

11/6/35

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

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November 5, 1935

TWELVE YEAR RADIO SURVEY SHOWS AMAZING GROWTH

Twelve years is not a long period in the life of an industry but in that comparatively short time, radio has skyrocketed from the foot almost to the head of the class. This is revealed in a survey made by Andrew W. Cruse, of the Department of Commerce, who declares that while the statistics are not of official origin, nevertheless, he believes them to be reliable. They show that in 1922, the total number of radio sets manufactured in the United States was 100,000, with a retail value of \$5,000,000, and that in 1934, 4,084,000 sets were put on the market with a value of \$150,880,000.

In 1922, 1,000,000 tubes were manufactured, valued at \$6,000,000, and in 1934 the output has jumped to 55,192,000, totaling \$59,948,000.

Motor car receiving sets went from 34,000 in 1930 with a retail value of \$3,000,000, to 780,000, mounting to \$28,000,000 in 1934.

The grand total of all radio apparatus for broadcast reception went from \$60,000,000 in 1922 to the stupendous high of \$235,628,000. Homes with radio sets in that time increased from 60,000 to 21,456,000.

Other enormous gains are revealed in the survey as follows:

Radio sets, factory built -

1922	100,000 sets	\$5,000,000	Retail Value	
1929	4,438,000 "	592,068,000	"	"

Table Models

1930	1,130,400 "	\$56,520,000	"	"
1934	2,204,000 "	60,580,000	"	"

Console Models

1930	2,663,400 "	\$272,678,000	"	"
1934	1,100,000 "	62,300,000	"	"

Reproducers, excluding those in consoles and combinations

1922	25,000 sets	\$ 750,000	Retail Value	
1928	2,460,000 "	66,400,000	"	"

Total Accessories. Value only, Including Tubes

1922	\$ 15,000,000	"	"
1934	75,748,000	"	"

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PRIZE FOR BEST BROADCASTING MAY BE AWARDED IN 1936

Definite progress toward annual awards in broadcasting, similar to the Pulitzer prizes of the newspaper industry, was made at an initial meeting of committees of the National Association of Broadcasters and the Radio Manufacturers' Association in New York. The Broadcasters on the following day considered various plans developed by the joint committee and it will continue work with a view toward launching the radio industry awards, if possible, in 1936.

The establishment of a Radio Industry Foundation is one of several plans under consideration. At the preliminary conference, the NAB was represented by Lambdin Kay of Station WSB, of Atlanta, Chairman; representatives of the National Broadcasting Company, the Columbia Broadcasting System and Burridge D. Butler, of Station WLS, Chicago. The RMA was represented by its President, Leslie F. Muter, of Chicago; Powel Crosley, Cincinnati, Chairman of the RMA Committee; Commander E. F. McDonald, Jr., of Chicago, Sayre M. Ramsdell, of Philadelphia, and Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association.

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ADVERTISERS TO MAKE OWN STUDY OF RADIO AS AD MEDIUM

Numerous studies have been made of broadcasting by educators, governmental agencies, and by broadcasters. Now the fellows who pay the bill are going to make a survey of their own.

The Association of National Advertisers decided at a recent meeting in Atlantic City to authorize a broad study of radio as an advertising medium by a committee representing companies that advertise on a national scale, large advertising agencies, and broadcasting companies. Five will be chosen from each industry.

Allyn B. McIntyre, President of the Association, has this to say regarding the survey:

"Radio is a lusty infant and a profitable advertising medium when rightly used. We are going to check up on the claims made for it."

The study will include a count of radio sets in use, a detailed analysis of the hours used, and an appraisal of station and program popularity.

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NO SUCCESSOR YET CHOSEN TO SUCCEED JOLLIFFE

Due to the fact that several officials of the Communications Commission left Washington to take part in elections in their native States, notably Chairman Prall and Commissioner Payne, of New York, no successor has yet been chosen to succeed Dr. C. B. Jolliffe, as Chief Engineer of the Federal Communications Commission. Dr. Jolliffe will soon assume charge of the Central Frequency Laboratory of the Radio Corporation of America in New York.

Chairman E. O. Sykes, of the Broadcast Division, said that he did not believe there would be either a meeting of his Division or of the full Commission this week.

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NEW RADIO CENSUS MAY BE COMPLETED BY JULY

The Census of American Business, which will include a tabulation of commercial broadcasting, will be started early next January and probably completed about July. The exact questions have not as yet been determined but will include the number of broadcasting stations, volume of business, persons employed and wages paid.

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BETTER ASSIGNMENT RECOMMENDED FOR WARNER BROS. STATION

Better broadcasting facilities for a movie-owned radio station, KLS, of Oakland, Calif., was recommended by Examiner John P. Bramhall, October 26, in a report to the Federal Communications Commission.

KLS, owned by the Warner Brothers, asked a transfer from 1440 kc. to 1280 kc. and an increase in time from daytime to unlimited.

Bramhall said the change would be beneficial to the station and to the area it serves and would eliminate present interference between KLS and KGGC, San Francisco, which operates on 1420 kc. KFBB, Great Falls, Mont., which uses 1280 kc. might cause KLS some trouble, as it is only 870 miles away, but would not be bothered itself, the Examiner predicted.

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SHARP INCREASE IN CANADIAN RADIO SALES IN SEPTEMBER

Sales of radio receivers in Canada registered notable improvement during September.

According to the Radio Manufacturers' Association of Canada, sales during the month totaled 31,356 units with a list value of \$3,189,031. These totals indicate a volume increase of 109 per cent and a value increase of 121 per cent over August and increases of 39 per cent and 23 per cent, respectively, over September 1934.

A study of the September 1935 figures reveals that in the case of A. C. chassis, all-wave equipment is receiving increased public favor although the unit volume of business in sets equipped with an inclusive band is not as large as for dual-wave units. Standard-band equipment accounted for only 22 per cent of A. C. receivers sold in September. All-wave and dual-wave battery chassis are enjoying increased popularity but standard-band sets continue to lead in volume. Automobile radio set sales in September declined seasonally and the value was lower than that reported for the same month last year.

Projected production by the manufacturer members of the radio trade association for the last quarter of 1935 totals 65,429 receivers, predominately dual wave and all wave A.C. models. A rather sharp increase in contemplated rate of production of automobile sets is presumably related to the earlier introduction of 1936 models this year, the report states.

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TELEVISION "PIPE" TO PHILADELPHIA IS NOT ABANDONED

Emphatically denying reports that the American Telephone and Telegraph Company has abandoned the plan of installing a television line between New York and Philadelphia, Dr. Frank B. Jewett revealed to Orrin E. Dunlap, Jr., Radio Editor of the New York Times during the past week, adding that "the idea has never been out of our minds."

Dr. Jewett said, however, that before the A. T. & T. begins construction of the project, a reargument of some of the "broadly worded" clauses in the Federal Communications Commission's construction permit is needed to clarify points involved. A hearing has been asked for the purpose, Dr. Jewett pointed out that under the present clauses, "it might be possible for some one to exercise a confiscatory action on A. T. & T. property that may cost more than a half-million dollars."

Asked if there is any likelihood of transferring the experiments to Europe or Canada, he said: "No, I don't know where such rumors originate. The British Postoffice is reported to be planning coaxial cable experiments of its own, and so is Germany."

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METAL TUBES TO FURNISH ROCHESTER TECHNICAL TOPIC

Although only one set address is scheduled on the subject, "New Problems in Metal Tubes", by Roger Wise, of Hygrade-Sylvania, it is safe to say that a metal versus glass tube controversy will be a prevailing topic of conversation at the Fall meeting of the Institute of Radio Engineers at Rochester, N. Y., November 18. Here is the program:

- "Superheterodyne Oscillator Design Considerations", by W. A. Harris, RCA Manufacturing Company, Radiotron Division.
- "Electrical Quality of Radio Components", by C. J. Franks, Boonton Radio Corporation.
- "Latest Developments in Electron Optics", by W. H. Kohl, Rogers Radio Tubes Company, Ltd.
- "Electron Multipliers and New Electron Technique", by V. K. Zworykin, RCA Manufacturing Company, Victor Division.
- "A Tragedy in Specifications", by L. C. F. Horle, Consulting Engineer.
- "Management's Stake in Standards", by P. G. Agnew, American Standards Association.
- "The Status of the Radio Spectrum", by C. B. Jolliffe, formerly Chief Engineer, Federal Communications Commission.
- "European Experiences in Radio", by L. M. Clement, RCA Manufacturing Company.
- "Speech with Sound Effects", by David Grimes, Philco Radio & Television Co.
- "Instantaneous Tracing of Tube Characteristics", by O. H. Schade, RCA Manufacturing Company.
- "Quantitative Influence of Tube and Circuit Properties on Random Electron Noise", by S. W. Seeley and W. A. Barden, RCA License Laboratory.
- "Design of Doublet Antennas", by H. A. Wheeler, Hazeltine Corporation.
- "Iron Core Antenna Coil Design", by G. H. Timmings, Meissner Mfg. Company.

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BLAMES POOR RADIO RECEPTION ON SUN SPOTS

Dr. Dinsmore Alter, astronomer of Griffith Observatory at Los Angeles, blames the increase of spots on the sun for poor radio reception which has been experienced recently. Dr. Alter said that the number of sun spots increased greatly and would probably continue to multiply until the maximum was reached in 1937.

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HOLDS THAT RADIO NEWS MAY BE PARAPHRASED

An Examiner's report which suggests that a radio station may receive and paraphrase for its own listeners, news broadcast by rival stations, has been submitted to the Federal Communications Commission for approval.

Examiner Melvin H. Dalberg, who conducted hearings on the application of A. E. Newton, Jamestown, N. Y., for renewal of the license of WOCL, holds that station did not violate the rule against rebroadcasting in its World Series play-by-play account last year, in the following manner: A receiving set was placed in WOCL studios where a running account was received. In conjunction with the play-by-play account radioed through Station WGR, Buffalo, the announcer used information obtained by watching an animated score board, in operation across the street, and a ticker service. The station was cited for rebroadcasting.

The following argument was used to sustain the Examiner's finding:

"In the case at bar it appears that the originating station was broadcasting news of a baseball game to the general public. According to the testimony in this case, the continuity of that broadcast was not literally restated but the news gathered therefrom and which was heard by the general public from the originating station was restated by the announcer of Station WOCL to listeners within the area of that station and it further clearly appears that the facts which he broadcast were not obtained solely from the station or stations into which he had tuned but also from an electrical score board opposite or near the studios from which he was operating."

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URGES BETTER ANTENNAS

Improper antennas were cited by O. H. Caldwell, formerly Federal Radio Commissioner, addressing a meeting at Mount Vernon, N.Y., recently as the greatest cause of poor reception in the home.

"About 24,000,000 radio sets are now in use in American homes, yet out of this whole number probably not one million sets have adequate antennas properly installed - outside the house as high as possible and at a distance from interfering electrical-appliances and electrical circuits", Mr. Caldwell declared.

"At least half of the sets now in use are hopelessly obsolete and need replacement by modern receivers, with tone-

quality response. A large percentage of home radios would also be greatly improved in operation, if looked over and adjusted by a nearby expert radio service man. Tubes wear out and lose their "pep", and need to be replaced. Tubes that have run a year or more are usually ready to be furloughed; listeners should arrange to replace their tubes about three times as often as now seems to be the general practice.

"The radio engineers of the manufacturers design and produce wonderful radios. But unless these radio sets are properly installed, and equipped with adequate antennas and tubes, they are of little value in really reproducing the great musical masterpieces and entertainment features on the air this Fall, which are costing the broadcasters half a million dollars nightly."

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NOT ENTHUSIASTIC ABOUT NEW GERMAN TELEVISION RECEIVERS

The most startling exhibit at the recent National Radio Show in Berlin, Assistant U. S. Trade Commissioner Roland Welch reports, were the television receivers, which were introduced to the public for the first time. Some of these television receivers were priced at around 400 reichsmark, or slightly less than \$200. Considering that expensive radio receiving sets are only rarely sold in Germany, this price for a television receiver is regarded as being very high. With the purchasing power of the German people as low as it is at present, it is not expected that the introduction of television receivers will take the country by storm.

"Unfortunately, little true publicity has been given to the public and most of the observers expressed surprise that the screen was so small. In most receiving sets shown at the exposition, the screen measured about 8 by 10 inches. Evidently, the public expected to see something at least the size of a door", Commissioner Welch said.

While there has been considerable elation regarding the increase in local sales, most of the newspaper and trade journal reports decry the loss in export sales.

"Practically all of the newspapers, however, point out that the competition from United States factories has been severe and has resulted in some of Germany's loss in exports. Most of the newspapers say that mass production in American factories has brought prices down below those that must be charged for German sets. Very few of the papers point out the equally important fact that devaluation of the American dollar has also reduced prices of American receiving sets in foreign markets. For example, before America devaluated its currency, a receiving set that cost \$100 was comparable to a German one that cost

420 reichmarks. Today a \$100 American receiving set is equal in price to a 250-reichmark German set. Consequently, in foreign markets, purchasers would rather have a \$100 American set than a 250-reichmark German set which is of such inferior quality.

