 'news for home consumption', no possible concealment of losses, no exaggeration of victories. Europe's radio giants will broadcast the news direct, unfettered by censorship.

"We have at last awakened to the necessity for preparedness in the air; now we need to realize fully the value of preparedness in the ether. Almost every month we hear of new super-powered broadcasting stations being erected in other countries."

Briefly, the change now contemplated is that the National programme will be given to the whole of England, Wales, Scotland and Northern Ireland by one station - Droitwich - and the present London, North, West and Daventry National transmitters are to be closed.

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#### WILE, JR., RADIO PUBLICIST FOR NEW YORK AGENCY

The Young and Rubicam Agency in New York have secured the services of Frederick William Wile, Jr., to develop their radio publicity.

Young and Rubicam have many radio accounts.

Mr. Wile, Jr., gained his knowledge of radio publicity by serving a considerable time in important positions in the press department of the Columbia Broadcasting System in New York. He previously made an excellent record for himself in Princeton University. After graduation he was Secretary to the American Ambassador to Italy, John W. Garrett.

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#### CORRECTING A CORRECTION

In reprinting a letter from Arch McDonald, WJSV announcer, to correct an erroneous impression created by an anonymous letter written to Mr. McDonald we quoted him as saying "I have been adverse to criticism," when it should have been "I have never been adverse to criticism and have always read letters of criticism over the air and have tried to benefit by suggestions offered."

We regret the error and trust it has not caused Mr. McDonald additional embarrassment.

Mr. McDonald was signally honored by an "Arch McDonald Day" recently, as part of a celebration at his old home in Chattanooga, in connection with the Chattanooga Baseball Team skyrocketing from 8th to 2nd place in the League.

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Evidently Senator Dill, of Washington living up to his announcement that he would not run again for the Senate, did not file, August 11th, the last day the candidates had to announce their intentions.

If he did, several correspondents of Washington state papers of whom inquiry was made, were unaware of the fact. So it looks as if Senator Dill was finally out of it.

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George B. Storer, president of the American Broadcasting System escorted a party of distinguished visitors into the master control room of WMCA last week to hear the network speech on charter reform from New York City by former Governor Alfred E. Smith. Asking the operator on duty his name, Mr. Storer formerly introduced Lee Gardner as his guest.

When the introductions were completed, Gardner, wary of gate crashers, turned to his boss. "And now", he inquired, "may I ask your name?"

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J.R. Poppele, chief engineer of WOR, in connection with the construction of the station's new 50,000 watt transmitter, has visited all the stations in the East that operate with that power. WOR's cooling system pool, used for keeping the tubes from burning up, will be in two sections. In his recent visit to WLW Mr. Poppele said he learned that the station was off the air for six hours while the single pool was being cleaned and refilled.

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"Among the many courses given in the East Side Continuation School, at 43 Oak Street, New York City are classes in radio and electrical wiring." writes Arthur Burnham, of that institution, which is a part of the New York Public school system. "We are anxious to obtain additional equipment for the students. We wonder if the manufacturers and broadcasters will send us discarded radio and electrical equipment of any kind; for example, radio sets, transformers, generators etc. As these materials are not furnished by the Board of Education, our best means of obtaining them is an appeal to the public, which has readily responded in previous years."



## FISHER GOES TO GARY'S OLD LAW FIRM

Ben S. Fisher, Assistant General Counsel of the Communications Commission resigning and joining the law firm of Ellis, Ferguson and Houghton in Washington exchanged places with Hampson Gary who recently resigned from that firm to accept the Commissionship.

Mr. Fisher has been with the Commission about four years. His efforts were said to have been responsible for the shutting down of 175 unlicensed stations. Out of the 35 criminal cases prosecuted, he is credited with 32 convicted or pleading guilty.

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## IRISH RADIO DEMAND INCREASES 70 PERCENT IN TWO YEARS

Radio is making progress in the Irish Free State, according to a report from Vice Consul Edwin J. King, Dublin.

Imports of radio sets and parts into the Free State in 1933 were valued at £226,000 against £136,894 in 1932 and £132,275 in 1931. Considering the steadiness with which radio price levels have been falling, the report points out, it can easily be seen that the radio "idea" is taking hold. The value of imports as shown above has increased more than 70 percent during the last two years.

On May 31 of the current year the number of receiving sets in use in the Free State was 52,100 compared with 45,000 on December 31, 1933. One American set, which is completely assembled in the country, leads all others in sales. Several other American makes, however, are also meeting with favor.

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## CANADIAN ADVISORY COMMITTEE RECOMMENDS ADVERTISING LATITUDE

Considerable misunderstanding of the status of the Canadian Commission has occurred in the United States. This misunderstanding was probably due to the appointment of a special committee which was commissioned to "inquire into and report upon the operations of the Commission, under the Canadian Radio Broadcasting Act, as amended at the last session of Parliament."

The functions of the special committee were merely advisory. The question was raised as to whether the committee thought that the law as to advertising content should be abandoned. The chairman of the committee was emphatic in his opposition to such change, stating that the committee merely intended to suggest a little more latitude in the manner of its enforcement. The Parliament ignored the suggestion of the committee that the Commission appoint a general manager

A verbatim report of the special committee on radio follows:

Your committee held twenty sessions and heard 37 witnesses, including 5 Members of Parliament, and, after reviewing the evidence, it has been made apparent to your committee that the establishing of national broadcasting in Canada presents many difficulties, for the correction of which time, experience, and large expenditure of public money will be necessary.

Your committee therefore recommends:

1. That in view of evidence given before this committee, the Government should, during the recess, consider the advisability of amending the Act, with a view to securing better broadcasting facilities throughout the Dominion. In the opinion of your committee, radio broadcasting could best be conducted by a general manager.

2. That the collection of the fees for radio licenses should be simplified and that one license fee should cover only one receivingset.

3. That the provision of the Act dealing with advertising should be more liberally interpreted.

4. That greater use of electrical transcription be permitted.

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## DECISIONS OF THE FEDERAL RADIO COMMISSION

### Applications Granted (Broadcast Division)

KIEM Harold H. Hanseth, Eureka, Cal. Granted consent to Vol Assign, of Lic. to Redwood Broadcasting Co Inc. WNAX The House of Gurney, Inc. Yankton, S.D. Granted renewal of Lic 570 kc 1 KW night, 2½ KW LS Unltd Also granted renewal for auxilliary transmitter. WAAF Drovers Jurnal Publishing Co., Chicago, Ill Granted renewal of lic 920 kc 500 w. Daytime. KMLB Liner's Broadcasting Sta Inc Monroe, La. granted Mod of CP extending completion date to Sept 1, 34. WDRG WDRG, Inc Hartford, Conn. Granted Mod. of CP extending completion date from Aug 27 to Sept 27/34. WTCN Minn Broadcasting Corp, Minneapolis, Minn. Granted Mod. of CP extending completion date from Sept 1 to Dec 1. 34. KGEK Elmer C. Boehler, Yuma, Colo. granted CP to move transmitter and studio from Yuma to Sterling, Colo and make minor changes in equipment. KOIN Koin, Inc. Portland, Ore. granted Mod. of CP to make changes in eqpt. and extend commencement date from Sept 15 to Dec 14/34.

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CREDIT LINE OF COMMUNICATIONS COMMISSION DELETED

Doubtless listeners will be relieved to learn that they will no longer have to listen to the trite line, "This station is operated by authority of the Federal Radio Commission."

This was revealed through the following order issued to all broadcasting stations last Tuesday, August 7th, which read:

"TO ALL BROADCASTING STATIONS: A number of inquiries have been received by the Commission as to whether stations must make announcements at the beginning and end of the day's announcement that 'this station is broadcasting on \_\_\_ kilocycles under the authority of the Federal Communications Commission.'

Attention is invited to the fact that this provision was omitted from the revised Rules and Regulations of the Commission effective February 1, 1932, and this announcement has not been required since that date."

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NEW ENGLAND STATION EXPERIMENTAL LICENSES EXTENDED

The following action was taken by the Radio Division:

WJAR The Outlet Company, granted Ext. of Spec. temp. Exp. auth to operate with additional 250 watts power during nighttime for period beginning 3 AM, EST, Sept 1, and ending not later than March 1, 1935, subject to withdrawal or termination by the Commission, without prior notice or hearing in event objectionable interference is caused.

WEAN Shepard Broadcasting Service, Inc. Providence, L.I. granted Ext of Spec. Auth to operate with additional 250 watts power during nighttime for period Sept 1 to March 1/35.

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### Set For Hearing

WEHC Community Broadcasting Corp. Charlottesville, Va. CP to make changes in equipment; change freq. power and hours from 1330 kc, 500 watts, daytime to 1420 kc. 100 w. night, 250 w. LS, Unltd time. NEW The Evening News Assn, Detroit, Mich. granted CP (Temp Broadcast pickup) 2150 kc 50 watts. NEW Harold Rieth Goshen, Ind. CP (Gen. Exp) 1614 3492.5 4797.5, 6425, kc. 30 watts (For visual broadcasting)

### Miscellaneous

NEW H.E. Studebaker, Appl. for C.P. to erect new station to operate on 1420 kc, 100 watts, reinstated on hearing docket. WIXBS American-Republican Inc Waterbury, Conn. granted Mod of CP extending completion date from Sept 11 to Nov 11/34. KSD The Pulitzer Publishing Co. St Louis, Mo. granted Mod of CP extending commencement date of Aug 30/34 and completion date to Nov 29/34 Also dismissed without prejudice, special exp. auth to increase night power from 500 w to 1 KW

### Applications Received (Telegraph Division)

KIEC - Karl Hansen, Port Alexander, Alaska Lic to cover CP for Pt to Pt Tel sta. 2994 kc 50 w  
KGXW Karl Hansen, Port Alexander, Alaska, Lic to cover CP for Coastal Tel station. 460, 500 kc 200 watts. W6XEE  
Thomas L. Pettigrew, Compton, Calif. Lic to cover CP for Gen'l Exp station. 100000 to 300000, 600000 kc 75 watts. WNEJ  
Lic to cover CP for Pt to Pt Teleg station. Muirkirk, Md 4190 5230 kc 2 KW.

NEW Paul D. Langrick trading as LANGRICK RADIO ENGINEERING SERVICE portable C.P. for new General Exp. station. 1614, 2398, 3192.5, 4797.5, 6425, 8655, 12862.5, 17310, 23100, 25700, 26000, 27100, 30100, 31100, 33100, 34600, 35600, 37100, 37600, 38600, 40100, 40600, 41000, 86000 to 400000, 401000 kc and above.

### NBC NEW ACCOUNTS

New-Wheatena Corp-Pacific Coast Agency Albright and McKee 1300 South Penn Sq Phila, Pa. Starts Aug 27, 1934.

New-Simmons Co (Beds and Mattresses) Chicago, Ill. Fletcher and Ellis; starts September 4, 1934 Network WJZ WBZ WBZA WBAL WMAL WSYR WHAM KDKA WJR WCKY WENR-WLS KWK WCRC KOIL WREN; Program Mrs Franklin D. Roosevelt and Josef Koestner's Orchestra."

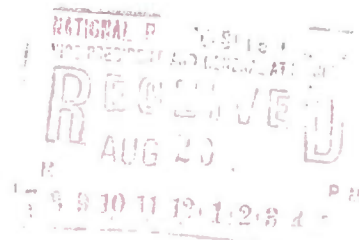
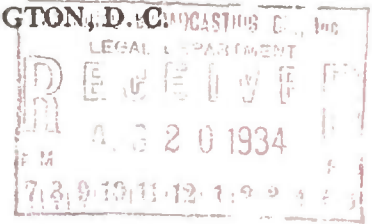


# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C. BROADCASTING CO., INC.

**CONFIDENTIAL — Not for Publication**



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No. 750.

*A.*  
*S. [Signature]*

August 17, 1934.

PREDICTED 1934 RADIO ADVERTISING CLOSE TO 1931 PEAK

The total radio advertising volume during 1933-34 broadcasting season amounted to \$66,671,000. Though it is impossible to tell exactly how this figure compares with the peak of the industry, it is probable that the current season's revenues have been approximately 15.0% below that figure. Granted that the present decrease in business activity is only temporary and that local broadcast advertising begins to register gains in the fall, total radio volume in 1934 should be close to the 1931 peak.

National network volume, however, will play a more important part than in 1931, when it constituted 51.0% of total broadcast advertising. During 1933-34 this proportion rose to 55.8%. The volume of broadcast advertising from June 1933 to July 1934, is found in the following table:

Class of Business	Gross Receipts
National networks .....	\$37,254,366.00
Regional networks .....	550,733.00
National spot .....	12,603,433.00
Local .....	16,258,575.00
TOTAL .....	<hr/> \$66,671,107.00

With the presentation of the June report the National Association of Broadcasters Statistical Service completes the first year of collection of comprehensive trade statistics for radio broadcasting. Established in July of last year, the service has made available for the first time in the history of the industry figures regarding not only the national network advertising but of broadcast advertising placed over regional networks and individual stations.

Though the summary of data thus far compiled by the service is for a broadcasting season rather than a calendar year, it will be of interest to those concerned with radio advertising in that it presents in detail for the first time the various phases of this highly complex field.

8/17/34.

Broadcast advertising in June experienced a marked decline as compared with the previous month. Seasonal and general business conditions combined to produce this result. Gross sales of time amount to \$5,418,732, a decrease of 21.6%, as compared with May. National spot volume lost most heavily, declining 34.1%, due mainly to a 45.8% decrease in electrical transcription business. Despite a 16.7% drop in revenues as compared with May, June national network volume was the best in the history of broadcasting.

In the non-network field, stations of over 5,000 watts in power lost most heavily, due to national spot trends. Losses were fairly evenly distributed throughout the various geographical districts, with the South and Far West experiencing slightly greater declines than other sections. Declines were heavy in all fields of industrial sponsorship. Local beverage, national spot soap and kitchen supply, local amusement, and automotive advertising were the only fields wherein gains were recorded over the preceding month.

June advertising volume was as follows:

Class of Business	June
National networks .....	\$3,103,796.00
Regional networks .....	35,599.00
Individual stations .....	2,279,337.00
TOTAL .....	<u>\$5,418,732.00</u>

National network volume declined 16.7% over the month, regional network advertising 20.5% and non-network advertising 27.6%. Despite the decline as compared with May, national network volume was 51.5% over that of June of the preceding year. Non-network advertising was 8.9% greater than July 1933, the nearest comparable figure available.