"Of the 1,952,000 receiving sets sold in Germany during the 1934-35 season, all but about 1,000,000 were Volksempfaenger, or "People's receiver". This is a three-tube set selling for about 72 reichsmark, which all companies manufacture at the request of the Government, and it is about as cheap as anything that can be bought in Germany today. (\$1 equals 2.50 reichsmarks)."

German radio receivers manufacturers built 1,995,000 sets and sold 1,952,000 thereof during the radio year August 1, 1934 to July 31, 1935. On August 1, 1935, there were 6,516,732 radio sets on the German tax rolls, an increase of 22 percent over the number on August 1, 1934. This brought the number of receiving sets per 100 homes from 30 to 36.

In spite of the increased production and sales, exports of radio sets declined 8 percent under the number sold abroad during 1933. The export of radio receivers to Portugal and Spain increased during the year but to almost all other countries it declined.

The National Radio Show opened August 16 in Berlin and the 1936 models were introduced for the first time.

The German industry from now on will confine itself to the manufacture of a limited number of types of receivers and that an effort will be made toward standardization, such as has been achieved in the German automobile industry, was announced.

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SAYS ASCAP TRIAL JUDGE CONFESSED MYSTIFICATION

The "able judge who sat on the case repeatedly confessed his mystification as to the drift and aims of the proceedings", Alva Johnston, writing in the Saturday Evening Post of October 10, said describing the trial of what he called the "Anti-Tin-Pan-Alley" suit of the Government against the American Society of Composers last June. Mr. Johnston noted the fact that after the trial had proceeded one week, the Government asked for a four months' postponement. The hearing was recently adjourned again, the date now set being January 7, 1936.

"As far as it went", Mr. Johnston writes, "the trial looked like an effort to smash fog with a sledge hammer or pick up quick-silver with boxing gloves."

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"The broadcasters, in 1932, threatened to stop using ASCAP music. At that time ASCAP had announced that the price of ASCAP copyright to broadcasters would be 3 per cent of the broadcaster's gross receipts from advertisers for the next year; 4 per cent the following year and 5 per cent thereafter. Radio regarded these terms as outrageous and threatened to have no further dealings with ASCAP. Gene Buck, the President of ASCAP, said that he would personally like to see a complete break between his organization and radio; that he believed that song writing and all other music writing were fundamentally based on the home piano; and that radio was destroying the home piano.

"It would have been exciting if the broadcasters had broken relations with ASCAP at this time. Radio, with its enormous appeal, might have revived pre-Civil War favorites and popularized unpopular songs. It would have had to discard much of the best modern dance music, but it might have started a rage for the minuet and the Virginia reel, for schottisches and mazurkas, for the high lavolta and the swift coranto, for the sinkapace and the morris dance. Radio chose, however, to surrender to ASCAP and accept its terms. The contract of 1932 expires this year. Again there were threats that radio would break with ASCAP and entertain the public with fine old melodies and unsuccessful modern ones. Again, however, instead of fighting, radio surrendered to ASCAP, this time accepting slightly stiffer terms. There is still a chance that radio may be forced some day to rely on ancient favorites and modern long shots.

"The Department of Justice rushed its Anti-Tin-Pan-Alley suit to trial last June, on the ground of its great public urgency. After the trial had been on for eight days, the Government suddenly discovered that it was not prepared to try the case and asked for a postponement until November of this year. The legal issues are intricate. Before the New Deal came into power, previous administrations had held that ASCAP was not a trust."

The Government's suit going over to January again raises the question as to whether the present contracts with the Broadcasters which expire December 31st will be extended for another year. It was reported that there was a difference of opinion on this among the ASCAP directors, some favoring a continuance but others opposing it on the ground that the Broadcasters were backing the Government in its effort to break up the so-called Music Trust.

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FCC AMENDS MODULATION RULE

The Broadcast Division of the Federal Communications Commission amended Rule 139 to read as follows:

"(a) A licensee of a broadcast station will not be authorized to operate a transmitter unless it is capable of delivering satisfactorily the authorized power with a modulation of at least 85 percent. When the transmitter is operated with 85 percent modulation, not over 10 percent combined audio frequency harmonics shall be generated by the transmitter.

"(b) All broadcast stations shall, on and after November 1, 1936, have in operation a modulation monitor approved by the Commission.

"(c) The operating percentage of modulation of all stations shall be maintained as high as possible consistent with good quality of transmission and good broadcast practice and in no case less than 85 percent on peaks of frequent recurrence during any selection which normally is transmitted at the highest level of the program under consideration.

"(d) The Commission will, from time to time, publish the specifications, requirements for approval, and a list of approved modulation monitors."

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RADIO CORPORATION INCREASES INCOME

A net income of \$511,987 was earned by the Radio Corporation of America for the third quarter of 1935, according to a statement issued by David Sarnoff, President. This is equal to 10.5 cents a share on 767,275 Class B preferred dividends for the period, and compares with \$406,190, or 82 cents a share on 495,597 Class A preferred shares, in the 1934 period.

For the nine months ended on Sept. 30 net profit was \$2,801,123, or \$1.95 a share on the Class B preferred shares after dividend requirements on Class A preferred shares, compared with \$2,177,771, equivalent to \$1.14 a share on the B shares in the same period of 1934.

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THE MAJOR HIRES A PRESS AGENT

Newspaper correspondents in Washington are apparently suspicious that Major Berry, the presidential industrial coordinator, is in reality endeavoring to revive the NRA, which, though supposed to be dead, is still said to have a personnel four times as large as that of the State Department. Commenting on this, Raymond Clapper writes in the Washington Post:

"The situation is made more grotesque by the fact that NRA officially has nothing to do except make some studies and to dally with the idea of voluntary codes, while waiting for Congress to decide next Winter whether to continue any part of NRA.

"But that doesn't discourage an aggressive man like Major Berry. A labor union politician, once a candidate for the Democratic Vice Presidential nomination, Berry slipped into NRA and continued rather inconspicuously until the retirement of one after another of the headliners like Johnson, Richberg, McGrady and others, naturally shook him up to the top where he became visible to the naked eye.

"Now Major Berry has hired a publicity man - at \$6,800 a year. He picked a capable young United Press reporter who has been assigned to report NRA activities for the last two years. Major Berry was so anxious to put the young man to work that he could not wait for the usual resignation notice. The result was that the young man went to work at NRA yesterday, with the understanding that he would continue temporarily to report NRA and other Government news for the United Press. From the NRA press officer's desk he doubled in brass yesterday, telephoning NRA news to his office as before and between times giving out news about Major Berry's NRA activities to rival reporters. The night before he went to work the United Press, under another signature, carried a laudatory interview in which Major Berry told about his plans for NRA."

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Victor M. Ratner will be placed in charge of Sales Promotion and Advertising as acting director of the Department of the Columbia Broadcasting System, effective November 25th, succeeding George Bijur, whose recent resignation becomes effective on that date.

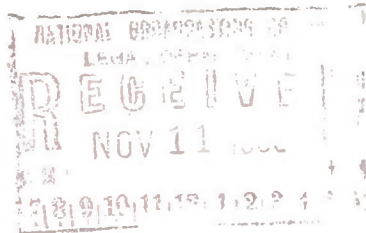
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No. 875

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U. S. AND CANADA UNSCRAMBLE RADIOBEACONS FOR MARINERS

Radio, which has contributed more to the safety of life at sea than any modern scientific development, will make the work of mariners in this hemisphere less hazardous beginning December 1 when the United States and Canada unscramble their radiobeacon services for lighthouses.

To replace the garbled signals which have heretofore confused ships plying the Atlantic and Pacific coasts the two governments of the North American continent have adopted a coordinated policy of radiobeacon operations.

The Lighthouse Service, of the Department of Commerce, in announcing the change, said that increased frequency of signals, more simplified operation, and a reduction of interference will result.

Every lighthouse station and every lightship crew at every radiobeacon-equipped station on the Atlantic and Pacific coasts will make the change precisely at midnight November 30. This country has 108 radiobeacons in operation and ten more are to be installed soon, three in lighthouses and seven on lightships.

The new policy of coordination was worked out at conferences between representatives of the Department of Marine of Canada and the Bureau of Lighthouses. Some of the high spots of the arrangement follow:

Frequency channels will be assigned beginning at 286 and extending to 314 steps of two kilocycles, establishing 15 channels. Adjacent beacons or groups of beacons will be separated 12 kilocycles where possible.

The time cycle of radiobeacon operation will be three minutes with one minute devoted to transmission.

Simple codes of dots and dashes will be transmitted slowly enough for ready identification by a mariner taking his bearings.

Transmission during clear weather will be every hour or half-hour according to navigational needs in the area. During foggy or thick weather transmission will be continuous.

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"The vital importance of the service performed by maritime radiobeacons as aids to navigation and in promoting the safety of life at sea is recognized", said Commissioner H. D. King, "and the consequent necessity of avoiding the possibility of interference of other radio services with these aids through jealously guarding against and opposing frequency assignments or use which might cause interference."

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PUBLISHER'S APPLICATION FROWNED ON BY EXAMINER

A rather indirect method of censorship of the press might be exercised by the Federal Communications Commission if it adopts the recommendation of Examiner John P. Bramhall to deny an application for a construction permit on 1420 kc., 100 watts, unlimited hours, by the Bellingham Publishing Company, of Bellingham, Wash.

Examiner Bramhall in his report to the FCC pointed out that the "evidence shows that the applicant, through the publication of numerous articles reflecting upon the honesty and integrity of public officials and upon the morals and private lives of the citizens of Bellingham and Whatcom County, has been the source of discord and dissension and has been inimical to the general welfare of the community."

He cited articles which referred to business men and political foes as "Dirty Dozen", "Dr. Pewee", "Filthy Phil", and "Court House Ringsters".

Testimony showed also that the applicant wanted a station principally to answer the political broadcasts made by the existing Bellingham station, KVOS.

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BBC ANALYZES 150,000 LETTERS IT GETS FROM LISTENERS

Appreciations of programs broadcast by the British Broadcasting Corporation outnumber criticism, as represented in letters from listeners, four to one.

Out of 150,000 letters a year, the BBC has classified them as follows: appreciations, 60,000; criticisms, 15,000; enquiries, 30,000; requests and suggestions, 7,000; and miscellaneous, 38,000.

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RIO INAUGURATES UP-TO-THE-MINUTE BROADCASTING STATION

What is claimed to be the most modernly equipped radio broadcasting station in South America has recently been inaugurated in Rio de Janeiro, a report to the Commerce Department from its office in that city shows.

In addition to having the very latest design in American transmitting equipment, it is pointed out, the station has a half wave vertical steel antenna 416 feet high and weighing 27 tons. The tower, which measures 25 feet square at its half-way section, is mounted at the base in a large porcelain insulator with ball and socket action. Two well-appointed studios, both of which are sound proof and acoustically treated, form another important feature of the station, the total cost of which approximates \$160,000, the report states.

The owners of the new broadcasting station have announced their intention of offering programs of the American type, special emphasis being given to fifteen-minute and half-hour sponsored programs featuring prominent Brazilian artists, it was stated.

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TWO NEW STATIONS FOR OVER-QUOTA UTAH ARE RECOMMENDED

Despite the fact that the State of Utah is 114 per cent over-quota in nighttime broadcasting facilities and 19 per cent over-quota in daytime assignments, Examiner George H. Hill, has recommended that two new stations be authorized.

Eight applicants, including the Utah Radio Educational Society, of Salt Lake City, sought the facilities, but six were disapproved by the Examiner of the Federal Communications Commission. The Utah Radio Educational Society is a mutual association of 100 members organized for the purpose of operating a new station.

Applications which were recommended for granting to the Federal Communications Commission are:

Great Western Broadcasting Association, to construct station at Provo, Utah, for operation on 1210 kc., 100 watts, unlimited hours.

Utah Broadcasting Company, to operate a new station at Salt Lake City on 1500 kc. with 100 watts power and unlimited hours.

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LOTTERY CITED IN COMPLAINT ISSUED BY FTC

Alleging the use of a lottery scheme in selling radio sets, fountain pen and cocktail sets and other merchandise, the Federal Trade Commission has issued a complaint against J. K. Levy, alias J. K. Lee, and David Levy, co-partners, of 130 North Wells St., Chicago, trading as Levore Company, and J. K. Levy, alias J. K. Lee, individually.

The complaint says the Levore Company represented that distributing agents could make big money "giving away these wonderful radios", but that in fact, the respondent did not give away radios or any merchandise.

Agents earn \$100 and \$150 a week under the respondent's sales plan, according to its advertisements, but the complaint says the usual earnings of the respondent's agents were not either \$100 or \$150 a week.