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#### WHOLESALE RADIO TRADE ASKS CODE MODIFICATION

The National Recovery Administration announced that, until August 29, objections to criticisms of, or suggestions concerning a proposed modification of the code for the wholesale radio trade may be filed with Deputy Administrator Frank H. Crockard, 1320 G Street, N.W. Washington, D.C.

8/17/34

Through its divisional Code Authority, the trade has requested the modification which provides that the Code Authority shall consist of 19 members of the trade. One member would be the president of the R.W.A.; thirteen would be chosen by the Board of Directors of the Wholesalers to represent its members in the various seditions of the country; and four members would be chosen from members of the trade who are not members of the R.W.A.

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#### BRINKLEY TRIES TO BUY HIS WAY BACK

It is reported that Dr. J.R.Brinkley, goat gland specialist, who was in Washington recently on an unknown mission is trying to buy time on a number of stations.

Though Dr. Brinkley is reported to have offered the stations whatever rate they desired for talks advertising his hospital at Del Rio, they are reported to have turned him down flat.

Since having been closed down by both the American and Mexican Governments the goat gland doctor has been trying to figure out different ways "to come back", but evidently has not succeeded as yet.

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#### CAPITAL ORDERS NEW POLICE RADIO SETS

Purchase of 20 additional short-wave receiving radio set has been ordered by the District Commissioners on recommendation of the Police Department. The new equipment is to be installed in police motor vehicles. The contract went to the American-Bosch Corporation, at a unit price of \$52.50.

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8/17/34

FLAMM AND STORER DENY AGENCY AGREEMENT BREACH

Issued to the radio editors of all New York publications, the following statement was jointly signed by Donald J. Flamm, persident of Kinickerbocker Broadcasting Corporation, and George B. Storer, presidant of Federal Broadcasting Corporation. Mr. Storer is also president of the American Broadcasting System:

"In order to allay the impression which has unfortunately been spread by the publishing of unauthorized rumors with respect to the relationship between Federal Broadcasting Corporation and the Knickerbocker Broadcasting Corporation, licensee of radio station WMCA; Federal Broadcasting Corporation most emphatically wishes to make it plain that there has been no breach of the agency agreement, existing between Federal and Knickerbocker, and furthermore, that the relationship between the Federal Broadcasting Corporation and the American Broadcasting System is most harmonious."

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'AUDIO PROJECTOR' SIFTS TONES IN AIR

A new method of recreating and projecting sound, which provides the auditory illusion of tone arriving at the ear from a wide angle, as from a large number of musicians playing on a stage instead of from a single point as when music is reproduced by a loud-speaker, was given its first demonstration in New York City last Tuesday outside of the New York laboratory where the device has been under design for three years.

"Music intercepted from a local station or reproduced from a recorded selection, was given with such brilliance over the system, compared with the tone emitted by a standard radio-phonograph unit utilizing the same source of program, that well-known musicians who heard the test said they were amazed at the fidelity and realism attained," the New York Times says describing the test. "Tones not heard through one instrument were prominent in the other, in good balance, with the other orchestra instruments.

"The 'audio projector' as the device is called by its inventor, Maximilian Weil, New York electro-acoustic consulting engineer, is scarcely larger than the average-sized radio cabinet or console now utilized in the home. The electrical amplifier and radio set employed is no different from thousands of other such apparatuses in use today, Mr. Weil said. However, the mechanism that transforms the tones from electrical to acoustic energy and gives the vibrations the illusion of realism is far different, he added.

8/17/34

"The cabinet in which the projector is installed has slender openings around the edges of the rectangular case. Through these slots the sounds issue in all directions at once.

"Engineers, working for years on the loud-speaker problem, have been confronted with the seemingly insuperable obstacle that in radios and phonographs for the home sound must come through a single opening in the side of the cabinet. This method invariably makes the tones seem cramped because they are projected in the form of a concentrated beam at the listener, like a beam of strong light at the eye. The effect is disconcerting. We have apparently attained the illusion of a symphony of sound coming from many sources at once.

"Mr. Weil said he has been notified by his attorneys that "highly basic patent rights" will accrue from his designs.

"The inventor is a member of the American Institute of Engineers, and the Aeronautical Society of America and other bodies, and is president of the Audak Company. During the World War he submitted to the government an electrical protective device for surface and submarine craft."

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#### MOST BROADCAST STATIONS WITHIN 10 KILOCYCLES DEVIATION

The engineering department of the Federal Communications Commission, measured 545 broadcast stations during July. The stations measured of which the deviation was within 0-10 cycles was 365. The number within 11 - 25 cycles was 142 and within 26 - 50 cycles 33 and over 50 cycles 5.

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#### TELEPHONE PROBE WIDENED

The Communications Commission moved at its meeting last Thursday (August 16th) to broaden its investigation of the telephone business.

It drafted new orders for interstate companies. Announcement of the details was expected later in the day.

Since it began the investigation July 20 the commission has ordered telephone companies under its jurisdiction to report their rates, ownership and practices.

8/17/34.

These reports are due September 1. Hearings on rates and practices which the commission regards as objectionable will follow.

The following orders were issued by the telephone division of the Commission:

Pursuant to Section 213 of the Communications Act of 1934 each carrier subject to this Act engaged principally in wire telephony, whose gross operating income per year exceeds \$50,000, shall on or before October 1, 1934, file with the Commission a verified report in duplicate showing:

1. Its corporate history, including A.- its original capitalization, i.e., the number of shares of stock originally outstanding, and (a) how much thereof was sold or otherwise disposed of and - (b) what price per share was received therefor and of what the consideration specifically consisted. B. whether said initial carrier acquired and other telephone system, company or corporation by merger, consolidation, purchase or otherwise, and, if so (a) the date of any such acquisition (b) the names of the persons firms, companies, corporations or systems from whom such property was acquired; (c) the purchase price or consideration for any such merger consolidation or other manner of acquisition, and (1) if by issuance of stocks or bonds the price at which the same was so issued; (d) duplicate copies of any contracts, leases, agreements or written memoranda in connection therewith.

2. Its service history, including: A. the territory initially served by the original carrier; the number of telephones originally installed by it, together with the monthly charge for each telephone so installed and operated at said times. B. the territory served immediately prior to the acquisition (if any) by the initial carrier, of each telephone system, company or corporation; the number of telephones in use at said time, together with the monthly charge for each telephone operated by the carrier reporting: C. the territory served after each and every acquisition of any other telephone system, company or corporation, whether by merger consolidation, purchase or otherwise; the number of telephones then in use at said time, together with the monthly charge for each telephone then operated by the carrier reporting; D each and every change made in the telephone tariffs charged by the reporting carrier from the beginning of its service to the date of this Order, and the dates when such changes became effective, the territories affected, and the number of telephones affected by each change.



8/17/34.

Pursuant to section 202 of the Communications Act of 1934, each carrier subject to this Act engaged principally in wire telephony, shall, on or before October 1, 1934 file with the Commission a verified report in duplicate showing:

1. All services rendered free of charge to any person or corporation for the period from July 1, 1933 to June 30, 1934, together with

(a) the names and addresses of such persons or corporations

(b) the character of such services

2. All services rendered to any person or corporation at other than the regular rate for the period from July 1, 1933 to June 30, 1934, together with

(a) the names and addresses of such persons or corporations

(b) The character of such services.

3. All services rendered by the reporting carrier for any individual, person or corporation in exchange for, or in payment of services rendered for such reporting carrier, except when such exchange of services is between common carriers;

(a) the names and addresses of such persons or corporations

(b) the character of such services

The Interstate Commerce Commission has heretofore conducted an investigation to determine ACCOUNTING RULES FOR TELEPHONE COMPANIES in that Commission's Docket #25705 and decided and rendered its report on ACCOUNTING RULES FOR TELEPHONE COMPANIES, and the jurisdiction and authority to fix and promulgate accounting rules for telephone companies was transferred from the Interstate Commerce Commission to the Federal Communications Commission by operation of the Communications Act of 1934, and representatives of certain state commissions or regulatory bodies having jurisdiction over interstate service rendered by telephone carriers have indicated that they are desirous of being heard on said report of the Interstate Commerce Commission (decided July 9, 1934) and are desirous of filing exceptions and objections and of making suggestions with respect to said report of Interstate Commerce Commission.

Representatives of the several states and of the commissions or regulatory bodies thereof having jurisdiction over the telephone carriers therein, and all other parties at interest, shall have until October 1, 1934, within which to file exceptions and objections to the report of the Interstate Commerce Commission, rendered in its Docket 25705, affecting accounting rules for telephone companies, or to suggest amendments or changes in such accounting.



8/17/34

That all such exceptions, objections or suggestions shall be filed in writing and fifteen copies thereof provided within the time herein specified.

Ordered by the Telephone Division of the Federal Communications Commission this the 16th day of August, 1934.

The Telephone Division also took the following action:

W2XDJ Bell Telephone Labs Ocean Township, N.J. granted Mod. of Lic for additional freqs. 63000, 65000, 71000, 72000 kc. All other terms to remain the same as in existing license.

### RATIFICATIONS

(Action taken July 26th)

W2XDJ Bell Tel Labs, Inc., Ocean Township, N.J. granted renewal of Spec Exp station Lic for Exp Serv in exact conformity with existing license.

(Action taken Aug 9th. )

WjFK Edward C. Flanigon, CLYTIE, Cleveland, O. granted third class private ship radio station license. WJFJ Harry Olson, SENORITA San Francisco, Cal granted thrid class public ship radio station license.

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### TELEGRAPH DIVISION-APPLICATIONS GRANTED

KICO Nakat Packing Corp Makeen, Alaska granted license 2566 kc. 100 watts. NEW Burnett M. Frazer, E.C. Pyle, Geo. M.B. Lane & E.E. Doherty d/b as Frazer Radio Co. Portable-Mobile, Los Angeles granted two CP 30100 to 40100 kc, 15 watts. NEW A.R. Burnham & L.D. Miller d/b as Burnham-Miller Flying Service, Portable-Mobile Omaha, Nebr granted CP 31600, 35600, 38600, 41000 kc; 5 watts.

W8XBE City of McKeesport, Pa. Police Dept granted license 53100 kc 15 watts. WIXAX Town of Brookline, Mass. granted license 30100, 33100, 37100, 40100, 86000-400000, 401000 and above; 50 watts

W6XEH City of Long Beach, Cal. granted license 30100, 33100, 37100, 40100 kc; 100 watts.

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::::: BUSINESS LETTER NOTES ::::::  
:::::

8/17/34.

George Henry Payne, of the Federal Communications Commission will be interviewed over an NBC-WEAF network on Tuesday August 21, on "What Civilization Owes to Communications." The interview at 8:00 p.m., Eastern Standard Time will be conducted by Martin Codel.

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Washington had a chance to see the NBC Mobile transmitter in connection with the broadcast of the arrival of the Tuscarora Indian runners who delivered the invitation to President Roosevelt at the White House. Billy Coyle in charge of the transmitter reported a perfect performance.

It is the same unit used in connection with the New York Naval review and the landing of the Stratosphere balloonists.

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Reports from the Pacific Coast are Earl Anthony's KNX made the pargest profit for the year of any station in Los Angeles. KNX was rated second in total gross business with a reported \$100,000 gain over the previous year and KHJ third.

While Anthony's KNK is proving a winner he is said to be losing money on his other Los Angeles station KECA.

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A short-wave station, said to be the most powerful in South America, began operation last Saturday. Using a short-wave of 38.36 meters, it operated on 7,820 kilocycles with a twenty-kilowatt power output. Its long wave is 220 meters, with operation on 1,360 kilocycles and 5 kilowatts power.

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Herman Berger, WOR radio engineer has a fifty-watt tube - the first tube ever used on one of the first stations to go on the air in the world - WJZ. The tube was used thirteen years ago when that station was in Newark, N.J.

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8/17/34.

Freeman Gosden, Amos of the radio team of "Amos 'n' Andy", arrived last Wednesday at Vancouver, B.C. from Prince Rupert, British Columbia, aboard the steamer Prince George from Alaska.

A two-way telephone conversation, to be broadcast, is contemplated with Andy in London, when Amos reaches San Francisco.

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#### ADVERTISING MEN WOULD CENSOR THEMSELVES

The movement to censor advertising from within the advertising and publishing circle, to avoid inevitable censorship from without, due to admitted evils, has gained great impetus.

"It is one of the most wholesome and valuable projects now before the advertising field," says the Editor and Publisher.

"It comes at a time when the Government is actively espousing the cause of the consumer and when it is closely inspecting every commercial method with a view to a clean-up of unfair practices. For a good many years associations of advertisers, agencies and publications have taken the initiative to control false, misleading and fraudulent advertising. The principle inside control is as good today as it has ever been, more workable we believe than any Government control could be. It is a voluntary censorship, prompted by real desire, always more effective than arbitrary control.

"Stuart Peabody, former president of the Association of National Advertisers, and T.K Quinn, of the General Electric Co., are urging that a review board be set up within the advertising and publishing professions to pass on copy. It would be a board of experts, with power to express approval or disapproval. Mr. Peabody would also have consumer representation. In the event of an adverse opinion, the media would be called on to exclude the advertising copy."

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#### HEARST'S PLANS EXPANDING RADIO INTEREST

Discounting all previous reports, it appears that William Randolph Hearst is out in earnest at present to build his own group of stations in important key spots of the country.

8/17/34.

Formerly merely a plaything with Hearst, radio today is shaping as a very important factor in Hearst's plans, according to a Chicago dispatch to Variety.

"In most cities Hearst is using radio as an adjunct of his newspapers, but there is evidence that Hearst will go into towns with transmitters where he has no newspaper of his own, expecting to start his own news-sheet or to make an alliance with some paper already established.", variety goes on.

"Hearst now owns or operates seven transmitters reaching from coast to coast, the more important beins WINS in New York, WCAE in Pittsburgh, KYW in Chicago, WISN in Milwaukee, KYA in San Francisco, and two transmitters in Los Angeles are readying.

"This is the basus from which the new Hearst web is to rise. KYW moves to Philadelphia in October, returning to Westinghouse ownership and operation. But it is understood that Hearst is negotiating to continue operation of the transmitter in Philadelphia even though he has no newspaper in that town.

"Meanwhile Hearst is busy scouting for a station to replace KYW in this, his second most important stronghold. He made a bid of \$100,000 for WCFL, the Labor Station, but was rejected.

"He negotiated with Ralph Atlass for a possible takeover of WIND in Gary but nothing came of it. And now it is reported that has been some dickering with WAAF, a small low-watter, onipart-time license."

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NBC NEW AND RENEWAL ACCOUNTS

Renewal -General Foods Corp (Maxwell House Corp)  
Thursdays 9:00-10:00 PM EDST 1:00-2:00 AM EDST WEAf WTIC WEEI  
WJAR WTAG WCSH WFI WBEN WFBR WOC WHO WOW WDAF WKBF WTMJ WRVA KSTP  
WWNC WIS WJAX WIOD WFLA WSM WMC WSB WAPI WJDK WSMB WAVE WKY  
WBAP KPRC WOAI KTBS KGO KFI KGW KOMO KHQ KFSD KTAR KGIR KGHL  
"Captain Henry's Show Boat."

NEW The Texas Company, October 2, 1934 Tuesdays  
9:30-10:00 PM WEAf WEEI WTIC WJAR WTAG WCSH WFI WLIT WFRB WRC  
WGY WBEN WCAE WTAM WWJ WSAI WMAQ KSD WHO-WOC WOW WDAF WKBF WTMJ  
WIBA KSTP WEBC WDAY KFYR WRVA WPTF WWNC WIS WJAX WFLA-WSUN WIOD  
WSOC WAVE WSM WMC WSB WAPI WJDX WSMB KVOO WKY WFAA-WBAP KPRC  
WOAI KTBS KTHS KOA KDYL KGO KFI KGW KOMO KHQ KFSD KTAR KGIR KGHL  
Ed Wynn, Comedian; Don Vorhees and his 35 piece orchestra.



# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

LEGAL DEPARTMENT  
RECEIVED  
AUG 22 1934  
F. W.

**CONFIDENTIAL — Not for Publication**

ARTICLE 1  
VICE PRESIDENT  
RECEIVED  
AUG 22 1934  
A. M.  
7, 8, 9, 10, 11, 12, 1, 2, 3, 4, 5, 6  
GENERAL ATTORNEY

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No. 751

*[Handwritten scribbles and initials]*

August 21, 1934.

## DILL RADIO SPEECH INQUIRY STIRS UP NEWSPAPER RUMPUS

A letter and questionnaire sent out by Senator Dill, of Washington, on official Senate stationery under Government frank to all radio stations seeking information as to the probable demand by stations for news to broadcast, in addition to that already furnished by the Press-Radio Bureau, has apparently again started the old row between newspapers and radio stations over the question of news-broadcasting. Senator Dill explained the inquiry was made for the purpose of gathering material for a speech he intended to make next month at the Broadcasters' convention but he has been accused by his critics of securing the information to use in a news venture in which he is personally interested.

One critic said that the Senator was in some way identified with the American Newscasting Company, organized for the purpose of furnishing news bulletin service to broadcasting stations. Another went so far as to say that Senator Dill had sought the opportunity to address the Broadcasters and that the information brought in by the letter and the questionnaire would really furnish him with the basis for making a decision as to whether or not he would attempt to organize a radio station news-service when his Senate term expires January 1st.

Senator Dill is reported to have remarked on several occasions that he believed this offered an opportunity for a promising new business and it is further said that he remarked to several persons that he believed he might undertake such a venture as this rather than seek another term in the Senate.

Senator Dill's circular letter to broadcasters read as follows:

"On September 17th I shall address the National Association of Broadcasters at Cincinnati, Ohio, on the subject of "News by Radio". I am anxious to know just what the individual stations are doing as to broadcasting news. I am writing you this letter to ask about your station.

"I have prepared a blank with certain questions for your convenience, and I would appreciate it very much if you would do me the favor of answering these questions. Of course, if any of them ask for information you do not feel free to give or do not want me to use in a general survey of this subject, I want you to tell me so.

8/21/34

"If you have time and are willing, I would appreciate a letter from you also, giving your views and experience as to the place that news broadcasts have on radio programs.

"Personally, I believe the American people want flashes and spot news by radio. Since the press associations refuse to allow the use or sale of their reports, it would seem the radio stations might well form a great associated radio service, planned and operated without profit, somewhat after the Associated Press or the United Press, such organization to be owned by the stations and managed by directors chosen by them.

"Recent developments of short wave teletype machines would make it possible to keep down transmission costs and give exclusive service to stations in the organization.

"Such a service would really be an aid to newspapers, because the newspaper will always have its field as a journal and must always be depended upon to give detailed accounts and to keep permanent records of news events.

"Any comment you can give me on this whole subject, I shall appreciate."

The questionnaire attached to Senator Dill's letter contained the following questions:

"Does your station broadcast local news? If so, how often?

"From what source do you secure national and world news?

"Do you believe news should be sponsored or a station service not commercialized?

"Do you use press-radio five minute service? Is it satisfactory? Unsatisfactory? Why?

"Do you believe your listeners want news by radio?

"Do you think an associated radio news service owned by the radio stations and run without profit is desirable?

"If you can estimate how much your station could expend for news service, it would be quite helpful in making this survey."

The Editor & Publisher had this, in part, to say about the proposition:

"Under Government frank, and with a franked reply envelope enclosed, Senator C. C. Dill, of Washington, on August 6th, sent a curious and mischievous circular letter to the various radio broadcasting stations of the country. \* \* \* \* \*

"Mr. Dill seems to be personally and inordinately interested in the radio business. He is particularly meddlesome in reference to news-broadcasting and has private opinions about it, quite apart from any measured official judgment. Editor & Publisher learns that Senator Dill is in some way connected with the American Newscasting outfit of Washington, or expects to be after he quits his seat. \* \* \* \* \*

"It is a brazen falsehood, of course, that the press associations 'refuse' to allow the use or sale of their reports. As everyone, including Senator Dill, knows, they give their reports to the radio press bureau for transmission under a prescribed and mutually accepted code, to the public over the air, an entirely gratuitous service conducted solely in the interest of the public, because the press has recognized the right of the people to get certain information by the most rapid means.

"But the imaginative Senator proposes a mutual radio news association, to compete with the existing press associations, setting up a plan which he naturally hopes will be supported by the radio concerns. He bases this upon public advantage, but in our view it is a piece of demagoguery of the first water. Just how the Senator fits into his big idea remains to be seen. \* \* \* \* \*

"This man, powerful though he may be, cannot intrude his personal or official motives to disturb the existing and satisfactory present relations between radio and press. His intermeddling does not smack of statesmanship. Keep your eye on Senator Dill, of Washington!"

Further the newspaper publication comments:

"There is not unanimity in acceptance of the Press-Radio report, and several independent news gathering organizations have sprung up, for supplying unsubscribing stations with news. The most formidable of these are Trans-radio Press Service and the Radio Newscasting Association."

This was evidently based on the fact that the Trans-radio Press Service has announced that it has formed a subsidiary Radio News Association, Inc., for distribution of news by short wave radio on a national basis. According to Hubert Moore, President of Transradio and the new company, Radio News Association is capitalized at \$50,000. W. G. Quisenberry, until recently with the London bureau of the United Press, is Vice-President and News Manager of the subsidiary. Otis Peabody Swift, formerly with the United Press, has been made Sales Director of Transradio. Mr. Moore also said his organization had made an agreement with WLS, in Chicago, which included the consolidation of this station's news-gathering corps, consisting of 300 correspondents in the Middle West.

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## JOLLIFFE NEW FCC CHIEF ENGINEER

Dr. C. B. Jolliffe was named Chief Engineer, and E. J. Jett, A. D. Ring, and W. G. H. Finch, Assistant Chief Engineers at a meeting of the Federal Communications Commission held yesterday (August 20).

Dr. Jolliffe served as Chief Engineer of the Federal Radio Commission from March 1, 1930, until it was abolished by the creation of the Federal Communications Commission July 11, 1934. Since then he has been Chief Engineer of the Communications Commission serving on a temporary basis. Dr. Jolliffe is a Republican.

Dr. Jolliffe was born in West Virginia November 13, 1894, and received his B.S. degree from W. Va. University in 1915, and the degree of M. S. from the same University in 1920.

He received the degree of Doctor of Philosophy (Ph.D.) from Cornell University in 1922. From 1917 to 1918 and from 1919 to 1920 he was an instructor in Physics at W. Va. University, and from 1920 to 1922 he was an instructor in Physics at Cornell University. From 1922 to 1930 he was connected with the Radio Section, Bureau of Standards. At the Bureau of Standards he was Assistant Chief of the Radio Section carrying on research on radio wave propagation and the development and maintenance of standards of frequency. This work resulted in several scientific publications.

Dr. Jolliffe was given credit for the success of the Fourth Annual Convention of the Institute of Radio Engineers, of which he was Chairman, held in Washington in 1929. Dr. Jolliffe was named Chief Engineer of the Federal Radio Commission March 1, 1930. Before and since then he has attended several International Radio Conferences as one of the American delegates or as an expert adviser.

Dr. Jolliffe is a member of Phi Beta Kappa and Sigma Xi. He is a Fellow of the Institute of Radio Engineers and a Fellow of the American Association for the Advancement of Science.

For several years Mr. Ring was Senior Engineer in the Broadcast Section of the Federal Radio Commission and Mr. Jett was an Assistant Chief Engineer.

Mr. Finch has been Chief Engineer of the American Radio News Corporation (Hearst) and has been a Consulting Engineer in New York. He holds several patents on tele-typewriting.

V. Ford Greaves, who has been an Assistant Chief Engineer, was transferred to San Francisco to serve in the Field Force.

All the other engineers who were employed by the Federal Radio Commission were re-employed on a permanent basis and several of them were given promotions.

8/21/34

Paul Lion, of Charleston, S. C., James P. Buchanan, of Texas, and B. J. Shimeall, of the Bureau of Aeronautics, were added to the Engineering Staff.

Col. Davis Arnold was transferred from the Veterans' Bureau to the Commission's Law Department at the same grade and salary.

All the other employees of the Commission who have been serving on a temporary basis were placed on a permanent basis.

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#### BROADCASTING STATIONS MUST FURNISH NAMES OF STOCKHOLDERS

The Broadcasting Division of the Federal Communications Commission has ordered all broadcasting stations, if a corporation, to submit a list of stockholders and the amount of stock held by each and if a partnership or other than a corporation, a list of persons owning any interest therein. Under the old Radio Act, it was said at the Commission, there could be a dummy holding company and the actual owners need not be revealed.

The order issued was as follows:

"Pursuant to the provisions of the Communications Act of 1934, IT IS ORDERED, that the licensees of all radio broadcast stations (including all special or general experimental, visual broadcast, relay broadcast or broadcast stations) shall, on or before September 1, 1934, file with the Commission verified statements showing the following information, as of July 15, 1934:

- "1. If the licensee is a corporation -
  - a. A list of the stockholders of record, together with the address and the amount of stock held by each;
  - b. Whether the stock is voted by a person other than the record holder, and if so, copy of the agreement or other instrument authorizing same;
  - c. A list of the officers and directors of said corporation, together with their addresses and the amount of stock held by each;
  - d. Any other arrangement or agreement with any person or corporation which may affect the conduct or control of the business of the licensee corporation.

- "2. If the licensee is a partnership, association, organization, or company (other than a corporation)
- a. A list of the persons or corporations owning any interest therein, the amount of interest held by each person or company, and their addresses;
  - b. A list of the officers and directors, and their addresses.

"IT IS FURTHER ORDERED, that the licensee shall inform the Commission of any changes subsequent to July 15, 1934, in the ownership of stock in the licensee corporations (or of the issuance of additional shares of stock and to whom issued), or any changes in the ownership of licensee-partnerships, associations, organizations or companies."

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#### COMMISSIONER PAYNE DISAVOWS CENSORSHIP

George Henry Payne, Vice Chairman of the Telegraph Division, Federal Communications Commission said in his radio address Tuesday night (Aug. 21) that "he could not conceive that radio censorship would be possible in the United States."

Commissioner Payne made this statement over the NBC network in an interview with Martin Codel, radio writer. "There is nothing in the law that would permit it", the Commissioner said. "It is impossible to conceive that the American people would tolerate censorship either of the press or of radio - in the latter case, at least, insofar as freedom of responsible expression is involved. As I say, we must respect the opinions of those whose fears are prompted by a conscientious vigilance, we need not be disturbed by those who are uneasy over what never will happen and never can happen."

In opening the program, four messages to Commissioner Payne to illustrate the various forms of communication which come under the jurisdiction of the new Federal Communications Commission, were read. By way of illustration he received and read a telegraph message from U. S. Senator Hiram Johnson, of California, a radiogram from Jesse I. Strauss, United States Ambassador to France, who was on the high seas, a cablegram via submarine cable from Robert W. Bingham, United States Ambassador to England, and a message carried by ship and international radiotelegraphy from Senatore Marconi, who was aboard his yacht on the Adriatic Sea.

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## AMERICANS ALL READY FOR LISBON TECHNICAL CONFERENCE

Those who are to represent this country at the conference on technical questions of the International Radio Advisory Committee to be held in Lisbon, Spain, Sept. 22 have gone over their program thoroughly. The preparation of material for the twenty-five questions on the agenda is reported to be well in hand. Also the commercial companies interested have been heard.

The International Radio Advisory Committee was established by the Washington Radio Conference in 1927 and reestablished by the Madrid Conference in 1932. It is a body to which the international radio conferences refer their more technical questions.

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## REPRESENTATIVE PRALL STILL LAID UP

Representative Anning S. Prall, of New York, who is supposed to be slated for the Communications Commission, and Senator Robert F. Wagner, of New York, who were injured in an automobile collision sometime ago, are still out of commission. Mr. Prall is in a hospital on Staten Island where he was taken in an ambulance after the accident, and Senator Wagner is in the home of the doctor who treated Messrs. Prall and Wagner at Westport, N. Y., near the scene of the mishap.

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## WSMB PUTS UP STIFF FIGHT TO KEEP POWER INCREASE

Strong arguments were advanced at a hearing this morning (Tuesday, August 21) by Station WSMB, New Orleans, through H. Wheelahan, its manager and others, to retain an increase to 1000 watts power granted by the Commission. Station WADC, of Akron, Ohio, which broadcasts simultaneously on the same frequency as WSMB had protested against the increase.