The respondent company is alleged to have advertised by means of the phrase, "Successors to Beco Mfg. Company", when, according to the complaint, it was not a manufacturer owning or operating a factory in which its products were made.

The respondents are given until Friday, December 6, to show cause why the Commission should not issue against it an order to cease and desist from the practices alleged.

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RADIO INDUSTRY WATCHES DEVELOPMENTS TO REVIVE NRA

The radio industry, both manufacturers and broadcasters, are watching closely developments at NRA, which many business men thought dead but now seems to be undergoing a resurrection. The focal point of interest is a conference of 3,000 representatives of business and labor scheduled for December 9th.

Major George L. Berry, coordinator for industrial cooperation and foremost spokesman at present for NRA, predicted that the parley would produce definite recommendations as to legislation.

James W. Baldwin, Managing Director of the National Association of Broadcasters, and Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, are expected to represent the radio industry at the conference. Among those listed as non-committal is the Radio Wholesalers' Association.

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STEWART RAPS CLEAR CHANNEL DOMINATION BY CHAIN BROADCASTING

The domination of the 40 clear channels by chain broadcasting systems is threatened in a move instituted by Commissioner Irvin Stewart November 6 at a meeting of the Federal Communications Commission. Upon motion of Stewart, the Broadcast Division was instructed to consider whether special regulations should be adopted for the regulation of the radio networks. ✓

Commissioner Stewart's action, coming on the heels of proposals by the FCC Engineering Department that provision be made for twenty-five 500 KW stations, that reduction of clear channels be effected, and that more power be granted many regional stations, is expected to assure a thorough review of the broadcasting set-up by the next Congress and an ultimate reallocation of channels.

Stewart, in a manner reminiscent of the attacks of former Senator C. C. Dill, complained that duplication of programs on clear channel stations, because of network domination, is greatly restricting the variety of programs available to 35.8 per cent of the population and 76.7 per cent of the area of the country, now dependent on secondary coverage.

In support of his motion, Stewart cited the famous General Order No. 40 of August 30, 1938, which limited nighttime operation on each of the 40 clear channels to a single high-power station, and to the amended order of July 2, 1930, which provided for a certain number of high-power stations on clear channels "to serve rural and sparsely settled areas over long distances under favorable conditions".

He offers the following table, compiled in December, 1933, to show the dependence of much of the population on clear channel transmission:

<u>Zone</u>	<u>Percentage of population within secondary coverage</u>	<u>Percentage of area within secondary coverage</u>
First	24.0	57.3
Second	27.6	60.4
Third	56.8	70.4
Fourth	33.6	70.0
Fifth	<u>35.4</u>	<u>90.38</u>
United States	35.8	76.7

He then pointed out that the 40 clear channels are apportioned thus: 26 to NBC stations, 12 to CBS stations, 3 to Mutual Broadcasting System, and 1 to a non-chain outlet. He explained that one station is on both NBC and Mutual and that channel has both CBS and NBC stations.

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"Duplication of programs on clear channel stations reduces the value of clear channels to persons dependent on secondary service (for whom the channels are set apart)", he said, "and tends to defeat the announced purpose in the establishment of clear channels."

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INDUSTRY INTERESTED IN "STATICLESS RADIO" DEMONSTRATION

While Washington radio engineers for the most part were unfamiliar with the technique of the "staticless radio" system demonstrated this week in New York City by Maj. Edwin H. Armstrong, Professor of Electrical Engineering at Columbia University, they expressed keen interest in the development.

Major Armstrong showed that through his system programs were received in Haddonfield, N. J., from transmission of the short-wave station atop the Empire State Building without any static even in a thunderstorm. He demonstrated by means of recordings that reception of long-wave stations at the same time showed the static effects of the storm.

The inventor, who is known in Washington as a very reputable man, predicted that his system would permit the transmission of four programs on a single wave.

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MACKAY DENIED RIGHT TO BE ON BOARD OF COMMERCIAL CABLE

The Federal Communications Commission on November 6 denied the application of Clarence H. Mackay, of the Mackay Radio & Telegraph Company, to be an officer or director of the Commercial Cable Company while still holding his other connection.

Similar applications to hold executive positions in both companies were denied to W. J. Deegan, Augustus H. Griswold, Howard L. Kern, and Charles R. Rimpo.

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LIEUT. JETT IS NAMED ACTING CHIEF ENGINEER OF FCC

Lt. E. K. Jett has been designated Acting Chief Engineer of the Federal Communications Commission to succeed Dr. C. B. Jolliffe, who has resigned, effective November 12.

Lieutenant Jett has been identified with communications for 20 years, having served in the Navy 18 years and with the former Radio Commission and the present Commission for the last seven years. He has been serving as Assistant Chief Engineer since September, 1931, having charge of radio services other than broadcasting. Since the creation of the Communications Commission, wire telegraph services, including submarine cables have been added to his duties.

W. J. Norfleet, who has been Acting Chief Accountant since June 7, 1935, has been named Chief Accountant. He will head the Accounting, Statistical and Tariff Department. Mr. Norfleet came to the Commission from the Bureau of Valuation of the Interstate Commerce Commission where he was employed many years.

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SUN FAILS TO CREATE DISTURBANCE EXPECTED IN SHORT-WAVES

Although the sun was scheduled to cause a brief disturbance in high-frequency or short-wave transmission between October 21 and 25 - as it does every 54 days - it was singularly quiet, according to Dr. J. H. Dellinger, Chief of the Radio Section of the U. S. Bureau of Standards.

The mysterious emanation, which is being studied by radio experts, lasts for only a few minutes. Described as "a new cosmic phenomenon", it was described for the first time by Dr. Dellinger recently in Science, the organ of the American Association for the Advancement of Science.

The last disturbance of this nature occurred on August 30. Other manifestations have been observed at the Bureau of Standards on March 20, May 12 and July 6. The 54-day interval is exactly double the period of the sun's rotation. The phenomenon is general over the sun-lit side of the earth. It consists of sudden dying away of high-frequency, long-distance radio signals. They fade and reappear in about 15 minutes.

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BIGGEST U. S. RADIO COMPETITOR REPORT PUBLISHED BY U. S.

The Philips Glow Lamp Works, Inc., of Eindhoven, Netherlands, which is one of the foremost competitors in the world radio market with American manufacturers, is increasing its trade in some territories, according to U. S. Consul Homer Brett, of Rotterdam.

Referring to the sale of radio tubes, radios and other radio accessories, Consul Brett said:

"The firm has not only maintained its position in world markets but has, in some cases, been able to increase its share of business in various territories.

"A water-cooled radio transmitting lamp of 250 kw. has been developed and one is used in Hilversum, Netherlands, radio station, whereby 120 kw. transmitting strength is obtained with 100 per cent modulation."

The Philips Company is watching developments in television in the United States, Great Britain, and Germany, Brett reported, but is of the opinion that "although great interest exists for television, the present receiving sets will not be replaced by combined radio and television receivers in the near future."

The Philips Company has 35,000 employees in service over the world. A copy of the 23rd annual report, published by the Department of Commerce, may be obtained by sending 25 cents to the Electrical Division of the Bureau of Foreign and Domestic Commerce.

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BERLIN TO HAVE TELEVISION NEWS THEATRE

A news cinema, with television as part of its permanent equipment, is being planned to open in Berlin shortly. The Astor Theatre, Kurkurstendamm, has been chosen for the experiment, and technical experts are now working out the plans in conjunction with the German Film Chamber. The television apparatus will be mainly used for the rapid reproduction of news films which will be transmitted from a central television station. Apart from these transmissions there will be a regular service of news films, similar to those already shown in the news-reel theatres of London and Paris.

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TEST SIGNALS COMING THROUGH TO NAVY FROM ADDIS ABABA

The Navy Department's tall radio towers just outside of Washington are picking up somewhat faint signals from the emergency transmitting station established at the American Legation in Addis Ababa.

Navy officials state that the signals are still in the testing stage, but it is believed that the State Department is being kept informed of developments in the Italo-Ethiopian war direct from the African capital.

As usual in all naval communications, the Navy Department is maintaining the utmost secrecy about the nature of the communications, the purpose of the station, and the frequency used. All messages are sent in telegraphic code to the Navy's receiving station. If the message is directed to the State Department, it is decoded and sent to the proper destination.

Both the Navy and State Departments insist the station, established recently by four radio engineers from the Navy Department, is for emergency use only, but they decline to explain what may constitute an emergency.

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FAMILIES
FOUR PER CENT D.C./STILL HAVE NO RADIOS

Four per cent of the families in the District of Columbia (Washington, D. C.) are still without radios, although 121,787 homes here are radio-equipped, according to a recently compiled statistical summary.

Radio sales for 1934 in the District indicate, however, that the percentage of non-radio owning families is rapidly decreasing. During 1934, more than 20,550 radio sets were sold in the Capital, of which 3,800, or more than 18 per cent, were installed in homes which were previously without radio facilities. More than 16,700 of these sets were replacements of obsolete equipment with modern instruments.

The growing interest in better receiving sets which these figures indicate is interpreted not only as an indication of improved buying power, but also as proof that higher standards of entertainment and better contact through short-wave reception with events in all parts of the world are being demanded by an ever-increasing section of the population.

Another index of the public's interest in radio is the fact that to meet the demand for high quality sets, 2,000 workers were recently added to the staff of a Philadelphia radio manufacturing plant, bringing the total to more than 10,000.

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McDONALD EXPLAINS HOW HE STARTED MAKING EBONY RECEIVERS

A new fad in cabinets for radio receiving sets was originated by a man who has nothing to do with radio manufacturing, Wirt Morton, of the Morton Salt Company, according to Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation.

After Commander McDonald had supplied Morton with a short-wave set adapted for the Chicago DC district, Morton had the cabinet done over in jet black with chromium trimmings.

"It was so attractive that I decided to put in a complete line of ebonized sets", McDonald explained, "and now the customer can take either the ebonized job or the walnut job."

Before establishing the ebony line, which was featured in a full window display by Marshall Field, Commander McDonald learned from F. L. Ryder, of the Mason & Hamlin piano marketers, that 40 per cent of these pianos sold are in ebony and the other 60 per cent is divided between walnut and mahogany.

Scoffing at fears that ebony might not fit in with other house furnishings, Ryder said:

"One of the fundamentals that is taught to all interior decorators is that when in doubt use ebony."

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HIGHER POWER URGED FOR FARMERS

Higher power for all broadcasting stations as the only means of overcoming interference and static suffered by 25,000,000 listeners, particularly farmers and small-town residents, was urged by Dr. Orestes H. Caldwell, editor of Radio Today, and former Federal Radio Commissioner, reporting to the joint committee on radio, of the Edison Electric Institute, National Electrical Manufacturers' Association and the Radio Manufacturers' Association, at New York, Nov. 7.

With electrical noise levels rising constantly higher in cities, as electrical applications increase, stronger broadcasting intensities are needed if listeners are to hear unimpaired the great programs on which the broadcasters are spending millions annually, declared Dr. Caldwell, who spoke as Chairman of the sub-committee on broadcasting.

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INDUSTRY NOTES

The award of the American Academy of Arts and Letters for good diction on the radio during the past year will be made to the winning announcer on Thursday, November 14, at the annual celebration of the Academy over an NBC-WJZ network at 3:30 P.M. EST.

What is described as a handbook of modern radio operating for technical men has just been published by McGraw-Hill Book Company, Inc., New York, under title of "Practical Radio Communication" by Arthur R. Nilson and J. L. Hornung.

Leo Spitz, of Chicago, a lawyer, will become President of the Radio-Keith-Orpheum Corporation, succeeding Merlin B. Aylesworth, who is to become Chairman of the Board. Selection of Mr. Spitz to head the motion-picture company was announced by Floyd B. Odlum, President of the Atlas Corporation, which, with the investment banking firm of Lehman Brothers, purchased control of R-K-O last month from the Radio Corporation of America.

A detailed analysis of the radio market in Austria has just been published by the Electrical Division of the Bureau of Foreign and Domestic Commerce, Department of Commerce. It shows, among other things a gain of 20,000 sets within the year 1934. Copies may be obtained for 25 cents from the Commerce Department.

The incorporators of the New York 1939 World's Fair Corporation elected a permanent Board of Directors at its recent meeting. The Board, which will have charge of the developments and conduct of the Fair, consists of twenty-one members of which David Sarnoff, President of the Radio Corporation of America is one.

The new Hollywood studios of the National Broadcasting Company, providing the most advanced technical facilities known to radio engineers for NBC's broadcasts from the movie capital, will be dedicated about December 1, it was announced this week by Richard C. Patterson, Jr., Executive Vice-President of NBC.

M. H. Aylesworth, President, and Mr. Patterson will be on hand for the ceremonies, which will be attended by stars of the radio, screen, stage and music worlds, business leaders and other celebrities.

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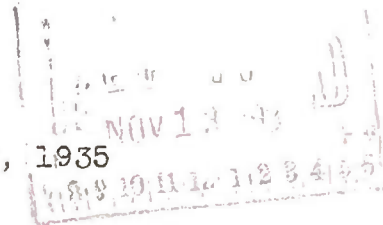
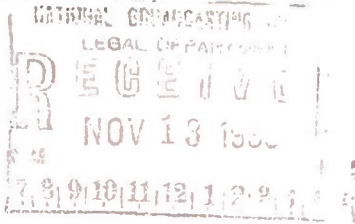
HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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November 12, 1935

ST. LOUIS ALDERMAN PROPOSES BAN ON AUTOMOBILE RADIOS

Just as the public is being trained to accept the radio set as almost standard equipment in the up-to-date automobile, an alderman in St. Louis has introduced a proposed ordinance to prohibit auto receivers on the ground that they are a traffic hazard. Similar proposals have been made from time to time in other cities and States, but so far none has been adopted as a law. Among the cities that have discarded such a suggestion, after an investigation, was New York City.

Alderman John J. O'Connor introduced the St. Louis ordinance, and is reported to have the support of Major Lambert of the Police Commission.

Upon learning of the latest threat, all radio interests, including broadcasters, jobbers, dealers and manufacturers, united in preparing opposition on the ground that the ordinance would be unfair to public and industrial interests and unwise.

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, in a telegram of protest, said:

"Automobile radios have been sold to many millions during the last six years, and many investigations have been made by State Commissions and Municipal authorities.

"The results have been that not one State or city has prohibited or even regulated automobile radio with general findings that it is not a highway hazard but a safety factor reducing driving speed to attain enjoyment of radio reception.

"Our records show not one fatal or serious accident attributable to automobile radios, and insurance investigations have been such that insurance companies require no extra premium on account of automobile radios."

Geddes estimated that there are at least 100,000 radio-equipped automobiles in Missouri, with most of them in St. Louis, and that the public investment in them is more than \$3,000,000.

The Public Utilities Commission of the District of Columbia several years ago adopted a regulation prohibiting taxicabs from operating radio receivers while in motion, but public demand for the entertainment has resulted in non-enforcement.

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NEWSPAPERS PROTEST AGAINST A.P. FEE FOR BROADCASTS

Inauguration of two ten-minute general news broadcasts over WMCA, New York, by the World-Telegram has revealed protests from many quarters, including three newspaper chains, against assessments levied by the Associated Press on member newspapers for broadcasting local news.

The position of the A.P., as explained by Jackson S. Elliott to Editor & Publisher, is that the fee is but a revival of A.P. by-laws enforced for several weeks early in 1934 prior to the organization of the Press-Radio Bureau. This by-law stated that local news gathered by a member paper is property of the A.P. for republication.

The levying of a 5 per cent assessment on general and line charges as of October 5, Elliott said, was merely the carrying out of this policy adopted by the directors.

Lee B. Wood, Executive Director of the World-Telegram replied that the policy of charging a member "for unsponsored broadcasting of news which it has collected itself" is "unmitigated gall".

Besides the Scripps-Howard chain, papers of the Paul Block and the Hearst chains, have similarly protested against the A.P. assessment.

Employees of the A.P. recently contributed money to pay for a full-page advertisement in Editor & Publisher to point out that the Associated Press is the only United States general wire news service that does not sell its products for broadcasting directly.

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LABOR GROUP SEEKS THIRD STATION; AT INDIANAPOLIS

The International Typographical Union of North America has filed an application for a construction permit to build a new station at Indianapolis for operation on 560 kc., 1 KW, day-time and 5 KW at night, with unlimited time, requesting the facilities of WIND, Chicago.

Labor now has two radio stations: WCFL, operated by the Chicago Federation of Labor, and WEVD, New York, a memorial to Eugene V. Debs, noted labor leader.

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INTERNAL REVENUE BUREAU HOLDS CERTAIN DISKS UNTAXABLE

Electrical transcriptions for broadcasting of "sound-on-disk" type are not "records for phonographs" within the meaning of Section 607 of the Revenue Act of 1932, according to a ruling of the Bureau of Internal Revenue, and are not subject to tax under that section. Former decisions on this subject are reversed and modified to accord with this decision.

Some of the highlights of the decision follow:

In S.T. 550 it was held that electrical transcriptions used by broadcasting systems are records for phonographs and taxable as such under the law; and in S.T. 651 the conclusion was reached that motion-picture records of the "sound-on-disk" type also come within the general class of records for phonographs. Reconsideration of these decisions is requested.

"At the time section 607 was enacted the word 'phonograph' had acquired a definite meaning both in the minds of the public and in judicial decisions and it is to be assumed that Congress had that meaning in mind and used the word in that sense when it enacted this provision.

"According to the Encyclopædia Britannica the phonograph is an instrument for reproducing sound by transmitting to the air the mechanical vibrations of a stylus in contact with a sinuous groove in a moving record. Less specifically, the term designates any instrument for the recording or subsequent reproduction of sound. Congress in imposing a tax on 'records for phonographs' could not have had in mind this general definition of the word 'phonograph.' If such were the case, all records embodying the principle of the phonograph would be taxable, including motion picture records of the sound-on-disk type, records made by police departments in gathering evidence, etc. Technically, the machines which record sound as well as those which reproduce it are phonographs, but from a consideration of the language of section 607, it is evident that Congress had in mind only the machines which reproduce the sound. Such a machine has a revolving turn-table, a sound-arm holding a diaphragm in which is fastened a needle or jewel, and a sound-box or horn.

"The word 'phonograph', according to its ordinary meaning as well as its technical meaning, does not include the equipment used in broadcasting studios, but refers to those instruments which, prior to the advent of the radio, were extensively used in homes to reproduce sound mechanically from records designed for use on such instruments, i.e., ordinary phonograph records, or to use the language of the Act, 'records for phonographs.'

"There is strong and ample judicial authority for the view that for the purposes of the excise tax the Bureau should ascertain the commercial significance of the words 'records for phonographs' and construe them accordingly. From evidence

submitted it is obvious that in the industry concerned a very definite distinction is made between phonograph records and electrical transcriptions and that the latter are not commercially known as 'records for phonographs.'

"The phrase 'records for phonographs' used in the Act also indicates that use is the criterion. In other words, not all records are taxable but only those for phonographs. * * * *The leading case on this point is Magone v. Wiederer (159 U.S. 555). Applying this principle to the present inquiry, it is clear that the chief use of phonograph records or 'records for phonographs' is in connection with those instruments which are technically, commonly, and commercially known as phonographs and the fact that phonograph records are also used for broadcasting purposes does not change the nature of their chief use.

"In view of the foregoing, it is held that electrical transcriptions for broadcasting purposes and motion-picture records of the 'sound-on-disk' type are not 'records for phonographs' within the meaning of section 607 of the Revenue Act of 1932 and are not subject to tax under that section. Those records which are commonly and commercially known as phonograph records, even though they are frequently played over the radio, are nevertheless, 'records for phonographs' and are taxable as such."

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LIQUOR DEALERS OPPOSE FEDERAL CONTROL OF ADVERTISING

A proposed Federal regulation which would require all liquor advertisers to reveal the alcoholic formulae of their products is being opposed strenuously by the National Wholesale Wine and Liquor Dealers' Association. The regulation, sponsored by the Federal Alcohol Administration, would apply to radio and other media.

This action was taken at convention in New York just as an unofficial report became current that a move is under way among liquor dealers themselves to withdraw accounts from the air on the ground that it is too effective, i.e., that it reaches too broad an audience. Some of the largest dealers are afraid that the dries will base a new crusade for prohibition on the ground that liquor radio advertising reaches the young as well as adults.

The FAA held a hearing October 31st to give dealers an opportunity to discuss the proposed advertising regulations, which would require, besides the alcoholic content, the percentage of neutral spirits used, and the name and address of person responsible for the publication or broadcast.

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BROADCAST ADVERTISING CONTINUES ITS UPWARD TREND

Broadcast advertising during the third quarter of 1935 gained 33.2 per cent over the corresponding period of 1934, according to tabulations of the National Association of Broadcasters. This is in line with the current year's record to date. Time sales for the first nine months are 22.3 per cent above the similar three-quarters of 1934.

Important gains were experienced by all portions of the medium, with national non-network and regional network advertising showing the greatest improvement. Non-network advertising increased on all sizes of stations. Clear channel and local station volume showed the greatest gains.

The largest increase in non-network advertising occurred in the South Atlantic-South Central Area and in the Pacific and Mountain Area.

Transcription and live talent volume experienced the greatest gains in the national non-network field, while transcription and record volume showed the most pronounced improvement in the local broadcast advertising field.

Food, confectionery, household equipment, and tobacco advertising experienced the greatest gains in the national network field. Regional network advertising showed marked increases both as to volume and variety of business.

In the national non-network field, automotive, food, confectionery, soap, and tobacco advertising registered the greatest rise. Automotive, clothing and house furnishing advertising were the principal sponsor groups to show gains in the local field.

General retail advertising experienced an increase of 47.6% as compared with the corresponding period of 1934. Department store volume rose 29.2%.

The total broadcast advertising volume for the third quarter follows:

<u>Class of Business</u>	<u>Gross Time Sales</u>	
	<u>Third Quarter</u>	
	<u>1934</u>	<u>1935</u>
National networks	\$7,304,237	\$9,451,157
Regional networks	133,581	256,203
National non-network.	2,147,775	3,607,935
Local	<u>3,294,849</u>	<u>3,840,055</u>
Total.	\$12,880,442	\$17,155,350

Advertising volume by major media was distributed as follows:

Advertising Medium	Gross Time Sales	
	Third Quarter	
	1934	1935
Radio broadcasting	\$12,880,442	\$17,123,410
National magazines	24,837,024	24,713,755
National farm papers	1,060,717	1,132,083
Newspapers	109,712,900	116,317,000
Total	\$148,491,083	\$159,346,248

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TELEPHONE INQUIRY FORCES FCC AGAIN TO SPLIT OFFICE FORCES

Because of the extra personnel necessitated by the impending inquiry into the American Telephone & Telegraph Company and because the Interstate Commerce Commission wanted back some of the office space it lent, the Federal Communications Commission has again been forced to divide its headquarters.

The Engineering Division of the telephone inquiry, Examiners and an accounting staff have been moved to a former hardware store at Eleventh and G Streets, Northwest, along with the International Accounts Division.

The Accounting Division of the special investigation staff has been moved to the Washington Star building, Eleventh Street and Pennsylvania Avenue. The Legal staff of the telephone inquiry will be shifted there shortly.

Rearrangement of FCC offices in the ICC and Post Office Buildings also was necessitated in some instances.

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WGN WILL SOON FILE APPLICATION FOR 500 KW AUTHORIZATION

As soon as the smoke of the various engineering proposals clears away at the Federal Communications Commission, WGN, the Chicago Tribune station, will file an application for an increase in power from 50,000 to 500,000 watts power.

This would bring the number of super-power stations to two, the only station now authorized to use such power being WLW, Cincinnati. Should the Commission follow recommendations of its Engineering Division, however, several super-power stations may be authorized within the next year.

If WGN should be allowed to step up its power ten-fold, its primary service area would be broadened from the present 50 to 75 miles to 300 miles. The secondary area of the station would blanket the entire country.

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PRALL INVITES 40 TO JOIN RADIO-EDUCATION GROUP

Some 40 educators and broadcasters over the country have been invited to join the Radio-Education Committee sponsored by the Federal Communications Commission, it was learned today.

Anning S. Prall, Chairman of the FCC, has sent out the invitations, but no names will be made public until answers are heard from all the invitations. Dr. John W. Studebaker, Chief of the Office of Education, is Chairman of the Committee.

Mr. Prall predicted that the Committee will be able to solve the whole problem of the role of education in broadcasting through the cooperation of the FCC and the broadcasters, who have already contributed financially to the undertaking.

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GENERAL HARBORD SEES TELEVISION A FEW STEPS CLOSER

Although television as a practical public service is not an immediate possibility, the path toward it has been smoothed by the increasing knowledge of ultra-short waves, General James G. Harbord, Chairman of the Board of the Radio Corporation of America, said in an address November 12 at Princeton University.

"We may even dream of a far-off day of television in colors", General Harbord said, while explaining that he was speaking of frankly romantic speculations.

Television seems a nearer possibility today than the sending of a telegram across an ocean without wires did on the eve of Marconi's first transatlantic test, he added.

Discussing the progress in high-speed facsimile, General Harbord revealed that an experimental, non-commercial, service between New York City and Philadelphia will be inaugurated before the end of the year.

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NEW AUDIBLE ARTS JUVENILE RADIO LIST TO BE APPROVED

A supplementary list of radio programs suitable for children is to be issued next month by The Radio Institute of the Audible Arts, founded by Philco Radio & Television Corporation. It is being compiled by the Radio Committee of The Child Study Association of America, which is now reviewing for this purpose not only juvenile programs, but adult programs as well, that may be of interest to the younger members of the family.