It was contended the use of additional power interfered with the Ohio station and reduced its service area. The actual separation between the stations, Ralph Walker, Examiner, who heard the case said, is 920 miles and that generally required for similar stations is 1000. Mr. Walker said he hoped to be able to make his recommendations in the case within the next two weeks.

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## FCC ASKS ICC TO COMPLETE WU VALUATION REPORT

The Federal Radio Commission has issued the following order requesting the Interstate Commerce Commission to complete a tentative valuation report of the Western Union:

"WHEREAS of the Communications Act of 1934 provides that the Interstate Commerce Commission, if requested to do so by the Federal Communications Commission, shall complete at the earliest practicable date such valuation of properties of carriers subject to this Act as are now in progress, and shall thereafter transfer to the Federal Communications Commission the records relating thereto;

"WHEREAS, the Interstate Commerce Commission now has in progress a valuation of the properties of Western Union Telegraph Company and its subsidiaries and affiliates commenced under the Interstate Commerce Act prior to the amendment thereof by the Communications Act of 1934;

"WHEREAS, the Federal Communications Commission deems it necessary and desirable that such valuation of the properties of Western Union Telegraph Company and its subsidiaries and affiliates should be completed by the Interstate Commerce Commission; and

"WHEREAS, under the provisions of the Communications Act of 1934 the Federal Communications Commission has jurisdiction to make a valuation of all or of any part of the property owned or used by any carrier subject to this Act; now therefore,

"IT IS ORDERED, That the Chairman of the Federal Communications Commission is hereby authorized to request the Interstate Commerce Commission to proceed with and complete such valuation of the properties of Western Union Telegraph Company and its subsidiaries and affiliates up to and including a tentative valuation report of such carrier and its subsidiaries and affiliates, which tentative valuation report shall be made conformable to the provisions of law in Section 213 of the Communications Act of 1934, and thereupon to furnish the Federal Communications Commission with a duly authenticated copy thereof together with all records relating thereto;

"IT IS FURTHER ORDERED, That such tentative valuation report shall thereafter be served by the Secretary of the Federal Communications Commission in similar manner to that provided in the Interstate Commerce Act, Section 19a, paragraph Fifth (h) for the service of tentative valuations; and

"IT IS FURTHER ORDERED, That thereafter the Federal Communications Commission shall receive, if tendered within 30 days, exceptions and objections to said tentative valuation report, and briefs in support of such exceptions and objections, and shall hear oral argument of parties to said proceeding and shall thereafter fix the final valuation of said carrier and its subsidiaries and affiliates.

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 :::BUSINESS LETTER NOTES:::  
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Harvey Hoshour, General Solicitor of the American Telephone & Telegraph Company, will be among the speakers at the annual meeting of the American Bar Association at Milwaukee, Monday (Aug. 27). John W. Guider, of Washington, Chairman of the Committee on Communications of the Bar Association, will later preside at the open meeting where Mr. Hoshour, probably W. M. M. Splawn, of the Interstate Commerce Commission, and perhaps another speaker on communications are to speak, and which will be resolved into a general discussion of the subject of communications.

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The American section of the International Committee on Radio will hold a reception and dinner at the University Club in Washington tonight (Tuesday, Aug. 21) to honor the new Federal Communications Commission. Senator Wallace White, of Maine, President, is expected to preside, it was announced by William R. Vallance, Chairman of the Executive Committee.

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The Jenny Wren Co., of Lawrence, Kans., operators of radio station WREN, this week filed a petition in the District Supreme Court to restrain the Federal Communications Commission from enlarging the operating hours of WHB, which operates in Kansas City.

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Technical advancements in a new series of radio and phonograph instruments soon to be announced will be outlined to radio service engineers in Washington and vicinity at a meeting tomorrow night (Wednesday, Oct. 22) at 8 P.M.

Engineers connected with the R.C.A. Victor Co. and the R.C.A. Radiotron Co. will discuss the developments.

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COMMISSION CHANGES ALLOCATIONS

The Federal Communications Commission approved the following change in Rule 229:

"4395 kc., change service allocation from 'fixed service' to 'general communication service.'

"4570 kc, change service allocation from 'general communication service' to 'fixed service'.

"4575 kc., change service allocation from 'general communication service' to 'fixed service'.

"4690 kc., change service allocation from 'general communication service' to 'fixed service'."

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#### RADIO HISTORY MADE BY LATE SPEAKER RAINEY

The late Henry T. Rainey made radio history while he occupied the Speaker's rostrum in the House of Representatives. Early in his term as Speaker, he broke all precedents, according to a National Broadcasting Company statement, by permitting NBC to broadcast from the floor of the House for the first time in the history of Congress a debate and vote on a major measure.

This historical occasion was on the afternoon of March 9, 1933, when the House met in a special session called by President Roosevelt to deal with the banking crisis. Speaker Rainey had given permission to broadcast the opening ceremonies, but with definite instructions that broadcasting should cease when the business session got under way.

"NBC announcers and engineers remained at their posts after going off the air to listen to the debate on the bill which was to bring about the reopening of the banks of the country. Sensing the importance of the occasion, an NBC official sent a note to Speaker Rainey, asking permission to open the microphones. "Sure, go ahead!" was his smiling reply", the NBC statement continues.

"Both NBC networks were quickly brought together and within a few minutes the National Broadcasting Company began the exclusive broadcasting of one of the most exciting and important events in the history of the country. The nation's radio audience heard the complete debate and the record of the vote on the measure, the first time that the proceedings of the House on a pending measure ever had been broadcast in their entirety."

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#### DECISIONS OF THE FCC BROADCAST DIVISION

The following applications were granted by the Federal Communications Commission Broadcast Division August 21st:

WJEJ, Hagerstown Broadcasting Co., Hagerstown, Md., C.P. to move transmitter locally in Hagerstown; KGIX, J. M. Heaton, Las Vegas, Nev., modification of C.P. to make changes in equipment extend commencement date to Oct. 2, and completion date to Dec. 2;



KQW, Pacific Agricultural Foundation, Ltd., San Jose, Cal., modification of C.P. to change equipment and extend commencement date to Nov. 1, 1934 and completion date to Jan. 1, 1935; KJPS, Julius Brunton & Sons Co., San Francisco, Cal. modification of C.P. to change equipment and extend commencement date to Nov. 1, 1934 and completion date to Jan. 1, 1935; KWCR, Cedar Rapids Broadcast Co., Cedar Rapids, Ia., modification of C.P. to change equipment and extend commencement date to Nov. 1, 1934, and completion date to Dec. 1, 1934; WMAQ, National Broadcasting Co., Inc., Chicago, Ill., modification of C.P. extending commencement date to Oct. 4 and completion date to Dec. 4, 1934; WTOC, Savannah Broadcasting Co., Inc., Savannah, Ga., license covering installation of temporary transmitter to be employed while construction of new permanent transmitter 1260 kc., 100 w., unlimited; KEX, Oregonian Publishing Co., Portland, Ore., license covering local move of transmitter and changes in equipment, 1180 kc., 5 KW simul. D, S-KOB night.

Also, WDAS, WDAS Broadcasting Station, Inc., Philadelphia, Pa., license covering move of transmitter and studio locally and installation of new equipment (which was formerly equipment of WPEN), 1370 kc., 100 w. 250 w. LS, unlimited time; KSO, Iowa Broadcasting Co., Des Moines, Ia., license covering new equipment and changing frequency and power, 1320 kc., 250 w., 500 w. LS-unlimited; WQBC, Delta Broadcasting Co., Inc., Vicksburg, Miss., modification of license to change hours of operation from specified to daytime, station operates on 1360 kc., 500 w. night, 1 KW, LS; WLXG, General Television Corp., Boston, Mass., license (Exp. Visual broadcasting) 42000-56000, 60000-86000 kc., 500 watts; W8XO, The Crosley Radio Corp., Mason, Ohio, renewal of license (Exp. Spec. Exp.) 700 kc., 50000 watts, 1 to 6 A.M. EST.

### Miscellaneous

New, Atlantic Broadcasting Corp., New York City, application for new general experimental station heretofore granted, was retired to closed files for want of prosecution; KSD, Pulitzer Publishing Co., St. Louis, Mo., permission granted to withdraw protest to the granting of application for a new station at Staunton, Va.; New, Tri-State Radio, Inc., Washington, Pa., application for new station, heretofore set for hearing, was dismissed without prejudice; KGVO, Mosby's Inc., Missoula, Mont., Spec. Exp. Auth. 950 kc., 500 w., unlimited application heretofore set for hearing, was dismissed at request of applicant; KSTP, National Battery Broadcasting Corp., St. Paul, Minn., hearing on application for modification of license continued at request of applicant for period of 30 days from Sept. 7, 1934, the date to be fixed by Docket Section; WLBF, WLBF Broadcasting Co., Kansas City, Mo., denied petition to intervene in hearing upon application of WHB for special experimental authority; New, Samuel Nathaniel Morris, Stamford, Tex., application for new station to operate on 1200 kc., 100 w. unlimited time, again designated for hearing upon issues shown in the bill of particulars in the case dated today.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**

27 1934

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No. 752

*[Handwritten signatures and initials]*

August 24, 1934.

## RADIO-OPTICS DEPENDENT UPON TECHNICAL ADVANCES

The latent possibilities of the radio-optical waves, those which range from 1 centimeter to 1 meter in length, are most promising, but their fuller realization is conditioned on continued technical advances, in the opinion of W. D. Hershberger, Associate Physicist at the Army Signal Corps Laboratories at Fort Monmouth, N. J. "If the progress made during the past 5 years is indicative of what may be expected in the future, the field will assume an increasing importance", Mr. Hershberger explains. "The use of radio-optical equipment for portable beacons for aircraft, for limited range directional signaling in all varieties of atmospheric conditions, as well as other uses which suggest themselves, can readily be foreseen.

"The reason for the popular interest arises partly from the experiments of Marconi whose international fame assures any project associated with his name wide publicity, and partly from the fact that many people link television, if and when it leaves the laboratory, with the new communication channels being made available."

"Claims made for these channels include freedom from static, fading, and skip-distance effects."

It is possible to build a directional radiating system for use at these wavelengths which is small enough to be portable and at the same time may be pointed in any direction.

"An efficient use is thus made of power, and some degree of secrecy is attained since transmitter and receiver must be properly lined up", Mr. Hershberger continues.

"We should, however, not be misled about the number of new channels thus made useful in the radio-optical region. It is true that in the limited range between 1 and 10 centimeters we find 7,000 times as many channels as in the entire broadcast band. However, simultaneous use of such channels by apparatus in close proximity presupposes means for stabilizing frequency which are at present totally lacking. Non-interference in this region will perhaps depend not so much on the existence of a host of new channels no one will be able to utilize with present-day technique, as on the fact that limited ranges and beam transmissions are employed. Yet, if broadcasting at considerable power is done as is proposed by television engineers, the whole region may readily become congested. In such a case, the prime need would be means for stabilizing frequency and receiving equipment capable of distinguishing between neighboring frequencies. In the absence of such a technique, it is futile to speak of new channels.

"Occasionally the suggestion is made that radio-optical equipment could well replace telephone lines or cables. For single-channel operation in one direction at a time such equipment would no doubt be quite successful, although possessing the disadvantage that, if intermittent operation is all that is desired, it would be necessary that the detectors and receiving amplifiers be kept in operation continuously to permit calling at any time with consequent battery and tube upkeep."

A commercial link operating on 18 centimeters has been in use for some time across the English Channel for intercommunication between the airports Lympne and St. Inglevert. In particular the purpose of this installation is the prompt handling of information on the departure and arrival of civil aircraft. The receiving apparatus works directly into printers at each end and of course may be used for voice. Simultaneous operation in both directions is secured by duplication of all apparatus with one set working at 17 centimeters and the other at 17.5 centimeters. The link has been in experimental operation since 1931. Parabolic mirrors 10 feet in diameter are used to concentrate the radiation. These mirrors are supported by towers 66 feet high on the French side and given an elevation of 43 feet on the English side so as to afford an unobstructed line of sight between stations. This installation marks perhaps the first commercial use of radio-optics.

In Germany, Hollmann and his group report ranges of the same order of magnitude as those obtained by Marconi.

Uda, in Japan, obtained ranges of 30 kilometers at 50 centimeters as early as 1930. The Japanese appear to prefer magnetrons for generation of radio-optical waves and antenna arrays to mirrors for concentrating the radiation.

The Westinghouse Co. displayed a novel piece of radio-optical equipment at the "Century of Progress" in Chicago. The generator of oscillations was their half-watt, 9-centimeter magnetron suitably modulated with voice or tone. The receiver employed a crystal detector for demodulation of the 9-centimeter waves. A 24-inch mirror served to concentrate the waves. In the demonstration for the public, voice transmission from one balcony to another was shown as well as reflection of the waves from a plane metal mirror. An engineer speaking for the company describes this apparatus, reports that a range of 1 mile has been obtained, and that ranges of the order of 20 miles are anticipated in the future.

"Mention must be made of the work of Radio Corporation of America radiotron engineers who, by decreasing in proportion the dimensions of all electrodes, have produced the 'acorn' or 'shoe-button' tube", Mr. Hershberger concludes. "The time of electron transit has been reduced in these tubes to the extent that they are used as oscillators in conventional circuits at 30 centimeters and as r-f amplifiers at 1 meter with a gain of 4 per stage. The tubes are too small to permit sufficient plate dissipation for the generation of much power but they promise a great deal as amplifiers and detectors."

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COMMISSION TO MARK TIME UNTIL AFTER LABOR DAY

With most of the Commissioners out of town for some reason or another, the Communications Commission is not likely to act upon any important matters until after Labor Day, September 3rd. Chairman E. O. Sykes has gone to Mississippi for the primaries. In the absence of Col. Thad Brown, Acting Chairman, who is on a vacation at Swampscott, Mass., Judge Sykes did not appoint an Acting Chairman, but simply asked Commissioner Hampson Gary, who is to remain in Washington, to "pinch hit" for him, if necessary.

Paul Spearman, General Counsel of the Commission, and George H. Hill, an Examiner, both natives of that State, have likewise gone to Mississippi. There is a close contest for Senator down there between Senator Hubert D. Stephens and former Governor Theodore G. Bilbo. Although all those from Mississippi on the Communications Commission are said to favor Senator Stephens, however, it is a difficult position for Judge Sykes because it was Governor Bilbo who appointed him a Justice of the Supreme Court of Mississippi, and it was Senator Stephens who had him appointed to the Radio Commission. This is only the second visit to Mississippi of Judge Sykes since his appointment to the Commission seven years ago. The primaries will be held Tuesday, August 28th.