The committee is headed by Mrs. Cass Canfield as Chairman, and is under the general supervision of Mrs. Sidonie Matsner Gruenberg, director of the Association and a member of the Advisory Committee of the Radio Institute. Its members are mothers who are not being guided solely by their own reactions to programs but who are taking into account the radio likes and dislikes of their children.

Encouraged by the widespread interest manifested by parents and educators in the juvenile radio program list issued by the Radio Institute last Spring, the Child Study Association is looking further into the matter of musical programs, adult programs and news broadcasts that will help cultivate good taste in the younger generation.

The same criteria by which the value of children's programs was measured will be applied to adult programs, broadcast at times when children listen in. They will be tested for emotional emphasis, taste, truthfulness and reliability, attitude and sentiment, language and advertising content.

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NOTABLE TO HONOR McCOSKER AT DINNER

The Ladies Auxiliary of Infants Home of Brooklyn will pay tribute to Alfred J. McCosker, President of WOR and Chairman of the Mutual Broadcasting System, at a dinner Saturday, November 23, at the Hotel Plaza, New York. Grover A. Whalen, Mayor Fiorello H. LaGuardia, Alfred E. Smith, Senators W. Warren Barbour and A. Harry Moore, of New Jersey and Robert F. Wagner, of New York, and Postmaster General James A. Farley have accepted invitations.

Federal Communications Commission Chairman Anning S. Prall, RCA's David Sarnoff, Merlin H. Aylesworth, President of the NBC, Jack Straus, Edward P. Mulrooney, Louis Bamberg and Mayor Meyer C. Ellenstein, of New York will also be present.

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 : : : : : INDUSTRY NOTES : : : : :
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The cup awarded as the trophy of the First Annual Golf Tournament of the Washington Trade Association Executives was won by Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association. The tournament was held at the Burning Tree Country Club and Mr. Geddes turned in a score of 89, which was low gross and low net.

The presentation was made by John C. Gall, of the National Association of Manufacturers, President of the Trade Association Executives.

Thomas Patrick, Inc., operator, of KWK, St. Louis, Mo., has filed an application with the Federal Communications Commission to install new equipment and move the transmitter from Kirkwood to St. Louis.

The Canadian Radio Commission has announced that Jack Radford, formerly in charge of CRCW, Windsor, has been appointed General Manager of CRCV, Vancouver, and Peter Ayles, former staff announcer at CRCT, Toronto, has succeeded him at Windsor.

The Ford Motor Co. has announced a new Sunday series presenting Jose Manzanares and his South American Orchestra over an extensive coast-to-coast WABC-CBS network, beginning December 1, from 2:30 to 3:00 P.M., EST. There will be a rebroadcast for Pacific stations at 5:30 P.M., EST.

The application of the Mountain States Broadcasting Corporation, Salt Lake City, Utah, for a construction permit on 550 kc., with 500 kw., unlimited time, has been dismissed without prejudice on request of the applicant.

Engineers of the New York Division of the National Broadcasting Company will hold their first annual supper dance at the Waldorf Astoria on November 19. Prominent officials of the NBC, announcers, production men and foremost NBC stars will attend.

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CBS DEVISES MIKE FOR ROOSEVELT AS POLITICS TURN TO RADIO

The Columbia Broadcasting System is building a new radio broadcasting reading stand for President Roosevelt, and it is being especially designed for rear-train broadcasts. Significance is attached to this information by Raymond Clapper, political columnist of the Washington Post, who states that, "Some of Mr. Roosevelt's advisers expect him to use the air considerably next year."

Some idea of the President's technique in broadcasting speeches from the rear end of trains, as he did during his recent western trip, is given by Clapper, who accompanied him, in explanation of the need for a new microphone.

"On the President's recent West-ward trip some difficulty was encountered, notably at Fremont, Nebr., in broadcasting from the rear platform of the special train", he wrote.

"There was no reading desk upon which the President could place his manuscript, nor was there any way the microphones could be conveniently set up before him. Attendants either held them up from the ground or strapped them to the railing of the car with adhesive tape. The new desk, which can be taken apart and easily carried aboard the President's train, is designed so that, when set on the rear platform, microphones can be quickly attached and detached.

"It is especially necessary to be able to detach the mikes quickly because of Mr. Roosevelt's technique when campaigning from his train. The train stops and a large crowd has been assembled. Usually a loudspeaker has been rigged with portable microphone so that the entire crowd may hear. Mr. Roosevelt's method, where no set speech is scheduled, is to wait inside almost until time for the train to leave, and then appear for a moment to wave and say a few words of greeting to the crowd. The signal to start the train is given as soon as the President finishes his greeting. That makes a more dramatic getaway and eliminates the awkward pauses which always embarrassed Mr. Hoover. Having smiled and said it was a nice day and he was glad to see everyone out, Mr. Hoover, while waiting for the train crew to finish watering the engine, would stand there and stare at the crowd and the crowd would stare at him. There would be either dead silence or someone would yell, 'Hello Herbie', which was about as bad."

Explaining why Roosevelt's advisers are urging him to use the radio more frequently, especially as the 1936 campaign nears, Clapper said:

"One reason they feel this is necessary is that a large percentage of the press is opposed to him. He has probably the best radio speaking voice in public life and it is the natural thing for him to utilize the radio to get his story over first-hand to the public instead of depending entirely upon the press.

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"One Administration official, weighing the relative strength of the press and the radio, says that the radio is more effective for one strong smashing speech at intervals but that in the long run the newspapers probably are more effective because they come back to the attack day after day, and by persistent repetition and emphasis upon material adverse to the Administration more than offset the President's direct voice appeals."

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RADIO STATION BALKS TAX ATTEMPT OF STATE OF WASHINGTON

Broadcasters the country over observed with interest the preliminary success of KVL, Seattle, Wash., in balking the Tax Commission of the State of Washington from collecting a newly-authorized tax on radio stations.

The United States District Court of the Western district granted interlocutory injunctions restraining the Tax Commission and denied a motion by the State to dismiss the KVL suit.

The Federal Court, in effect, held that operation of a radio station comes properly under the commerce clause of the Constitution and that Federal Communications Commission has promoted the field of broadcasting.

Under the Washington statute a tax of one-half of 1 per cent of the gross income of station would be collectible by the Commission.

The Court in its unanimous decision stated:

"The Bills of Complaint allege that segregation of intrastate business from interstate business and complainants' withdrawal from their intrastate business are all impossible. Such allegations are taken as true at this stage of the proceedings. It follows that if these allegations be true and the nature of the business and of radio activity and communications is as described in the bills of complaint, the statute imposing the tax is invalid, imposing, as it does, a direct burden on interstate commerce."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

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PRALL PREDICTS EARLY GENERAL REALLOCATION

The Federal Communications Commission is working fast nowadays, despite the approach of the Christmas holidays, in an effort to get its plan for a general reallocation of the broadcasting setup drafted before Congress has a chance to call for an investigation on Capitol Hill.

Chairman Anning S. Prall, who as a former Representative from New York knows Congress' weakness for investigations, predicted that the FCC will be ready to open a long series of public hearings, preparatory to a shake-up in the broadcasting bands, early next year. He said he expects the hearings to last through March, when the new reallocation order may be forthcoming.

While keeping one eye on the approaching session of Congress, members of the Broadcast Division of the Commission are trying at the same time to keep down their colleagues who, though not directly connected with the broadcasting supervision, are outspoken in their criticism of the present operations of networks and stations. Commissioner George Henry Payne has several times this year assailed commercial broadcasters for their commercialism and questionable programs.

Commissioner Irvin Stewart is the latest to upset the Broadcast Division with his imposing-looking proposal that the FCC adopt special regulations for the regulation of chain broadcasting and return to the former policy of reserving the 40 clear channels for high-power stations designed to serve the sparsely settled areas.

Although his motion asked that the Broadcast Division investigate and report on his proposal, it is already as good as pigeon-holed. Commissioner Prall said with restrained sarcasm:

"The motion was entirely superfluous. The Communications Commission has been engaged in a study of the whole broadcasting structure, including the clear channels, for some months. Commissioner Stewart must not have been informed, else he would not have made such a motion."

Prall explained that the Engineering Division, which has already made reports on other phases of the proposed reallocation, expects to submit a study of the clear channels within six weeks.

Asked why the FCC considers the shake-up necessary at this time, Chairman Prall said:

"There has not been a general reallocation in seven years. Considerable progress has been made since 1928 in the technical fields of radio transmission, and we want broadcasting to keep abreast of these developments. We believe a reallocation is necessary if the broadcasters and the public are to get the maximum efficiency out of the limited frequencies."

Among the recommendations made to the Commission by its Engineering Division are the following:

That the 40 clear channels be reduced but that provision be made for 25 stations, of 500,000 watts power.

That the FCC order a horizontal increase in power from 1,000 to 5,000 watts at night on seven of the 40 regional channels, raise to 1,000 watts at night the power of stations on 17 regional channels, and fix a lower mileage separation on the remaining 16 regional channels with power from 250 to 1,000 watts at night and 5,000 watts daytime.

Seventy-two stations are now on the 17 channels on which the power would be raised horizontally, while 86 stations are using the 16 channels which would get the varying step-ups.

While the FCC has had nothing to say, unofficial reports have been circulated that the regional phase of the shake-up may be postponed indefinitely, or at least until after the 1936 elections.

One report was that William Paley, President of the Columbia Broadcasting System, protested against the move both to Prall and in a call at the White House this week.

Anticipating widespread increases in power, numerous stations already have filed applications for 5,000 watts, and a half-dozen stations are ready to ask for 500,000 watts as soon as the time is ripe. KNX, Hollywood, has already filed its application, and applications are anticipated from WGN, Chicago; WSM, Nashville; KFI, Los Angeles; and the New York and Chicago key stations of the National Broadcasting Company and the Columbia Broadcasting System. There is only one 500 KW station operating now. It is WLW, Cincinnati.

The Engineering Division's recommendations relative to the clear channels, long a bone of contention, is expected to be that the 40 be reduced to 25. The latter would be reserved for the super-power transmitters, while the other 15 would be opened for duplication of stations, as is now being done on many of the clear channels.

That this proposed reduction will arouse protests in Congress is certain because many Representatives and Senators held with the former Senator C. C. Dill, of Washington, that the clear channels should be reserved for the wide open spaces. The

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tendency of the Federal Radio Commission and the FCC, however, has been away from the original plan.

Commissioner Stewart appears to have taken up Senator Dill's cudgels now, and will doubtless arouse a great deal of support in Congress. His guns are directed chiefly against the networks because of their domination of the clear channels. His analysis showed that only one of the 40 clear channels has a station with no chain affiliations.

Members of the Broadcast Division appear confident that at least one perennial attack on broadcasting in Congress may be forestalled when the Radio-Education Committee gets busy trying to work out a scheme for semi-public use of commercial broadcasting facilities for educational and religious programs on a systematized basis. The committee is now in the process of formation under the auspices of the FCC and the Office of Education.

Another basis of hope - and probably the most substantial - at the Broadcast Division is that members of Congress will be so eager to adjourn the next session early in order to begin their election campaigns that they won't have time to punt the political football - broadcasting - before 1937 anyway.

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MPPA WON'T REQUIRE LICENSE FOR RECORDING LIVE PROGRAMS

The Music Publishers' Protective Association has decided not to require broadcasters to obtain licenses to manufacture recordings of their own live programs following a conference with officers of the National Association of Broadcasters.

John G. Paine, Chairman of the Board of MPPA, has informed James W. Baldwin, Managing Director of the National Association of Broadcasters, by letter that the music publishers' organization has decided not "to press our roughs" at the present for fear of causing "not only embarrassment but very serious confusion."

The action followed loud protests from broadcasters, which led to negotiations. Paine left a loophole for MPPA, however, by implying that the issue may be revived later after schedules can be worked out.

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RADIO SPEEDS NAVAL MANEUVERS; GREAT ADVANCE SINCE WORLD WAR

Technical advances in radio since the World War "facilitate the maneuvering" of the United States fleet, Lieut. W. B. Ammon, U.S.N., writes in the current issue of the Scientific American.

"Radio serves as the fleet's voice and ears, making communications as vital to the Navy as gunnery, engineering, and damage control", he continues.