Commissioner Paul A. Walker has again returned to his home in Oklahoma. This time he hopes to bring his family back with him to Washington and establish his residence in the Capital.

Commissioner Norman S. Case will probably make a short visit to Providence and Commissioner George Henry Payne to New York.

These absences were made possible, it was said at the Commission, by the fact that most of the appointments at the Commission have been made, such as Chief Engineer, General Counsel, etc., and because the other employees of the old Radio Commission have now been placed upon a permanent basis with the new organization. Many guesses have been made as to the probable appointees of Assistant Counsels, Examiners, and others, but it is likely that these appointments also will go over until after Labor Day.

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## COMMUNICATIONS COMMISSIONERS TIMID BEFORE MICROPHONE

Apparently not warned in advance that they were to go on the air at the dinner of the American Section of the International Committee on Radio, in Washington, last Tuesday night, members of the Federal Communications Commission proved so shy that William R. Vallance, of the State Department, and John W. Guider, in charge of the affair, had a difficult time filling out the half-hour NBC had allotted to them. Two of the Commissioners, Case and Stewart, when introduced, simply got up and bowed, which didn't mean much to the invisible audience. One of the Commissioners later in the evening was lulled completely to sleep by a technical address.

Judge Sykes, Chairman of the Commission, was the only Commissioner who made a real speech. He said he was delighted with the personnel of the new Commission and that they all had but one idea which was - adequate communications at reasonable rates.

The Judge told of a conversation he had with President Coolidge when the latter appointed him to the Commission.

"Mr. President", Judge Sykes said, addressing Mr. Coolidge, "I want to tell you very frankly I know nothing about radio. In fact, I have never even owned a radio set. I am just a plain country lawyer and I don't know whether or not I can make good on the Radio Commission."

"I knew you were a lawyer", the late President replied. "There are others on the Commission who know about radio. I thought it would be a good idea to put on one lawyer to keep them straight."

Judge Sykes said that the Radio Commission had been reversed almost less than any other Commission in the Federal Government.

In introducing Commissioner Gay, Mr. Vallance recalled the time when Mr. Gary was the American Consul at Cairo in Egypt. This brought to his mind an incident which occurred at the time the Foreign Service Act was passed. Each American Consul was advised of this by cable and told to take the oath in the presence of the American Ambassador.

"At that time I was in Mexico", said Mr. Vallance, who is now in charge of the radio treaty work in the State Department, "and there was a mistake in transmitting my message so that it read that I was 'to take a bath in the presence of the American Ambassador.'"

Dr. J. H. Dellinger, of the Bureau of Standards, told of the work to be done by the International Radio Technical Committee at Lisbon next month.

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F. P. Guthrie read a report from Lloyd Sprague, of the RCA, who was an unofficial observer at the Warsaw Radio Conference. Among other things Mr. Sprague sent to Mr. Guthrie a supplementary report of 41 printed pages in Polish with the comment to Guthrie, "If you find anything in this which I may have failed to see, you might let me know."

John W. Guider told of the work of the Radio Committee of the American Bar Association meeting which is to be held in Milwaukee next week.

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#### BELIEVE RADIO MANUFACTURERS' CODE IN THE BAG

Although their Code Committee, of which Capt. William Sparks, of Jackson, Mich., is Chairman, has nothing to say except that the negotiations are proceeding satisfactorily, it has been learned on good authority that the radio manufacturers will be granted a separate code. At present they are operating under the Electrical Industry Code.

A public hearing was held recently at which Captain Sparks, Bond Geddes and others connected with the Radio Manufacturers, put up a stiff fight for a code of their own. This was vigorously opposed by representatives of the National Electrical Manufacturers' Association. Since then, however, conferences were held in Washington, one on August 8th, and the other August 21st, in Washington with the report that an agreement has been reached satisfactory to the radio manufacturers. If the decision stands, an announcement is expected to be made next month.

President Leslie F. Muter has called an RMA Board meeting in New York City on September 12th to discuss Code developments. A meeting also will be held by Chairman Powel Crosley, Jr. of the Committee considering the "Five Point" national radio promotion project and conferences held with representatives of the Radio Wholesalers' Association in its further development.

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## HENRY BELLOWS RESIGNS FROM COLUMBIA

Considerable surprise was caused by the resignation of Henry A. Bellows as Washington's resident Vice-President of Columbia. No reason for the break was forthcoming either from Mr. Bellows or Columbia. One theory advanced was that it was due to a misunderstanding which arose between Mr. Bellows and Edward Klauber, Vice-President of Columbia, in charge in New York while William S. Paley, President, was on the West Coast.

Harry Butcher, General Manager of WJSV, Columbia station in Washington, who has been connected with the organization for a number of years, will take over Mr. Bellows' duties. In the meantime, the latter has gone over to the National Association of Broadcasters.

"Mr. Bellows has volunteered his services in connection with the October 1st educational-religious stations hearing before the Federal Communications Commission", Philip G. Loucks, Managing Director of the Association said. "He will remain in Washington and has agreed to devote his time chiefly to the preparation of the case on behalf of the broadcasting industry before the Federal Communications Commission. The availability of Mr. Bellows' services to the Association during the present emergency period is welcomed by the industry, and as Chairman of the NAB Legislative Committee he has been active in all legislative matters affecting broadcasting for the last seven or eight years."

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## THIRTY-SIX THOUSAND SETS MONTH'S EXPORTS

Radio exports during June, 1934, totaled 36,372 sets valued at \$942,153, and 470,638 tubes valued at \$231,479, according to the monthly report of the Bureau of Foreign and Domestic Commerce.

Also during June there were exported 11,094 loud speakers valued at \$22,257, receiving set components and accessories valued at \$427,924, and transmitting sets, tubes and parts valued at \$73,179.

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## COMMUNICATIONS INDUSTRY WATCHES RAYBURN SPEAKER RACE

A suggestion ventured in this letter at the time of Speaker Rainey's death that Representative Sam Rayburn, of Texas, co-author of the Communications Act, and Chairman of the Committee which will have jurisdiction over the Act in the House, would doubtless be a candidate for Speaker, has been quickly borne out by Mr. Rayburn's announcing his candidacy.

An Administration stalwart, Rayburn nevertheless voted "wrong" on at least one measure - the bonus - as did Representative Bankhead, another announced candidate.

Although the White House is not expected to chastise either for this, neither is the President expected to tread on the feelings of other \$100 per centers".

Nevertheless, it is known that Representative Rayburn stands very high with President Roosevelt personally and handled much of the President's recovery legislation in the last Congress including the Stock Market Control and Securities Bill. Also he was the President's right hand man in putting through the Communications Bill.

Vice President Garner and Rayburn both being from Texas, in the opinion of some, might raise the question of "too much Texas" if the latter were from Texas. Incidentally two members of the Communications Commission are from Texas - Gary and Stewart, the latter supposed to be a Rayburn appointee.

Other observers have suggested that Rayburn might be groomed for leader, on a ticket with Byrns as Speaker, while others have intimated the claims of North and West must be given greater recognition.

In case Representative Rayburn were elected Speaker, Representative George Huddleston, of Alabama, Clarence F. Lea, of California, Robert F. Crosser, and Parker Corning, of New York, would be in line to succeed him as Chairman of the House Interstate Commerce Committee.

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## TELEPHONE DIVISION PASSES ON ROUTINE MATTERS ONLY

No business of importance was transacted at the meeting of the Telephone Division of the Federal Communications Commission last Wednesday. It was said that only routine matters had been passed upon.

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QUESTIONS RADIOTELEGRAPH LICENSE HOLDERS

Explaining that large numbers of persons held such licenses and that it was necessary to see whether really using all of the channels was a necessity, the Telegraph Division of the Federal Communications Commission passed the following resolution:

"Pursuant to Section 308 (b) of the Communications Act of 1934, IT IS ORDERED that every radiotelegraph common carrier (except those operating exclusively in Alaska) which holds a point-to-point telegraph station license in the fixed public service, or in the fixed public press service, shall file a supplementary statement with each application for renewal of license for the next license period only, showing:

- (a) The name of the organization operating the other end of each circuit designated in the license sought to be renewed and (to the best of applicant's information and belief) its relation to other communications operating or holding companies in the same country and any affiliation which it may have with any communications operating or holding companies or administrations in other countries.
- (b) the number of paid words of public correspondence transmitted during the month of July, 1934, to each point specifically designated in the license sought to be renewed.
- (c) The name of each point of communication specifically designated in the license sought to be renewed to which no paid words of public correspondence have been transmitted during the license period, prior to the date of this order.
- (d) the name of each point of communication specifically designated in the license sought to be renewed, to which paid correspondence was transmitted at some time during the license period but to which no such paid correspondence was transmitted during the month of July, 1934.
- (e) the reason for not handling paid words of public correspondence with each point that may be listed under (c) or (d) above.
- (f) the reason for desiring to continue inactive points of communication in the license.

"IT IS FURTHER ORDERED that the aforementioned common carriers shall at the same time file an additional statement showing the number of paid words of radiotelegraph correspondence received by them in the United States during the month of July, 1934, from each fixed point outside the United States from which messages are received."

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## CODE ADMINISTRATOR TO SPEAK AT CINCINNATI

The latest addition to the speaker's list at the annual meeting of the National Association of Broadcasters at Cincinnati is Sol A. Rosenblatt, Division Administrator of the NRA, in charge of the Broadcasters' Code. Mr. Rosenblatt will speak Tuesday afternoon, September 18th.

Another speaker, just announced, is Fred Willis, of the executive office of Columbia in New York, who is to talk Wednesday on the subject of "Widening Horizons - A Conception of the Opportunities, Responsibilities and Problems of Education by Radio."

Following the Monday afternoon session, there will be a stag party in the competent hands of Power Crosley, Jr.

The terms of the Directors - Bellows, Craney, Damm, Ryan, Hedges and Myers - expire at this time.

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## WGN TO HAVE HALF MILLION DOLLAR STUDIO

A half-million dollar studio is to be built for Station WGN, owned by The Chicago Tribune, according to a dispatch from that city. The structure, of Bedford stone and Gothic architecture, will rise just north of the present Tribune tower.

It will be three stories as the first section of a 24-story building, and will contain a theater seating 600, three other studios, a music library, sound effect rooms, property rooms, reception and rest rooms for artists and musicians, managers' offices, clients' rooms, etc. The project will be completed by next June.

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## RELATION OF SOUND ABSORPTION TO MATERIAL STUDIED

The August number of the Journal of Research contains a report of work on sound absorption where a large area of absorbent material is installed on one surface of a room. Under these conditions it is impossible to obtain a logarithmic decay as is usually assumed in the derivation of reverberation formulas.

As a result of this nonlogarithmic decay the sound absorption is less than would be expected from the absorption coefficient determined when using an area of 72 square feet. Curves are given showing these results. One measurement was

taken on an installation in a large room which showed that the results were similar to those obtained in the reverberation room.

Measurements were also taken on very small areas. In this case the absorption was more than would be expected from the absorption coefficient determined by measuring the absorption of an area of 72 square feet. Curves are given showing that the total absorption is not proportional to the area of the material. Measurements were also made on one installation where the acoustical material was installed in small panels. In this case it was again found that the absorption agreed with that measured on similar areas in the reverberation room.

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#### AMUSING COMPARISON MADE BETWEEN BBC AND OUR SYSTEM

A humorous article, "Daffodils On The Air" appears in the Saturday Evening Post of this week (August 25th) written by Joseph Hergesheimer, noted novelist, describing the workings of the British Broadcasting Corporation. Mr. Hergesheimer frequently compares the British radio system with ours and although he apparently makes every effort to be neutral, certainly the United States gets none the worst of it.

The writer starts out by telling the difficulties he had renting a radio set in London and immediately after he had turned it on, the following happened:

"An ending strain of music was replaced by the most delicately modulated Oxford voice, the most nectarean human tones, I had ever heard falling from the air. 'The concert', listeners were informed, 'will be interrupted for a needed rest and tuning. There are no soloists to help them. It won't be very long and then we'll go on again,'

"In the United States I had often thought enviously of the programs transmitted by radio over England, the undivided authority exercised by the British Broadcasting Corporation. Listening to the advertising that had made the American air so extravagantly audible, I longed for musical hours not constantly interrupted by the platitudes of corporation heads, economic and financial argument. How pleasant it would be, my thoughts continued, to enjoy actually good music, the resources of eminent scientists, a new form of serious drama, all day, or nearly all day, for days without end. I even spoke, more or less vaguely, about the great superiority of the English system to our own."

Mr. Hergesheimer, however, soon changed his mind about this. One of his conclusions was:

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"The whole problem of public entertainment, the different attitudes behind British and American broadcasting, filled my mind. One conclusion, at least, was plain - the English plan would be impossible for America, the American would never work in England. In England there were not enough rich national firms to make actual a program supported by advertising.

"The English, at heart, disliked and distrusted advertising, the art of putting forward an article or an individual; it was still difficult, after three times there, for me to find a hatter. No more famous hats existed, but the name above the door was so obliterated by age, the shop windows so unobtrusive with a row of gentlemen's hats out of the past, that I invariably went by the shop one way or the other. Yes, advertising was primarily the property, a characteristic energy, of the United States."

An especially amusing paragraph in Mr. Hergesheimer's article was when, for the first time, he located Paris on the dial of his set.

"A nationally minded Frenchman was talking with a vigorous and clear articulation", Mr. Hergesheimer wrote. "He spoke French, I thought, with unnecessary ease. I listened while the Frenchman kept on and on; at the half-hour there was a remote jingling of bells that he paid no attention to. Determined to accompany his speech to its end, I lighted an especially long cigar. With the cigar nearly burned to an ash, I turned him off; he had already spoken with an increasing satisfaction for an hour and thirteen minutes."

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#### NEW APPLICATIONS GRANTED BY TELEGRAPH DIVISION

August 22 - University of Washington, Seattle, Wash.,  
C.P. for new station, 2398, 3492.5 kc., 5 watts; City of Cambridge,  
Cambridge, Mass., C.P. 30100, 33100, 37100, 40100, 86000-400000,  
401000 kc. and above, 50 watts power; Same - Portable & Mobile  
11 applications, same except 9 watts power; Skagit County (State  
of Wash.), Mt. Vernon, Wash., C.P. for new station, 2414 kc.,  
50 watts.

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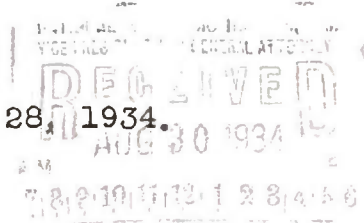
# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**

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No. 753

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August 28, 1934.

## GARY SCORCHES SENATOR SCHALL ON CENSORSHIP

In the past it has been possible for almost anybody to walk all over the Radio Commission and get away with it, but judging from the hefty swing Hampson Gary, Acting Chairman of the Communications Commission took at Senator Schall, of Minnesota, over Columbia last Friday night, things may be different with the new crowd.

Commissioner Gary, at the drop of the hat, not only countered on Senator Schall's allegation that the Commission was to be a part of a vast government controlled press and radio news service, but resenting the further remark Schall made against President Roosevelt declared:

"I don't have to tell you that the President has no such thought in mind as a censorship of the press or radio", Mr. Gary declared. "If any recommendation of that kind ever reached him, it would meet his instant disapproval."

Harry C. Butcher, Columbia Manager in Washington, said that Gary, although a novice at broadcasting and having had little or no time for preparation, "stepped up to the microphone and delivered his speech like Hitler."

Commissioner Gary began by quoting Senator Schall's assertion that had caused the rumpus, which was:

"The 'brain trust' is preparing a recommendation to the Roosevelt Communications Commission, providing for a national press service patterned after the Tass of Soviet Russia, the Havas of France, and the Stefani of Italy. This service is to take the place of the Associated Press, the Hearst News Services, and the United Press. It will be operated on the taxpayers' money, and will have exclusive use of all government news and be in a position to give its service only to those newspapers loyal to the Roosevelt dictatorship.

"The present plan is to make a small charge for the service, but consideration is being given to a suggestion that loyal administration newspapers be furnished the news service free. This plan is essential for the passage of the press censorship bill to be offered at the next session of Congress because censorship will cause the suspension of the present news services."

To this Mr. Gary replied, in part, as follows:

"I wonder which of his colleagues Senator Schall thinks would offer such a bill to the next Congress. And I wonder further who he thinks among the 96 Senators and 435 Representatives would vote for such a measure if it were introduced, in view of the Constitutional provisions regarding the liberty of the press.

"No, the government is not going into the newspaper business. It is satisfied with the methods, processes and results of the activities of the great agencies which gather and disseminate the news. Incidentally, it would make no difference if the government were not so satisfied, for nowhere in the government does there reside the power to set up such an agency as the Minnesota Senator suggests.

"It was startling news to the great press associations mentioned by Senator Schall that they were about to be put out of business. Senator Schall's charges were apparently news to the broadcasting companies also. A press association which made an inquiry of me stated:

"'Senator Schall was given time on the Columbia hookup at his own request. When officials of the network saw the advance manuscript of his speech, they expressed considerable surprise, but allowed the address to go on the air without change.'

"Now, the Senator says the 'hrain trust' is preparing a recommendation to the Communications Commission. As acting head of that body, I can assure him no member of it has ever heard of any such proposal.

"On first hearing, the Senator's utterances seemed to be so imaginary, it was a question as to whether they deserved serious consideration, but after all, when a Senator of the United States makes such an announcement to the vast audience which listens in on the radio, that audience is entitled to be informed of the real facts."

Whereupon Mr. Gary quoted from President Roosevelt's recent statement that the government had never subsidized a newspaper or press service and predicted that it never would.

"Recently, I was asked this question", the Commissioner continued.

"'Do you believe, Commissioner Gary, that radio should be maintained as a free American enterprise, as free as the Press?'

"I replied:

"'Absolutely.'

"I am sure you will wait with impatience for Senator Schall to let us know the source of his incredible statement about press and radio censorship", Commissioner Gary said in conclusion, "and it would add further to the general information on the subject if he would tell us why he did not obtain authentic confirmation of it before he broadcast such an absurdity to the people of the United States."

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#### RADIO SURVEY PUBLIC BUSINESS, SAYS DILL

Senator Clarence C. Dill, of Washington, told the Editor & Publisher in an interview that he "can't understand why Editor & Publisher and the damn newspapers are getting so excited over radio news broadcasting." He defended his use of the Senatorial franking privilege in mailing a questionnaire to 600 radio stations seeking information for a speech on the news broadcasting situation which he is to make in Cincinnati at the Broadcasters' convention next month. Mr. Dill retires from politics in January and may start a radio news bureau.

"Senator Dill also revealed for the first time that he had protested to Paul Mallon, author of a syndicated Washington political comment column against a recent column in which Mallon said a certain far west Senator and his former secretary are in hot water. Mallon said they had invoked the ire of Secretary Ickes by purported profiteering in lands to be benefited by the building of a government dam", the Editor & Publisher continued.

"I wrote Mallon", Dill said, 'that some of my friends thought he was talking about me and that if he meant me I want to know who were his informants so I can start a few libel suits. I sent Mallon a copy of an anonymous letter written to me from Washington on Press Club stationery saying that Mallon was privately saying he meant me and my former secretary, but Mallon denied the whole thing.

"He said he had been handed a statement and didn't know who was meant by the inference. I also wrote Ickes and he wrote that he knew nothing about it in connection with me. It's not my honesty that I'm worried about because I know that's all right. I am bothered that anyone would think I could be so politically dumb.'

"Speculation has been rife in the state of Washington as to who Mallon meant in his column which incidentally was published by the Portland Oregonian but omitted by Spokane, Seattle and many other State papers. Some newspapermen went so far as to comment privately that whomever was intended will soon be a dead issue in the political arena and that any other national venture by such an individual would be 'tremendously handicapped.'



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"Mallon, said "a far west Senator", so it might be some one in Montana or Colorado or Nevada who was buying up land to be increased in value by the building of a government dam.'

"Certainly I used my Senatorial frank in sending letters to the radio stations', the Senator said. 'I thought it was public business, which has never been defined, and I am still of that opinion. I may want to offer an amendment to the Communications Bill, on which there may be a special reason, or I may want to make a speech in the Senate as well as before the National Association of Broadcasters. Who is competent to question that belief except the Postmaster General? He has made no protest. The charge that I used my frank to further information for private use is trifling and insincere.'

"The explanation for the criticism at this time lies in the fact that Roy Howard fears that I may start a radio newsgathering service which would compete with his organization. I may do that.

"But why all the excitement? The newspaper contest with the radio isn't over news, it's over advertising. Early returns on my questionnaire show many stations aren't satisfied with the five minute broadcast. They want fifteen minutes. That will only help the newspaper, I honestly believe, because people will want to get a newspaper for the details. Leased wire charges now make news too expensive for the ordinary station. A radio newsgathering organization will only be made possible through the use of short waves. I think the only news stories the radio stations want are running accounts of outstanding events and flashes on spot news.'"

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#### NBC OFFICIAL SUGGESTED AS SPANISH AMBASSADOR

In Juan de Jara Almonte, its night general manager at Radio City, who supervises all night programs, NBC has an official whose diplomatic ability is becoming more and more apparent. After seeing him in action, a Washington visitor was so impressed by the tact and dispatch with which Mr. Almonte handled things that he said:

"Senor Almonte would be a very good Ambassador to Spain for the United States."

The Washingtonian was evidently quite serious about the suggestion and said that he proposed keeping it in mind the next time there was a vacancy at Madrid. Almonte was born in Paris of Spanish parents and has been with the National Broadcasting Company seven years.

Another observer impressed by Mr. Almonte's diplomacy in handling the thousand and one troublesome problems in the vast NBC studios each night, Samuel Kaufman, characterized him as the "Diplomat on the Kilocycles" and wrote in the New York Sun:

"It was Almonte's ability to cope with emergencies diplomatically that got him his present job.

"He was born in Paris of Spanish parents and joined the NBC sales staff seven years ago after traveling to various parts of the globe in numerous occupations. As a radio time salesman he desired to study his product first hand and made a habit of visiting the studios at 711 Fifth Avenue every night. It was not long before the entire studio staff began to turn to him for unofficial advise on sudden problems.

"The big decision that assured NBC heads of Almonte's rare diplomacy was made during the presidential campaign of 1928. Former Gov. Alfred E. Smith was making an address in Newark which was scheduled to precede NBC's biggest sponsored program. A group of distinguished visitors was invited to attend the studio presentation that night and had already arrived. A few minutes before the scheduled studio feature was to start, word came that Smith was going to talk overtime. The problem that worried the studio staff was whether to cut off Smith or cancel the studio program.

"Ordinarily, the studio program would be canceled. But a delicate situation was involved in turning away the assembled celebrities without their seeing the anticipated broadcast.

"Production men, announcers and page boys ran en masse to Almonte. He gave them his decision instantly.

"'Do both', he said. 'Keep Smith on the air and proceed with the studio program. But don't put the studio feature on the air. Present it before dead mikes for the benefit of the invited guests.' They followed his advice.

"The next day Almonte received a memo to report to the office of George B. McClelland, then Executive Vice-President and General Manager of the network. Almonte half expected a calling down for his advice, and he left the office as night studio executive with the long and imposing title of "Assistant to the Vice-President and General Manager." With the removal to Radio City and the succession of Richard C. Patterson, Jr. to the Executive Vice-Presidency, Almonte's designation was altered to "Evening General Manager."

"Almonte, as an evening general manager of the National Broadcasting Company, has full supervision of all night-time programs. He has complete charge of personnel and artists. The responsibility for the safety and entertainment of thousands of visitors is vested in him. None of these executive duties, however, has made him as well known in broadcasting circles as his assignment as official greeter and host to distinguished visitors."

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:::BUSINESS LETTER NOTES:::  
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The same day that Gen. Hugh S. Johnson left a White House conference and resigned as Administrator of the NRA and was persuaded by President Roosevelt to reconsider and continue A. Cloyd Gill, news commentator announced the fact on his broadcast over the ABS-WMCA network, according to an American Broadcasting System statement. "This was last Monday evening, exactly one week before the news was released in Washington", the statement continued.

"Mr. Gill, who is an economic writer and former Washington newspaper editor, predicted on the air last Tuesday that the bank interest rate would have to be reduced. Two days later the National City Bank and the Bank of Manhattan, two of the largest financial institutions in the world, reduced their rates."

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Observers in the Capital are inclined to think perhaps Representative Sam Rayburn, of Texas, made a bid for the Speakership with a view to shrewd bargaining in the finals.

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"We're playing one night stands", remarked Frank Wisner as the FCC Press Room was again moved last week. This time it is back on the 7th floor in Room 7230.

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A. D. ("Jess") Willard, Jr., formerly Sales Manager of WJSV in Washington, has been appointed Assistant Manager by Harry S. Butcher, Manager of the station.

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Evidently the radio industry regard the efforts of the Committee of Five for the Betterment of Radio (Rudy Vallee, Richard Himber, Guy Lombardo, Abe Lyman and Paul Whiteman) as a publicity stunt for said five. The latest assertion of the self-appointed Committee is that the singers of indecent songs have been on the smaller stations. They now say they don't believe the songs of the major networks ever needed any censoring.

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COMMISSION MORE EXPLICIT REGARDING OWNERSHIP DATA

The Broadcasting Division, of which Hampson Gary is Chairman, today (Tuesday) adopted an amendment clarifying its Order approved August 21, 1934, so there will be no doubt as to the classes of stations which are required to submit information regarding stock ownership, etc. The amended order also grants to stations additional time in which to file the information.

The Amendment, and Order as amended, follow:

"It is ordered, that Order No. 2 of the Broadcasting Division, adopted on August 21, 1934, be amended by striking the language in the first six lines of the first paragraph thereof and substituting in lieu thereof the following:

"Pursuant to the provisions of Section 310 (b) of the Communications Act of 1934, It is ordered, that the licensees of all broadcast stations, broadcast-pickup stations, experimental broadcast stations, experimental visual broadcast stations, experimental relay broadcast stations, or general or special experimental stations carrying on the experimental transmission of any kind of broadcast programs, or general or special experimental stations engaged exclusively in research concerning the development of apparatus for any of the aforementioned classes of stations, shall, on or before September 15, 1934, file with the Commission verified statements showing the following information, as of July 15, 1934.'

so that the said order when so amended will read as follows:

"Pursuant to the provisions of Section 310 (b) of the Communications Act of 1934, it is ordered, that the licensees of all broadcast stations, broadcast-pickup stations, experimental broadcast stations, experimental visual broadcast stations, experimental relay broadcast stations, or general or special experimental stations carrying on the experimental transmission of any kind of broadcast programs, or general or special experimental stations engaged exclusively in research concerning the development of apparatus for any of the aforementioned classes of stations, shall, on or before September 15, 1934, file with the Commission verified statements showing the following information, as of July 15, 1934:

- "1. If the licensee is a corporation -
  - a. A list of the stockholders of record, together with the address and the amount of stock held by each;
  - b. Whether the stock is voted by a person other than the record holder, and if so, copy of the agreement or other instrument authorizing same;



- c. A list of the officers and directors of said corporation, together with their addresses and the amount of stock held by each;
  - d. Any other arrangement or agreement with any person or corporation which may affect the conduct or control of the business of the licensee corporation.
- "2. If the licensee is a partnership, association, organization, or company (other than a corporation) -
- a. A list of the persons or corporations owning any interest therein, the amount of interest held by each person or company, and their addresses;
  - b. A list of the officers and directors, and their addresses.

"It is further ordered, that the licensee shall inform the Commission of any changes subsequent to July 15, 1934, in the ownership of stock in the licensee corporations (or of the issuance of additional shares of stock and to whom issued), or any changes in the ownership of licensee-partnerships, associations, organizations or companies.

"The Secretary is hereby instructed to furnish appropriate forms for the furnishing of the information above ordered."

At the suggestion of Hampson Gary, Acting Chairman of the Federal Communications Commission, the following Minute was adopted:

"It is ordered that Commissioner Norman S. Case be, and he is hereby, assigned temporarily as a member of the Broadcast Division of the Commission, to serve in the absence of Commissioner Thad H. Brown of said division until the return of Commissioner Brown, under the authority of Section 5 (a) of the Communications Act of 1934."