"Radio permits the far-flung scouts to give vital information instantaneously to the Commander-in-Chief and his subordinate commanders, whether the scouts be submerged submarines, swift cruisers and destroyers, or speeding aircraft. It facilitates carrying out the principles underlying the dissemination of information. It is the means by which the Commander-in-Chief may disclose his plan simultaneously to a hundred or more scattered but alert ears just before meeting the foe. Hence, he is better able to take advantage of the tactical element of surprise. During action, radio is the invisible means of putting the heavy guns on distant targets. It is the agency used to give information of damage inflicted on the enemy to the team captain and the instrument to enable him to harmonize the actions of his forces and direct their efforts so each contributes the maximum effectiveness to the whole. * * *

"The major advance is considered to have been the perfection of the vacuum tube. Some of the earliest types of tubes had a life of about 70 hours and cost approximately 50 dollars each. Today the life is measured in thousands of hours and the cost is only a few dollars. Vacuum tube development made available many types of compact transmitter and receiver circuits which were suited to installation in the confined spaces allotted in a man-of-war. The detection and amplification of signals improved greatly and resulted in longer range receivers. With progress in the technique of vacuum-tube manufacture, transmitter power and sturdiness of tubes was improved and the communication range between ships has increased from a few miles to thousands of miles.* * * *The evolution of the vacuum tube was the primary step toward fulfilling the Navy's demands for rugged equipment suited for long or short range transmission, simultaneous communication on many channels, and capable of either telegraph or telephone use by submarine, surface ship, airplane, or land station.

"Another development increasing radio's value in naval operations was the elimination of much of the interference experienced during the World War. Frequency stability has been perfected and with it the means for rapid shifting of frequencies and accurate calibration of transmitters and receivers. Hence, without mutual interference, frequencies close to each other in

the radio spectrum can be assigned within the same body of ships. The receiving operator's problem is simplified; his attention can be devoted wholly to copying a message instead of attempting to receive it while tuning his set to follow the transmitter's vagaries. More accurate receiver tuning has partially overcome static. Scientific shielding has obviated local interference, particularly in aircraft, where electrical noises from the ignition system, motors and the like, are serious obstacles to good receiving conditions.

"A third improvement was the introduction of automatic transmission and reception. Manual transmission rarely exceeds 35 or 40 words a minute even with a high-speed key or 'bug', while the use of 'automatics' permits speeds above 500 words a minute. Consequently, a circuit's capacity is increased tremendously and the human operator with his inherent errors is eliminated except for punching and copying the tape."

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TELEPHONE LINES SERVING RADIO HELD IN INTERSTATE COMMERCE

The Federal Communications Commission held on November 13 that telephone companies which provide wire facilities for radio stations are engaged in interstate commerce and therefore subject to Federal regulation.

The order, issued in the case of the Rochester Telephone Company, of Rochester, N. Y., is expected to affect the status of numerous independent telephone companies.

Under terms of the ruling, any telephone company furnishing wires to broadcasters is held to be engaged in interstate commerce and subject to the Commission's jurisdiction, whether or not its lines cover more than one State.

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COLORADO STATION BROADCASTS IMPEACHMENT PROCEEDINGS

The Colorado Senate, instead of barring radio from its impeachment proceedings, voted unanimously to allow KFEL-KVOD, Denver, to broadcast the trial of James Carr, Secretary of State, facing a dozen charges.

KFEL-KVOD, which had previously broadcast proceedings in the Colorado House of Representatives, won so much goodwill that the latter telegraphed the Federal Communications Commission asking an increase in power for the station from 500 to 1000 watts during the impeachment proceedings.

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D. C. SUPREME COURT DISMISSES APPEAL OF WSPD, TOLEDO

The District of Columbia Supreme Court has dismissed the appeal of Station WSPD, Toledo, O., from an order authorizing Station WALR to move from Zanesville to Toledo.

Basing its action on the decision of the U. S. Court of Appeals of the District of Columbia, as sustained by the U.S. Supreme Court, the District Supreme Court held the WSPD case was similar to the Jenny Wren case. In that case a station at Kansas City protested against the removal of a station into its territory on the grounds that it would be adversely affected economically. The District Court of Appeals held that the action should be brought before it rather than the District Supreme Court, and a writ of certiorari was subsequently denied by the U. S. Supreme Court.

Counsel of the Federal Communications Commission are now considering whether to grant WSPD a hearing on its protest. If the hearing is denied, the Toledo station has recourse to the District Court of Appeals.

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BRITISH RADIO ADVERTISERS FIGHT THREATENED CONTINENTAL BAN

Barred from advertising over their own British Broadcasting Corporation stations, British advertisers who have been using continental transmitters are protesting against a threatened ban by the British Post Office Department.

The Incorporated Society of British Advertisers has appealed to Prime Minister Stanley Baldwin in the matter. The appeal has been made on behalf of 500 British manufacturers, including some of the largest concerns in the country, employing many thousands, who have found radio advertising increases sales at home and abroad, thereby increasing the number of employees. As one of the aims of the National Government is to increase employment, it is felt that on this score, at least, their aims for national benefit coincide.

"Least of all should a government, avowedly national in character, allow one of its own departments to take official action in a matter which, in the opinion of British radio advertisers, is an unwarranted restraint of trade, unjustifiable, to the detriment of their interests", the appeal to Mr. Baldwin says. "As to whether the British public wants sponsored programs this, surely, is a matter they can decide. The response of listeners to sponsored programs is indisputable proof of their popularity and their value to radio advertisers as a means of selling goods."

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"HAY WIRE" EQUIPMENT IS OUTLAWED ON STATIONS BY FCC

The Federal Communications Commission, engaged in a campaign to eliminate obsolete broadcasting equipment, issued an order November 12 outlawing "hay wire" apparatus to minimize the dangers of injuries or death to operators.

The new rule (No. 132) is effective immediately, but stations are allowed a year in which to comply. The regulation was proposed by Andrew D. Ring, Assistant Chief Engineer in Charge of Broadcasting, and concurred in by the Law Department. It follows in text:

"(a) The transmitter proper and associated transmitting equipment of each broadcast station shall be designed, constructed and operated in accordance with good engineering practice in all phases not otherwise specifically included in these regulations.

"(b) The transmitter shall be wired and shielded in accordance with good engineering practice and shall be provided with safety features in accordance with the specifications of Article 37 of the current National Electrical Code as approved by the American Standards Association.

"(c) The station equipment shall be so operated, tuned, and adjusted that emissions are not radiated outside the authorized band which cause or are capable of causing interference to the communications of other stations. The spurious emissions, including radio frequency harmonics and audio frequency harmonics, shall be maintained at as low a level as required by good engineering practice. The program distortion, audio frequency range, carrier hum, noise level, and other essential phases of the operation which control the external effects shall at all times conform to the requirements of good engineering practice.

"(d) Whenever, in this rule, the term 'good engineering practice' is used, the specifications deemed necessary to meet the requirements of good engineering practice will be published from time to time.

"(e) This rule shall be effective upon its adoption, provided, however, that existing broadcast stations shall be allowed one year in which to meet the requirements herein."

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WOMEN'S COMMITTEE HURLS NEW BLAST AT AMATEUR RADIO PROGRAMS

The widespread employment of amateurs for radio programs, already under fire of New York City's relief organizations, is assailed anew by the Women's National Radio Committee in the current issue of its organ, The Radio Review.

"Our grievance", said the Committee, "is not based on the fact that a few men are being made wealthy at the expense of ambitious young people and unemployed professionals who perform at amateur rates. What we do challenge vigorously is the feeble justification offered for prolonging the amateur cycle in radio."

The outburst then continues, in part, as follows:

"The excuse heard most frequently is that it discovers new talent. What for? The graduates of the amateur hour who have received radio contracts may be counted on the fingers of one hand. Certainly, none of them have become the big name stars of radio in the past two years. The contestants who obtain vaudeville engagements are dropped after a while to yield to a new crop of vote-winners. The balance of those who flock to New York City in the hope of appearing on one of the better-known programs, are stranded at the rate of three hundred a week, according to a recent report of the Emergency Relief Transit Bureau.

"Booking agents cannot begin to place all the artists from the legitimate, vaudeville and concert stage who are available for 'cakes and coffee.' Swelling the hordes of these are an ever-increasing number of ex-amateurs, who, having had a taste of the glamour of the stage, are reluctant to return to their former trades. Every large radio studio has lists of artists who have successfully passed audition tests and are now waiting for an opening.

"The closing down of vaudeville on the Loew and R-K-O circuits means that engagements for variety artists are limited to the few theatres which still have stage shows.

"Nevertheless, despite this oversupply of talent, the amateur hour continues - because it is cheaper to produce; because those who are making money out of the idea are anxious to keep it alive; because clever publicity buildups give the impression that the entire country is clamoring for amateurs; and, finally, because the sponsors are also advertisers in magazines and newspapers, and as a matter of good business, attacks on their programs are soft-pedalled."

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STRATOSPHERE FLIERS ALSO SET RECORD IN RADIO CONVERSATION

The intrepid Army Air Corps fliers, Capts., Albert W. Stevens and Orvil A. Anderson, who went higher in the stratosphere than any other human beings on November 11, also established a record in prolonged radio conversation. They talked intermittently over the radio with associates on the earth for nearly eight hours.

Starting within twenty minutes after their take-off, they talked with one person or another on a multitude of subjects throughout the day.

Captain Stevens was especially active, listening to advice from three of the corps of scientists attached to the expedition, but chatting with a Pan American airplane over the Pacific, and in the next minute patiently answering the questions of a London newspaper man. He talked to the plane over the Pacific several times.

Wherever any one of consequence wanted to talk to the stratosphere balloon, engineers of the National Broadcasting Company quickly set up a microphone transmitter and receiver and quickly tuned in the balloon.

Reception and transmission, for a minute here and there, were characterized as perfect by Captain Stevens and his associates on the ground. Listeners on household sets could not only follow the conversations clearly, but could also hear the ticking of the Geiger counters registering the arrival of the cosmic rays; the regular tripping of the machinery operating the battery of cameras, and finally toward the end of the flight the grunts and suppressed voices of the two fliers as they joined in heaving ballast overboard to slow up the descent of their ship.

There was no difficulty in identifying the speakers. Captain Stevens' Down East twang, with the clipped enunciation that comes only from Maine, contrasted with the drawl of Captain Anderson, who was reared on a Utah cattle ranch.

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ZENITH ENJOYS 125 PER CENT INCREASE OVER LAST YEAR

The Zenith Radio Corporation, Chicago, is experiencing a 125 per cent increase in business over last year, and shipments, both in sets and dollar volume, during July and August were the largest of any similar months in the company's history, according to E. F. McDonald, Jr., President.

"September was the largest month since December, 1929, and during October we shipped more sets than in any other month since we have been in business", McDonald said. "We at present have many thousands of unfilled orders on our books."

Ninety per cent of the Zenith line is all-wave with foreign reception. Zenith claims to be a pioneer in short-wave receiving sets for public markets, having launched them in 1923.

Profits of the Zenith Corporation for the quarter ending October amounted to \$390,000, subject to Federal profit taxes and year-end audit and reserve adjustments.

McDonald pointed out that Zenith has not had a factory service man in the field since a year ago last June and has had no call for one despite the preponderance of all-wave sets sold.

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RCA REPORTED SELLING ENGLISH TELEVISION HOLDINGS

The current issue of Variety carries the following:

"While officials of Radio Corporation of America are not denying possible sale of its share holding in Electrical & Musical Industries, Ltd., they have refused to comment. EMI is actively involved in television in England and supposition is that interest in company originally was obtained to cash in on possible developments in this field abroad.

"David Sarnoff, President of RCA, who recently returned from trip abroad on which he spent considerable time in London, has made denial that any deal has been made on company's holdings in EMI. However, in Wall Street reports persist that a large block of stock may be disposed of to British interests.

"This would be looked on in financial circles as partial admission that RCA does not regard commercial possibilities of television abroad as financially great.

"Holding of RCA in Electrical & Musical Industries, Ltd., as reported last year totaled 1,700,000 shares of common and 1,000 shares of preferred. The common stock represented slightly over 29% of the outstanding EMI stock. This was carried on the books of Radio Corp. at \$13,189,431 at close of last year."

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 ::: INDUSTRY NOTES :::
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Alois Havrilla, veteran announcer of the National Broadcasting Company on November 14th was awarded the 1935 Radio Diction Medal of the American Academy of Arts and Letters. The medal is given annually to the radio announcer whose diction, in the judgment of the Academy, has been outstanding during the preceding year.

NBC announcers have won the award five of the six times it has been made. In 1929, the first year it was offered, it was given to Milton J. Cross; in 1930, to Alwyn Bach; in 1931, to John Holbrook; in 1932, to David Ross, and in 1933, to James Wellington. There was no award last year.

Paul A. Walker, Chairman of the Telephone Division of the Federal Communications Commission on November 14 addressed the Oklahoma State Society of Washington, D. C., in commemoration of the late Wylie Post and at the 28th anniversary of Oklahoma's Statehood. Mr. Walker comes from Oklahoma.

The Columbia Broadcasting System has announced the appointment of Dr. Frank N. Stanton to the Market Research Department under John J. Karol, Director. Dr. Stanton is best known for his psychological studies in the field of audible vs. visual advertising media and is the author of "Memory for Advertising Copy Presented Visually vs. Orally". He comes to CBS from the Department of Psychology at Ohio State University.

Philadelphia radio stations scooped local newspapers in reporting the recent elections, according to Billboard, which says:

"If ever the Philadelphia newspapers lost a battle to radio, they certainly did election day, being whipped to a pulp all around. What was a well-laid plan to freeze out radio from getting the election returns went for naught and in turn it was radio which picked up all the scoops, one paper running a special edition on the strength of a radio flash."