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MARCONI SEEKS TO SOLVE TELEVISION WITH MICRO-WAVES

After Senator Marconi had navigated his yacht "Electra" by wireless, off the coast of Genoa, he flew to London and secreted himself in his British laboratory at Clemsford. As nothing could be learned there, the Genoa correspondent of The Morning Post was asked to find out from the inventor's entourage at Genoa the cause of the master's flight. The correspondent sent the following word:

"A member of his staff said that the problem is to get waves of sufficient radius to send a picture from one side of the world to another. This means transmitting at least 300,000 light points a second. Micro waves can do it, and Senator Marconi hopes to overcome certain technical difficulties connected with the application to television in a very short time.

"Television has now reached a stage when the object to be transmitted is projected by means of a photographic lens onto a screen divided into thousands of minute squares', said a member of his staff. 'The squares, sent through to the receiving station, are collected on another screen in the order of their transmission.'"

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## SEES COMMUNICATIONS TOUCHING LIFE OF EVERYONE

There is not a man, woman or child anywhere in the United States whose welfare and future are not going to be affected by the work of the Communications Commission, George Henry Payne, of New York, Communications Commissioner declared in a radio interview.

"There are approximately 125 millions of people in the United States", Mr. Payne said. "In the year 1932 they held 25,500,000,000 telephone conversations and sent 148,000,000 wire telegrams and millions more of wireless messages. It is estimated that there are 18,000,000 or more radio sets in use in this country. Assuming that each set is available to five persons, almost 100,000,000 persons have the opportunity of listening to us tonight -- not to say to others who are probably more edifying and more entertaining!

"I realize, of course, that there are many people whose conception of our Commission is that it is a body interested primarily in the question of rates and charges and in regulating and controlling the practices that result from uncontrolled competition. These matters, assuredly, are all important. But in every case their regulation by the government has arisen, it was because, back of the need for regulative laws, there was a demand by the people that inventions or developments which affect their lives deeply should have, not only governmental supervision, but also governmental assistance and cooperation.

"Communication between human beings began in the dim past of the human race. Although paleontologists differ by such trifles as fifty or a hundred thousand years as to when it happened, it was approximately two hundred and fifty thousand years ago when the so-called great progenitor of the human race, known as pithecanthropus erectus, the first animal to have human qualities, raised itself on its hind legs on the Island of Java, probably to reach for food -- but just as probably to communicate with members of his, or its family."

"But what of the future of communications?" the interviewer inquired.

"Who knows? If the future growth is as remarkable as the past growth has been, man's imagination is unable to grasp the possible developments to come. In view of all that has happened in the last few years, we are apparently prepared to receive without astonishment the news that regular communication has been established with Mars, or with some other place even more remote.

"I am told that a brilliant American business man and leader of communications, David Sarnoff, has prophesied that the time is coming when you will look at your wrist-watch and, by the manipulation of a spring, be able to telephone your wife that you cannot come home to dinner, speaking into a tiny mouthpiece via a private ultra-short radio wave."

"In just what way can the government help communications, Mr. Commissioner?" Mr. Payne was asked.

"The business of all government is to help, not hinder", he replied. "An understanding of the needs of the people, a little imagination, a disposition to be fair and just - all these things, of course, are necessary for the proper administration of any law. Correcting abuses is only a small part of administration. Furthering the ideals of the people and carrying out their aspirations are the major part."

"Then you of the Commission aren't going into your work as wielders of the big stick, as your old friend Theodore Roosevelt put it", Mr. Payne was asked.

"No thinking American would take from any person what is rightly his, or from any group of persons the credit and profit that properly belong to them for their vision, courage and perseverance", the Commissioner answered. "But the great mass of the people are inarticulate in many ways - and they are the government that very properly can further and advance projects that would be useless without their assistance.

"Of course, our duty is to guard against malefactors, and we shall. At times, it is true, the government in exercising its regulative powers, may seem severe. At times it should be severe. But if you examine the history of our country for the last 150 years, you will find that it has never been a government of oppression. It has made mistakes, but the mistakes were always those of men eager to accomplish the greatest good for the greatest number."

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#### APPLICATIONS GRANTED BY BROADCASTING DIVISION

August 28 - KLZ, The Reynolds Radio Co., Inc., Denver, Colo., modification of C.P. approving transmitter location and extending commencement and completion dates to Oct. 1, 1934, and Jan. 30, 1935, respectively; WCRW, Clinton R. White, Chicago, Ill., C.P. to install new equipment; KIEV, Cannon System, Ltd., Glendale, Cal., modification of C.P. to change equipment and change commencement date to Sept. 1, and completion date to Nov. 30, 1934; WNEL, Juan Piza, San Juan, P. R., modification of C.P. to change proposed transm. site locally; extend commencement date to 5 days from date and completion date to 60 days thereafter.



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Also, WWRL, Long Island Broadcasting Corp., Woodside, N.Y., license, 1500 kc., 100 w., 250 w. LS, specified hours; WFEA, New Hampshire Broadcasting Co., Manchester, N. H., license covering C.P. 1340 kc., 500 w., unlimited; WKBV, William O. Knox, d/b as Knox Battery & Electric Co., Richmond, Ind., voluntary assignment of license to Knox Radio Corp.; KSO, Iowa Broadcasting Co., Des Moines, Ia., authority to determine operating power by direct antenna measurement; KXL, KXL Broadcasters, Portland, Ore., license covering C.P. 1420 kc., 100 w. LS, shares KBPS; WALA, Pape Broadcasting Corp., Inc., Mobile, Ala., license covering C.P. 1380 kc., 500 w., unlimited; KOIL, Mona Motor Oil Co., Council Bluffs, Ia., modification of C.P. approving transmitter site, and extending commencement to Nov. 1 and completion date to Jan. 30, 1935; New, S. H. Patterson Portable, C.P. for temporary broadcast pickup service; 2000, 2190, 2830 kc., 40 watts; WLXAV, Shepard Broadcasting Service, Quincy, Mass., renewal of special experimental license, 61500 kc., 100 watts; KGBU, Alaska Radio & Service Co., Inc., Ketchikan, Alaska, license covering move of station locally, 900 kc., 500 watts, specified hours.

#### Miscellaneous

WLLH, Albert S. Moffat, Lowell, Mass., granted modification of C.P. to move transmitter locally in Lowell, Mass.; WBNX, Standard Cahill Co., New York City, granted permission to withdraw application in Docket No. 2467 without prejudice, and granted continuance of 30 days of hearing scheduled for Sept. 5th; KGHI, Loyd Judd Co., Little Rock, Ark., hearing scheduled for August 29th, continued for 60 days; KTUL, Tulsa Broadcasting Co., Inc., Tulsa, Okla., granted 30-day continuance of hearing set for August 30th; Unity School of Christianity, Kansas City, Mo., denied petition requesting reconsideration and grant of application for new experimental broadcast station; also denied right to protest grant of application of First National Television, Inc.

The following applications, heretofore designated for hearing, were dismissed at request of applicants:

New, Harold E. Smith, Rensselaer, N. Y., C.P. for new station, 1370 kc., 100 watts, unlimited time (facilities WGLC); WBZA, Westinghouse E. & M. Co., Boston, Mass., special experimental authority 990 kc., 1 KW, unlimited time when synchronized with WBZ with option of transmitting dissimilar programs over WBZ daytime up to 1 hour before sunset; WKEU, Radio Station WKEU, LaGrange, Ga., C.P. to move station to Chattanooga, Tenn., change frequency to 1370 kc., and hours of operation to daytime.

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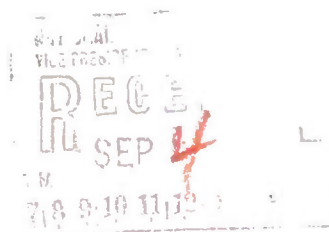


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August 31, 1934.

## BUSY TIME AHEAD FOR BROADCASTERS AT CINCINNATI CONVENTION

The program for the National Association of Broadcasters' Convention at Cincinnati beginning Monday, September 17th and continuing through Tuesday and Wednesday, promises to keep everyone well occupied. A session devoted to a discussion of the Broadcasters' Code will follow Thursday.

Outstanding speakers include Hampson Gary of the Communications Commission; Senator C. C. Dill; Judge Ewin Davis, of the Federal Trade Commission; Sol A. Rosenblatt, of the NRA; H. J. Quilliam, Seattle, and Fred Willis, Columbia Broadcasting System, New York.

Monday morning's session includes an Address of Welcome by Hon. Russell E. Wilson, Mayor of Cincinnati; Address of Alfred J. McCosker, President of the National Association of Broadcasters; "News by Radio", Hon. C. C. Dill, U. S. Senator from Washington; "What is Ahead of the New Federal Communications Commission?", Hon. Hampson Gary, Chairman, Broadcast Division; "Radio and Human Liberty", William Hard, writer and radio commentator, Washington, D. C.; and Appointment of Committees.

Monday Afternoon: Report of the Managing Director, Philip G. Loucks, NAB, Washington, D. C.; Report of Legislative Committee, Henry A. Bellows, Chairman; Report of Engineering Committee, Joseph A. Chambers, Chairman, Crosley Radio Corporation, Cincinnati, Ohio.

Tuesday Morning: "The Advertiser Builds a Program", H. J. Quilliam, Fisher's Blend Station, Inc., Seattle, Wash.; Report of Commercial Committee, Arthur B. Church, Chairman, Midland Broadcasting Co., Kansas City, Mo.; Report of Committee on Cost Accounting, H. K. Carpenter, Chairman, Radio Air Service Corporation, Cleveland, Ohio; Report of Tax Committee, E. M. Elkin, Chairman, Westinghouse Electric & Manufacturing Co., Pittsburgh, Pa.

Tuesday Afternoon:- A Resume of Code Administration, John Shepard, 3rd, Chairman, Code Authority for the Radio Broadcasting Industry; "Radio Advertising and the Federal Trade Commission", Hon. Ewin L. Davis, Federal Trade Commission, Washington, D. C.; "Coordinating America's Amusement Industries", Sol A. Rosenblatt, Division Administrator of the National Recovery Administration, Washington, D. C.; Report of Nominating Committee and Election of Officers.

Tuesday Night:- Annual Banquet.

Wednesday Morning: "Widening Horizons - A Conception of the opportunities, responsibilities and problems of Education by Radio", Fred Willis, Executive Office, Columbia Broadcasting System, New York City; Report of Program Committee, Edgar L. Bill, Chairman, Peoria Broadcasting Co., Peoria, Ill.; Copyright Division, Report of Oswald F. Schuette, Copyright Advisor of the NAB, Washington; Report of I. D. Levy, Treasurer of NAB, Philadelphia, Pa.; Report of J. C. Hostetler, Copyright Council, Cleveland, Ohio.

Wednesday Afternoon: Report of Resolutions Committee; Installation of Officers and Adjournment.

The NAB Championship Golf Tournament will be held Sunday at Twin Oaks Country Club, Latonia, Ky.

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#### AMERICAN PORTUGAL RADIO DELEGATION SAILS SEPT. 12TH

The American delegation to the conference of the CCIR (Comite Consultatif International Radiocommunications), Technical Consulting Committee on radio communication, will sail from New York on the S.S. "Manhattan" Wednesday, Sept. 12th. It was originally planned to hold the conference at Lisbon, Portugal, beginning September 22nd, but it is now scheduled to take place at Estoril, fifteen miles away. The delegation as announced by the State Department follows:

Dr. J. H. Dellinger, Chairman, Bureau of Standards, Department of Commerce; Mr. G. C. Gross, Federal Communications Commission; Maj. Roger B. Colton, Signal Corps, U. S. Army; Capt. Stanford C. Hooper, U. S. Navy, and Mr. W. Vallie Whittington, Treaty Division, Department of State.

Others who will attend the Conference will be J. C. McNary, Technical Director, National Association of Broadcasters; Lloyd Briggs, of the RCA, London office; Lloyd Espenschied, A. T. & T. Co.; R. A. Heising, Bell Telephone Laboratories; K. B. Warner, and James J. Lamb, American Radio Relay League, and Paul Goldsborough, Aeronautical Radio, Inc.

Dr. Dellinger said that it had been decided to discuss the following subjects at the Portugal Conference:

Organization Regulations of the C.C.I.R.; Participation of international organizations in the C.C.I.R.; Working of a Mobile station accurately on the frequency of land station; Technical basis of allocation of bands of frequencies; Mitigation of harmonics in radio transmission; Reduction of electrical interference; Selectivity and frequency stability of radio receivers; High-frequency calling frequencies; Modulated telegraph transmission.

Also, Mitigation of key clicks in radio telegraph transmission; Standard frequency transmissions; Measurement of telephone noise and voice levels; Radio telephony between small ships and land stations; Telephony with moving trains; Coordination of fixed-station radio telephony and wire telephone system; Methods of measuring radio field intensity and noise; Synchronization of broadcast stations; Frequency separation between broadcast stations.

Also, Efficacy of directive antennas (150 to 1500 kc); Efficacy of "anti-fading" antennas; Broadcasting by single side-band; Study of wave-propagation curves; Measurement of transmitter spectra; Revision of earlier C.C.I.R. opinions; Characteristics of arc transmitters.

The International Radio Consulting Committee (C.C.I.R.) was established by the International Radio Conference of Washington, 1927, and reestablished by the International Telecommunications Conference of Madrid, 1932. Its function is to advise the radio administrations of the world on technical radio questions which are submitted to it. The general objective of its work is the reduction of radio interference. It is made up of representatives of the governments and of the radio operating companies.

The next International Radio Conference will be held in Cairo in 1937.

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#### MUSSOLINI DECORATES COMMUNICATIONS OFFICIALS

Among the Americans who were given high decorations by Premier Mussolini as the result of the assistance they gave to the flight last year of Gen. Italo Balbo, were a number of well-known communications officials. Sosthenes Behn and Ellery Stone of the International Telephone & Telegraph Co. were created grand officers of the Crown of Italy, the same decoration as conferred upon Secretary of the Navy Swanson, and Chief of Staff, Gen. Douglas MacArthur.

Among those named commanders of the Crown of Italy are H. H. Buttner, International Telephone & Telegraph Co. and Capt. Pilade Leoni, International Telephone & Telegraph Co.

The following were made chevaliers of the Crown of Italy:

T. E. Nivison, Mackay Radio; John A. Bossen, Mackay Radio; O. W. Lee, Mackay Radio; Edward Thorburg, International Telephone & Telegraph Co.; T. M. Powers, Postal Telegraph Co.; C. W. Oran, Postal Telegraph Co.; M. H. Aylesworth, President of the National Broadcasting Co.; Stanley E. Hubbard, Station KSTP, St. Paul, and Floyd Gibbons, radio commentator.

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## SAYS PUBLIC OPINION ONLY WILL END RADIO EXPLOITATION

Advocating that the American Bar Association seek action by the Communications Commission in securing more time on the air for discussing public questions, the Committee on American Citizenship, of which Representative James Beck, of Pennsylvania is Chairman, took the broadcasting companies severely to task for "wasting the benefits of the radio in giving too much time to trivial entertainments and more or less commercial advertisements." It is the opinion of Representative Beck and his Committeemen that this "commercial exploitation" will never change until required to do so by public opinion.

The reference to radio in the report follows:

"The first objective of your committee was to devise a plan to revive interest which, in the earlier days of the Republic, was taken by the American people in the Constitution. To this end it was decided to make an attempt to interest the press and the broadcasting companies in giving space and time to the education of the American people as to the merits of their form of government. The committee Chairman did take up this matter with several of the broadcasting companies, and was enabled on the occasion of the John Marshall celebration on February 4, to pay a tribute to him in a nation-wide broadcast. Some of the speeches of the various celebrations of John Marshall Day may have had a local broadcast.

"Your committee believes that this Association can render an effective service in impressing upon the national broadcasting companies that they should not only be a free and open forum for public discussion, but also that they ought not to waste the infinitely potential benefits of the radio in giving too much time to trivial entertainments and more or less commercial advertisements. The radio is possibly the greatest gift to mankind in its cultural possibilities. It is potentially a university of the people, and its results could be of immeasurable advantage, not merely in the education of the people but in the maintenance of democratic institutions. However, this potentially beneficent asset is largely used as a means of private profit through commercial exploitation, and this will never change until public opinion requires the owners of the broadcasting companies to give more attention to educating the people and less to amusing them or advertising merchandise.

"The newly created Federal Communications Commission, with its supervisory power over the channels of the air, and the rightful use of them by its licensees, should consider this matter. It could profitably ask one or more of the larger broadcasting companies to give one hour, on two evenings of the week, for the discussion of public questions. As our nation

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largely functions through two great political parties, it might be well to give one hour each week to the proponents of governmental policies, and one hour to opponents. This would insure a balanced discussion, and the forum of the air might well become as significant as was the forum in the times of the Roman Republic. Cicero addressed thousands, but the radio has a nightly audience of millions. Such an opportunity to educate our electorate of many millions should not be wasted.

"Such weekly discussion of current problems, especially in their constitutional aspects, by opposing schools of political thought, would do much to educate the American people, and soon would take the form of a continuous debate which might well interest the American people far more than the debates in Congress.

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#### AMATEUR STATION LICENSES TAKE A JUMP

Evidencing the ever widening interest in amateur radio throughout the United States and its territories, records just compiled by the Federal Communications Commission disclose that there were 46,390 radio stations operated by amateurs in the fiscal year just ended.

During the year - 8,782 new station licenses were issued.

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#### WILL HAVE TO DO IT ALL OVER

Judge E. O. Sykes, Chairman of the Federal Communications Commission, and Paul D. P. Spearman, General Counsel, may have to make another trip to their native State of Mississippi, September 18th for the run-off contest for Democratic Senatorial nomination between Senator Stephens and former Governor Bilbo, as neither of the contestants received a majority.

Judge Sykes and Mr. Spearman strongly supported Senator Stephens who was largely responsible for their appointments to the Commission.

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## A. T. &amp; T. WILL COOPERATE WITHOUT QUIBBLE, HOSHOUR DECLARES

The attitude of the Bell System Companies toward the new Federal Communications Commission and any investigation it proposes to make, will be that of active cooperation, Harvey Hoshour, General Solicitor of the American Telephone & Telegraph Company, told the American Bar Association in session at Milwaukee.

Mr. Hoshour said:

"If ever there has been a corporation publicly owned by the American people, the American Telephone and Telegraph Company is that corporation, and I believe it a fair statement that no business corporation in this or any other country has ever been so widely and so generously entrusted with the funds of the people generally. The Bell System Companies have wanted the confidence of the American people. I believe they have deserved that confidence, and I believe by and large they have that confidence today to a degree that has been seldom, if ever, equalled under anything like similar circumstances."

"Regulation by public service commissions is not new to the Bell System Companies. The Bell System Companies have not opposed regulation, but on the other hand have been permitted to and have developed under regulation. We are not among those who believe that public regulation of utilities has broken down or failed. All in all we feel that regulation has been a success rather than a failure. When the Federal Communications Act was proposed, the Bell System did, it is true, strenuously object to certain of the provisions contained in the bills submitted, but we did not and have not at any time opposed Federal regulation of our companies as to those matters which are properly and appropriately subject to that regulation.

"We propose to give the Commission without quibble or cavil whatever information as to our business it may desire. Right now the Bell System Companies are engaged in preparing information that the new commission has asked be submitted to it on September 1st, and still other information which the Commission has asked be submitted on September 15th; and I might add that a very considerable portion of our personnel is being used to get this information together for the commission in time to be filed as requested."

"One of the orders issued by the new Commission on which our people are now gathering information has to do with matters involved in the complaint recently made to the National Recovery Administration by one of the telegraph companies that certain of the practices of this company and of other companies which furnish telegraph facilities or do a telegraph business were unfair", Mr. Hoshour continued. "While the Bell System Companies have voluntarily filed a code applicable to all of their employees under the Recovery Act and have cooperated in every way possible with the Recovery Administration's aims, we believe that matters



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of the kind referred to and objected to by the complaining telegraph company are not subject to the jurisdiction of the Recovery Administration, a position which was concurred in by the telegraph companies other than the complaining company. We stated to the Recovery Administration, however, that we should be very glad to have an investigation of the practices complained of made by a federal regulatory commission. The answer to this statement was that the Interstate Commerce Commission, which obviously had jurisdiction to investigate and pass on matters of this kind, did not have the staff, money or facilities to make a full investigation.

"The new Commission, however, has all of these things, and, as I have indicated, one of its questionnaires already promulgated goes into these matters in considerable detail. The Bell System Companies welcome this investigation in which all phases of these questions can and doubtless will be gone into and the questions and parties will be given that full and fair consideration which they are entitled to. This sort of thing, it seems to me, the new Commission is peculiarly qualified to look into, and I may say for the Bell System Companies that we are very glad that they have undertaken to do so with so much expedition and apparent thoroughness."

"In conclusion", Mr. Hoshour said, "I would reiterate what I have already said as to the attitude of the Bell System Companies toward regulation and toward the new Federal Commission. We believe in regulation and shall continue to believe in it. We will give to the Commission everything in our power to enable it to accomplish the purposes for which it was created, and we shall hope and expect from the Commission a full appreciation of the problems, difficulties, and, I think I may say, the almost unparalleled type of devotion that through the Bell System and its connecting companies has given to this country a telephone service that is the envy of all the world today."

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PEEBLES ACTING COMMUNICATIONS CODE ADMINISTRATOR

Leighton J. Peebles has been appointed Acting Administrator of the NRA Communications and Utility Codes.

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## BROADCASTERS BACK ATTORNEY GENERAL IN COMPOSERS SUIT

Declaring that the anti-trust suit filed by the Attorney General in the New York Federal District Court last Thursday against the American Society of Composers and the Music Publishers' Protective Association, strikes at the heart of the copyright controversy, the National Association of Broadcasters lost no time lining up behind the Government in what is expected to be one of the most hotly contested actions in the history of the entertainment industry. Philip G. Loucks, Managing Director of the Broadcasters' Association is acquainting all broadcasters with the details of the suit.

Mr. Loucks, calling it one of the most important suits to be filed by the Department of Justice in many years, points out that the Government is proceeding not only against the main organizations, their officers and directors, but also against their members individually. The list of defendants covers eleven pages.

To prevent a possible grant of immunity from prosecution under the anti-monopoly laws to the American Society of Composers, Authors and Publishers and the Music Publishers' Protective Association, Oswald F. Schuette, copyright adviser of the National Association of Broadcasters has asked Gen. Hugh S. Johnson, National Recovery Administrator, to order a suspension of further consideration of the Music Publishers' Code. This Code was presented by the Music Publishers' Protective Association and provides that the directors of this association - all of whom are named as defendants in the Government's anti-trust suit, - be empowered to name the Code Authority for the industry.

The text of Mr. Schuette's protest to General Johnson follows, in part:

"The Attorney General of the United States filed a suit yesterday in the Federal District Court for the Southern District of New York against the American Society of Composers, Authors and Publishers, the Music Publishers' Protective Association, and Music Dealers Service, Inc., charging them with violating the Sherman anti-trust law.

"This is the same Music Publishers' Protective Association which has presented to the National Recovery Administration a so-called Code of Fair Competition for the Music Publishing Industry under which it asks that its Board of Directors - all of whom are named individually as defendants in the Government's prosecution - be given the exclusive power to name the Code Authority for that industry!

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"To safeguard the Government's case, I offered an amendment at the public hearing on this Code to the proposed Code providing that 'the immunity from the operation of the anti-trust laws granted by Section 5 of the National Industrial Recovery Act shall not be applicable to any practices of the Music Publishers' Protective Association or the American Society of Composers, Authors and Publishers now under investigation by any governmental agency.'

"At that time the Government's suit had not been filed. Now that actual proceedings have been started and that there may be no danger of granting any such immunity, I respectfully request that further action upon the Music Publishers' Code be suspended until proper safeguards shall have been provided to prevent any possibility of interference with the orderly prosecution of the Government's case."

"While the Government brought the suit against the American Society of Composers on the eve of the date when percentage payments by the broadcasters jump from four to five percent, it will not prevent the increased rate from becoming effective. Until a decision is reached in the suit, existing contracts between broadcasters and the Society remain in full force and effect", Mr. Loucks declared.

"Far reaching in its effects, the suit involves millions of dollars in license fees and more than a million of copyrighted musical compositions. It calls for a showdown in a long and bitter fight which has had its ramifications in the Congress, the courts and in various Government departments over a period of many years. Not only would it end for all time the arbitrary licensing practices of the Society, but it would materially change conditions under which music is used by every user of performing rights.

"The theory of the suit is similar to that followed in the Broadcasters' Association suit filed in the same court on behalf of Station WIP, of Philadelphia, against the Society. As does the NAB suit, the Government suit seeks to establish a system of copyright fees based upon actual use made of public performance rights and to substitute competition among copyright proprietors for the present alleged monopoly.

"The Board of Directors of the NAB at its meeting in February, 1933, and again last May, adopted resolutions urging as a solution to the copyright problem a theory similar to that adopted in the two suits now pending against the Society. It is likely that the WIP suit will be postponed until after the Government suit is heard."

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## TELEPHONE AND TELEGRAPH DIVISION MEETINGS CANCELLED

Because so few Commissioners were in town, no meetings were held of the Telegraph and Telephone Divisions of the Federal Communications Commission Wednesday and Thursday (August 29 and 30), all business going over until after Labor Day.

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## FARNSWORTH TELEVISION DEMONSTRATED IN PHILADELPHIA

A new television instrument, said to be capable of broadcasting not only close-ups but entire football and baseball games and tennis matches, as well as news shots, was demonstrated last week at the Franklin Institute in Philadelphia. Some of the scientists who watched, declared it the most sensitive apparatus yet developed.

The principle of the new system was discovered by Philo T. Farnsworth, 28-year-old head of Television Laboratories, Ltd. Mr. Farnsworth, Mayor Moore, Nathan Hayward, President of the Franklin Institute, Dr. James Barnes, head of its Physics section, and several tennis stars, taking part in the national doubles tournament at Manheim, talked or performed before the "eye" of the television camera in one room, while 200 persons in a nearby auditorium saw and heard the speakers or athletes on a greenish fluorescent screen about a foot square, to which the images were brought by wire from the camera. Images may also be carried by radio, it is said.

Cloudy weather prevented the program originally scheduled calling for an outside pick-up by the camera with the audience inside the building. Sunlight produces better images, it was explained, than artificial lighting.

Frank X. Shields, of New York, and Lester Stoeffen, of Los Angeles, tennis players, talked, swung rackets and demonstrated their favorite grips before the camera, all being clearly seen by the audience in the other room.

As part of the current demonstration, the moon was televeyed on clear evenings. The moon is rich in infra-red rays and subjecting it to television by the new machine will further demonstrate its sensitivity.

With the exception of a large amplifier, the television transmitting mechanism is enclosed in a camera-like box scarcely larger than an ordinary news camera. A photographic lens focuses the image of the subject on a photo-sensitive surface at the front end of the Farnsworth cathode tube. At this point the visual image is transformed into an electron image. At the rear of the tube is a small nickel sleeve or tube, a photoelectric cell, the opening of which is only twelve-thousandths of an inch in diameter. This picks up the electron image.

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## GERMAN POST OFFICE SPEEDS UP TELEVISION

The German Post Office announced yesterday (Aug. 30), a spectacular plan to introduce "television telephony" in the near future, the Associated Press reports from Berlin.

Trials between Berlin and Munich were reported to have resulted favorably. Postal authorities plan to install a television-telephone net linking the larger cities, further extension of the system depending on public reaction to "the still high cost of apparatus."

The announcement was made while German radio fans still thrilled at what technicians called "satisfactory" sound film broadcasts, which were demonstrated at the eleventh German radio show by means of a "television car."

Daily transmission of tone films taken from a television car stationed near Berlin's radio tower captivated thousands at the radio show, which closed yesterday with a record attendance.

Scenes were filmed with an ordinary sound-picture camera from the top of the car and were developed, ready for reproduction, within seventy-five seconds. The car was equipped with developing and transmission apparatus.

The technical side of the procedure reveals that each picture is broken into dots by means of a perforated disk. The dots are converted into electrical impulses, which are broadcast simultaneously over an ordinary radio wave. Special appliances permit the transmission of twenty pictures a second.

The receiving set is equipped with a large tube that produces a short stream of invisible electrons, which are thrown on a fluorescent screen. The pictures appear clearly.

Television experts said they were confident of overcoming "infant diseases" of the industry soon, after which they would take up production of television receivers on a large scale.

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