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November 19, 1935

WORLD RADIO SETS NUMBER 56,221,784; U.S. HAS 25,551,569

The United States has lost slightly on its tremendous lead in the possession of radio receivers among the countries of the world, but it is still far from being threatened. Out of 56,221,784 sets in the world, this country has 25,551,569. Not so long ago the United States had more than half the radio sets in existence, then half; now it's about 3,000,000 under the half-way mark.

Statistics compiled by the Electrical Division of the Bureau of Foreign and Domestic Commerce show the United Kingdom runs a far-behind second with 7,055,464 radio-equipped homes. Actually, it doubtless has more sets than that because additional sets may be operated by a licensee with only one permit.

Germany comes third with 6,516,732; France has 2,763,123; Russia, 2,000,000; and Canada 812,335.

Japan has 2,190,040 of Asia's 2,553,396 sets although it is the smallest country territorially.

South America has 1,088,374 sets, of which 650,000 are in Argentina and 210,000 in Brazil. Mexico has 130,000 receivers; Alaska, 1,500; China 200,000; and Philippine Islands, 22,120. Ethiopia had but 25 sets on December 31, 1934, but it is likely this number has increased since the Italo-Ethiopian War started.

The United States in 1934 exported 625,667 of the sets sold over the world. The distribution of radio sets by continents follows:

North America	25,632,981
South America	1,088,374
Europe	22,897,981
Europe-Asia	2,010,000
Asia	2,553,396
Oceania	829,851
Africa	<u>209,201</u>
WORLD	56,221,784

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METROPOLITAN OPERA AUDITIONS BROADCAST HITS SNAG

A plan to broadcast auditions given to applicants for jobs with the Metropolitan Opera Company has run into a snag, it was revealed Nov. 15 when the National Broadcasting Company applied in Federal Court at Manhattan for an order to restrain Charles Henry Freeman, Jr., New York booking agent from attempting to upset an arrangement it has with the Sherwin-Williams Company, prospective sponsor of the programs.

The NBC also filed suit for \$62,308 damages against Freeman. Cecil Warwick & Cecil, New York advertising agency joined in the request for an injunction, and asked \$16,583 damages but at the request of Samuel Seabury, attorney, who appeared as counsel for Freeman, hearing was postponed until Nov. 23.

The first program, to be called "Metropolitan Auditions of the Air", was to have been broadcast Dec. 1, and repeated for thirteen consecutive Sunday afternoons.

On Oct. 26, however, Mr. Freeman wrote a letter to G. A. Martin, President of the Sherwin-Williams Company, saying that he would make the company co-defendant in an action for violation of copyright and breach of confidence, if it acted as sponsor.

Mr. Freeman contended that he had submitted the idea of broadcasting auditions of the Metropolitan to Cecil, Warwick & Cecil in May, 1935. An affidavit submitted by Jack R. Warwick, a member of the advertising concern, contradicted this statement and asserted that Mr. Warwick had thought of the idea and had taken it up with Earl Lewis, Treasurer of the Metropolitan Opera Association.

As a result of the letter written by Mr. Freeman, the company in Cleveland decided not to proceed with the arrangement until the situation had been cleared up.

Negotiations, it was explained, had been conducted with Wilfred Peleltier, conductor, and Miss Geraldine Ferrar, as the programs were also to include recognized talent.

The arrangement, the petitioners explained, called for the payment of \$1,000 a week to the Metropolitan Opera Association. The NBC Artists Service, said to control all radio operations of the Metropolitan Opera Association, was to have received \$250 each week, Mr. Warwick asserted in the affidavit. The advertising agency was to receive a commission of \$10,422.06 and the program, including the talent, was to have cost \$116,719.

Script for an audition of a proposed program for a prospective client was submitted to John Erskine, Chairman of the Management Committee of the Association. This later was used last July 17 and Deems Taylor acted as announcer, but no sponsor for the program was found until the Sherwin-Williams Company became interested.

ZENITH PRESIDENT MAKES SPECIAL OFFER TO RADIO EDITORS

In order to increase the familiarity of radio editors with reception of foreign short-wave stations, E. F. McDonald, Jr., President of the Zenith Radio Corporation, of Chicago, has offered to supply all radio editors who write to him personally a 50 per cent reduction on any all-wave set f.o.b. Chicago.

Explaining his reasons for the offer, McDonald said:

"A serious handicap in bringing the thrill of tuning in foreign programs to the attention of the listening public thru the newspapers is that so few radio editors themselves have sets capable of picking up these programs. In most cases it is up to the radio editor to buy his own set which frequently works a hardship on him and far from possessing the last word in a receiver he often times manages to get along with one of ancient vintage.

"This is a very unfortunate situation. It deprives the radio editor from first-hand knowledge of some of the world's finest programs now being received daily from London, Berlin, Madrid and other foreign countries. It deprives the listening public from being informed each day what the great broadcasting stations of Europe have to offer.

"Knowing what the possession of a modern all-wave receiver would mean to the radio editor, who has none, in his program work and the real joy he would get from having an up-to-the-minute tool to work with, nothing would give me more pleasure than to present every radio editor in the United States with a set. Obviously, that would be impossible for me to do, and even if it were not, such a gift might be misunderstood.

"I would, however, by way of making it possible for those radio editors who do not now possess the latest in an all-wave receiver, and as my contribution to the good of the cause, give any radio editor who will write to me personally a 50 per cent reduction on any one of our sets F.O.B. Chicago.

"I don't intend by this letter to do a selling job to you on Zenith. You probably know without me telling you what our line means this year. We have had 125 per cent increase in public acceptance since June 1st of this year which I think you will concede is far greater than that accorded any of our competitors. There is only one reason. That is merit of the product. With our new split-second hand, you can accurately log and re-locate at will any foreign station that is on the air and coming in at the time. You don't need to fish around wondering whether or not you have Zeesen, Germany, or Daventry, England. The split-second hand will tell you instantly."

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COURT DENIES COMPOSER'S MONOPOLY CLAIM ON "YOU NASTY MAN"

Joe Penner's famed phrase, "You nasty man", is not the exclusive property of any song writer, the United States District Court of the Western Pennsylvania District has held.

Dismissing a suit brought by Olga Arline Jurasovic against the National Broadcasting Company and Station KDKA, Pittsburgh, the court said the plaintiff "has acquired no exclusive right to the title 'You Nasty Man', or any title similar thereto for a musical composition".

Olga Arline Jurasovic, of New Brighton, Pa., asked for an injunction restraining the NBC and KDKA from infringing on her copyright of a song, "You Nasty Man", which had been rejected by Joe Penner and never published.

Subsequently, Irving Caesar and Jack Allen and Ray Henderson wrote "Nasty Man" for a movie production of "George White's Scandals". The court held this was an original composition in that the composers had never heard the work of Miss Jurasovic.

A few months later Joe Penner sang the latter composition in the studios of KDKA over an NBC hook-up.

Besides pointing out that there was no similarity in the musical compositions outside the titles, the court commented on the origin of the phrase as follows:

"That for many months prior to October 18, 1933, and thereafter, Joe Penner had originated, and had been the first to use, and had made constant use of, the catch-phrase, 'Oh, you nasty man', in broadcasting his radio entertainment; that said catch-phrase had become very popular, particularly, because of the peculiar intonation used by said Penner, and had become identified with said Penner as his distinguishing mark, and had acquired a secondary meaning with the public as denoting Joe Penner's radio program."

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DISMISSAL OF WBHS LICENSE RENEWAL PLEA RECOMMENDED

Dismissal of the application of WBHS, Huntsville, Ala., for renewal of its license on 1200 kc., 100 watts power, sharing time with WFBC, was recommended by Examiner P. W. Seward last week to the Federal Communications Commission. The applicant asked permission to withdraw its application following a hearing in October.

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11/19/35

SARNOFF ANNOUNCES SALE OF BRITISH E.M.I. SHARES

David Sarnoff, President of the Radio Corporation of America, issued the following statement November 15, verifying reports published earlier in the week:

"The Board of Directors of the Radio Corporation of America has decided to sell the 1,700,000 ordinary shares of the Electrical and Musical Industries, Ltd. of England, now held by RCA.

"These shares are being purchased by the British bankers Messrs. Morgan Grenfell & Company and Edward De Stein & Company of London.

"The price to be paid to RCA for this block of E.M.I. shares has been agreed upon and is \$10,220,000, payable in cash within three weeks, in New York funds. The shares are being sold ex dividend and the RCA will therefore receive, in addition to the above amount, the sum of approximately \$400,000 in dividends payable this month."

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CROSLEY SAYS HE PREFERS METAL RADIO TUBES

Although the Crosley Radio Corporation manufactures glass-tube radios as well as metal-tube sets and will continue to do so, Powel Crosley, Jr., President, Crosley Radio Corporation, has declared emphatically in favor of metal tubes as being superior in many respects to glass tubes.

"When metal tubes were first introduced early in the year, there was great skepticism on the part of dealers as to their performance, and there was considerable doubt in the minds of manufacturers whether metal tubes could be supplied in sufficient quantity to meet a large demand", Mr. Crosley said. "Both questions have been answered very emphatically in the affirmative. Metal tubes have proved to be outstanding in quality and performance - more efficient design of the tubes and radio sets themselves - greater durability - and in the possibility of much greater precision and performance in manufacturing. As to supply, abundant metal tubes are now available."

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 : : : : INDUSTRY NOTES : : : :
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Of interest to radio manufacturers, who are watching the growing farm market for radio receivers, should be the letter of Morris L. Cooke, Rural Electrification Administrator, to Senator George W. Norris, of Nebraska.

Administrator Cooke estimates that within ten years 50 per cent of all rural homes will be electrified. At present only 10.9 per cent of American farms get central electric station current.

Charles A. Wakeman, sports commentator and announcer for Josephine Gibson's "Hostess Counsel" program, has been awarded the H. P. Davis trophy, given each year to Pittsburgh's best announcer. Wakeman is a member of the announcing staff of WJAS, CBS's affiliated station in Pittsburgh, Pa.

A hearing will be held December 2 in San Francisco by the National Labor Relations Regional Board on the complaint that the Mackay Radio and Telegraph Company discharged five operators of long standing with the company because of their activity with the American Radio Telegraphists Association.

The Ford Motor Company becomes the largest individual user of radio network facilities when it begins a new series of weekly programs over a CBS coast-to-coast network, beginning Sunday, December 1, from 2:30 to 3 P.M. EST. The program, featuring Jose Manzanera and his South American Orchestra, advertises the Lincoln-Zephyr auto.

Misrepresentation in the sale of radios, refrigerators, oil burners for furnaces and air conditioners, is alleged in a complaint issued by the Federal Trade Commission against T. L. Loveland and J. L. Records, of Iowa City, Iowa, trading under the names of Commercial Manufacturing Company and Brenard Manufacturing Company.

Chairman Anning S. Prall of the Federal Communications Commission will be the principal speaker at a radio luncheon of the Downtown Athletic Club from which WOR will broadcast Thursday, December 5, from 1 to 1:30 P.M.

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On December 2 the Pompeian Company will begin a 3 days-a-week radio campaign to push its new and improved line of Pompeian cosmetics on a coast-to-coast network of the Columbia Broadcasting System. Pompeian has not used radio since the winter of '31-'32 which time it was an exclusive CBS advertiser.

In their annual report to the Minister of Telegraphs for the year 1934 the members of the New Zealand Broadcasting Board refer to the marked progress which has been made by broadcasting as witnessed by an increase of 31 per cent in the number of radio receiving licenses. They state that the most important events of the year have been the opening of a modern transmitter at Henderson to serve the Auckland district and the erection of modern studios in Auckland City.

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APPLICATIONS OF 33 DIRECTORS SET FOR HEARING BY FCC

Thirty-three officers of directors of more than one carrier under Section 212 of the Communications Act of 1934 have been granted a hearing upon their request by the Federal Communications Commission. They are:

H. D. Pillsbury, N. R. Powley, C. E. Fleager, C. S. Casassa, F. J. Reagan, M. R. Sullivan, I. F. Dix, E. D. Wise, Alfred Sutro, W. G. Kleinschmidt, G. W. Anderson, E. DeBow, G. L. Larson, C. P. Morrill, E. L. Breene, C. E. Rogers, R. M. Burley, T. H. Griffith, F. Scholl, R. E. Hambrook, S. L. King, C. F. Cole, G. H. Senger, Lloyd B. Wilson, Phillip O. Coffin, John C. Koons, Ralph A. Van Orsdel, Frank S. Evans, Marshal D. Sodam, Walter B. Clarkson, Thomas B. Clarkson, John F. Slaven and Franklin H. Kenworthy.

Five others have been ordered to divest themselves of one of their offices or directorship to comply with the law. They have 30 days to ask for a hearing, however. They are:

John Leonard Merrill, Samuel Gilman Ordway, Wolcott H. Pitkin, Lewis Jefferson Proctor and Joseph Anthony Redegeld.

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INDIAN RULER PLANS TO BUY 20,000 RADIOS FOR SUBJECTS

His Exalted Highness the Nizam of Hyderabad plans to celebrate the twenty-fifth year of his reign in modern style next February by enlisting radio, Syad Mahboob Ali, Wireless Director for the Hyderabad government, revealed this week in an interview in New York City.

Twenty thousand villages in the Indian state will be given radio sets by the ruler, and four modern transmitting stations will be constructed meanwhile so that the 15,000,000 subjects can listen to special broadcasts during the Silver Jubilee. The programs will be in English, Hindustani, Telgu, Marahti, and Canarese, all native dialects.

The Indian ruler is reputedly one of the wealthiest men in the world and is perfectly able to make the wholesale purchases of radio equipment. Syad Ali, who is making a tour of the world studying broadcasting methods, has about \$500,000 to purchase the apparatus for the four transmitting stations. It is presumed he will buy the receivers later.

Having inspected the most modern broadcasting centers of Europe, Syad Ali believes the United States far ahead in the radio field.

"There is no doubt that America is far in advance in the technics of broadcasting of the many other centers I have visited in Europe", he said.

After leaving this country he will inspect broadcasting equipment in Japan.

The broadcasts in Hyderabad will be patterned after those in this country, he said, and will include music, talks on health, weather reports, and news dispatches. They will be broadcast simultaneously in the different native languages, however, and there will be no advertising.

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Kathleen Wells, a featured radio soprano, was injured fatally November 17 in an auto accident in Jersey City. About six years ago billed as "Ima Whom, the Mystery Girl", she made her radio debut with station WHOM, later joined WOR, Newark, and then became a featured entertainer with NBC, appearing on the Show Boat, Fibber McGee and Molly and the Jack Pearl programs, among others.

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EXAMINER RECOMMENDS HIGHER POWER FOR STATION WBNX

Following the lead of the FCC Engineering Department, which has proposed widespread increases in broadcasting power, Examiner John P. Bramhall has recommended to the Federal Communications Commission that WBNX, New York City, be permitted to raise its power from 250 watts to 1 kilowatt. The Standard Cahill Co. is the licensee.

At the same time the Examiner recommended denial of the application of WEED, Rocky Mount, N. C., for transfer from 1420 to 1350 kc. upon which WBNX operates, and for an increase in power from 100 to 250 watts. WBNX shares time with WAWZ.

The higher power for the New York station was made despite the fact that KWK, St. Louis, which operates on the same wave, is only 885 miles away while the recommended nighttime separation of stations on the same channel is 1,000 miles. The Examiner consequently proposed a new antenna which will restrict the radiation toward St. Louis at night.

"The interests of KWK may be adversely affected by reason of interference if the applicant were granted additional power with its present antenna", Bramhall stated in his report.

No great interference is forecase for WFBL, Syracuse, N. Y., which operates on 1360 kc., 202 miles away, or for WDRC, Hartford, Conn., which broadcasts on 1330 kc. 100 miles away.

Besides WEED, Station WMBG, Richmond, Va., is seeking a transfer to 1350 kc.

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HOW THE EXPLORER II WAS EQUIPPED FOR RADIO TRANSMISSION

Since the Explorer II established a record for continual two-way radio transmission, while soaring into new heights in the stratosphere, interest has arisen on the manner in which the gondola was radio-equipped. The Radio Corporation of America offers this explanation:

The Explorer II was equipped with a specially designed RCA transmitter and receiver, each constructed with a view to giving the best performance with a minimum of size and weight. The transmitter was a 7-tube type with a capacity of eight watts. The set was crystal controlled, with a dual equipment of two crystals slightly staggered, enabling stable operation at 13046 and 13055 kc. The station call letters were WLOXFH.

Power was obtained from 36 A and B dry batteries which served both for the sending and receiving apparatus. The battery compartment was 15" x 14" x 8" deep. On account of the shifting position of the men in the gondola, who were obliged to operate the scientific instruments while broadcasting at the same time, an audio automatic gain control was installed, which kept the modulation level close to 100 percent regardless of the position of the broadcaster.

The transmitter as well as the receiver was constructed largely of dow metal. Their combined weight was approximately 60 pounds.

The receiver was a six tube superheterodyne, designed to cover a frequency band of 6000 to 6500 kc., all ground transmitters having been adjusted to operate within these limits. The dimensions of the receiver were 7" x 9" x 9½". It was a single control device, and earphones instead of loudspeaker were used; however, the signals were so loud that, with the exception of one period during the flight, it was possible for the observers to copy all signals with headphones hanging loose from the receiver.

The transmitting antenna was a quarter-wave radiator suspended from the lower catenary band of the balloon, with a pulley arrangement to draw it taut. It was fed by a two-wire transmission line from the transmitter. The receiving antenna was of the ordinary airplane type, dropped out from the bottom of the gondola about 70 feet. The entering insulator was of soft rubber so that air pressure within the gondola would tend to seal the entrance.

In order to insure that the dry batteries used both in sending and receiving would be absolutely fresh at the start of the flight, these were kept in cold storage until just a short time before the take-off. The RCA Radiotron transmitter and receiver vacuum tubes were energized three-quarters of an hour before the balloon left the ground, so that a constant temperature and hence maximum stable operation would be reached.

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PRESS-RADIO RIVALRY REPORTED TENSE IN HOLLAND

Rivalry between newspapers and radio over their respective rights to the distribution of news has reached a tense point in Holland, despite the fact that commercial broadcast advertising does not exist, according to S. L. F. Vaz Dias of Amsterdam, son of the director of Holland's principal press services, Editor and Publisher reports. Mr. Vaz Dias is making a study of broadcasting in this country, as well as other news and publishing problems.

"News for broadcasts in Holland is furnished by the Algemeen Nederlandsch Persbureau, or A.N.P., which is sometimes compared to the Associated Press of this country. But except for news of 'transcendent importance', the broadcasts are confined to two 15-minute periods late in the evening. And on brief flashes of important news it is the practice to delay the radio announcement a few minutes to give the newspapers opportunity to post bulletins or to get extras under way. Broadcasters may get their first information through such newspaper channels.

"Governmental restrictions on the use of news except from most responsible sources have thus far operated to prevent any news-gathering by the broadcast associations themselves. Such a project has been discussed by the broadcasters, however, and remains a possibility in case of too great dissatisfaction with the amount of news released for broadcast.

"Advertising competition is a sore spot in relations between newspapers and radio, as in this country, but the broadcasters' advertising is carried in their weekly program magazines, not over the air. Some of these program weeklies have waxed prosperous, and in the view of the newspapermen have taken lineage away from the dailies. It is only recently that some newspapers have undertaken to publish the radio programs, taking their material from the radio weeklies, and lengthy legal controversy is expected over the right of the newspapers to do this.

"The broadcast stations are controlled by associations representing important factions of public opinion, and maintain themselves by contributions solicited over the air. While there are no advertising announcements to break into the programs, the propaganca talk supporting the aims of the associations is some times equally annoying to listeners, according to Mr. Vaz Dias."

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TELEVISION STATION BEING INSTALLED ON EIFFEL TOWER

A special station for television broadcasting is to be installed on Paris' Eiffel Tower with a wavelength and a scope that will allow the public to benefit from it to a greater extent than has been possible with the station that is there now and from which television broadcasts have taken place once a week since April, according to the U. S. Bureau of Foreign and Domestic Commerce.

The new station is to broadcast on a wavelength of seven meters with 180 scanning lines for each image. Its power will be 10 kilowatts.

Although the new station will not be ready for another six months, M. Mandel, Minister of Postes, Telegraphes et Telephones, has decided to install a provisional station which was to have started broadcasting last week.

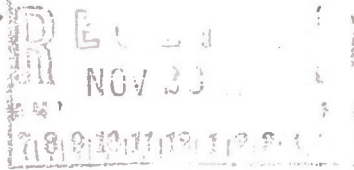
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HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

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No. 879

G. F. King

PAYNE GIVES GENERAL OUTLINE OF PLAN FOR BETTER PROGRAMS

A high standard for radio programs to be required of applicants for broadcasting facilities and a definite allocation of time on the air for broadcasting and cultural programs will ultimately be demanded by Federal Communications Commissioner George Henry Payne.

Although still in an indefinite form, Payne's general objective was outlined in an exclusive interview with the Heintz News Service. Commissioner Payne does not plan to announce it in definite form until, as he explains it, he "completes the presentation of his case".

Three well-aimed blasts at certain aspects of the present system of commercial broadcasting have already stirred up a tempest not only among broadcasters and members of the Federal Communications Commission but among educators and religious and labor leaders as well.

These were loosed in speeches made at Harvard University, at Cornell University and at Columbia University. Payne said he would continue his attacks, with additional evidence, in the near future before offering his suggestions for a remedy.

"We now require certain standards of applicants for broadcasting facilities as to technical and financial qualifications", he said, "but we do nothing about the most important question - What are they going to do with these public facilities after they get them?"

"All this talk of censorship of programs is just a bugaboo. There is a great difference between censorship of the press and censorship of radio. One is privately owned, while the other is a utilization of public property.

"Moreover, political censorship - which nobody wants - is one thing, but objectionable programs and advertising is another. Even the newspapers are prohibited from printing lottery numbers and from carrying fraudulent medical advertisements."

The second major plank of Payne's platform is to enlist the voluntary cooperation of broadcasters in allocating a fixed number of hours on broadcasting stations for public programs along educational and cultural lines.

"This would be just giving back to the public part of something which already belongs to it", he explained.

"I think that a State Committee should be set up to decide the character of these programs and to allocate the time. Thus the broadcasters would be relieved of the responsibility of selection while demonstrating their good will by making available the facilities."

The Federal Communications Commission meanwhile is going forward with its long-delayed proposal to set up a Radio-Education Committee to solve the problem of how to satisfy the growing demands of educators and semi-public organizations.

Invitations have been sent to 40 educators and broadcasters over the country, but the slowness with which they are being answered gives credence to the report that the educators are wary of lending their names to the project because it is to be financed in part by broadcasters and in part by the National Advisory Council On Radio in Education.

The whole scheme is expected to come in for some attacks at the approaching session of Congress because of the delay of the FCC in setting it up.

Last January the Commission submitted a report to Congress expressing the view that no fixed portion of the broadcasting facilities should be set aside for educational and religious interests as proposed. The Commission agreed, however, to give the matter further study.

A conference was held in May, and it was decided to set up a Radio-Education Committee with Dr. John W. Studebaker, Director of the U. S. Office of Education, as Chairman. This proposal had been almost forgotten, however, until Payne began arousing so much praise from leading educators for his attacks on commercial aspects of broadcasting. Then it was suddenly announced that invitations were being issued for membership on the Committee.

That Payne's one-man campaign is not to be dismissed lightly can be seen in the hundreds of laudatory comments that are pouring into his office from all sections of the country. Not only educators, but churchmen and labor spokesmen as well, are writing to praise his stand for a revolution in radio programs.

Archbishop Michael J. Curley, of Baltimore, Bishop William T. Manninf, of New York, and Rabbi Stephen S. Wise, of New York, are the latest to add their favorable comments.

Commissioner Payne points out that he is no more in favor of government ownership or operation of broadcasting stations than are other members of the Commission or the broadcasters themselves.

"But if the broadcasters don't clean their own house pretty shortly", he said, "they are going to face a public demand for government control that will not be easily put down if it can be done at all."

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COAXIAL CABLE HEARING WILL BE VERY BROAD IN ITS SCOPE

The Federal Communications Commission has announced its second hearing on the coaxial cable controversy will be wide open to all aspects of the issue, commercial as well as experimental. To insure every one a chance to participate, the hearing has been divided into two parts, the first to consider experimental phases and the second commercial aspects.

The coaxial cable, which is believed to hold the key to successful commercial television, is now controlled by the American Telephone & Telegraph Company. Last July the A. T. & T. was authorized to lay a cable for experimental purposes between New York and Philadelphia with the provision that the results of its experiments be made available to other communications companies.

On October 28 the telephone company filed a petition asking that the matter be reopened after previously announcing that the experiment would be shelved indefinitely. The Commission agreed and set the hearing for November 25. It now announces that the hearing will be resumed early in January.

Broadcasters, as well as rival communications companies, will have an opportunity to participate in the hearing as a result of the FCC policy. In announcing its plan, the FCC said there had been some misunderstanding regarding the hearing, which will be before the full Commission. It explained:

"It is the intention of the Commission upon the rehearing to enter upon the consideration of all phases of the subject, including the commercial aspects as well as the experimental aspects. In order that proper time may be afforded to any parties who may have misunderstood the scope of the Commission's order of October 30, the hearing beginning November 25 will be confined so far as practicable, to the experimental phases and at the conclusion of the testimony on the experimental phases, the hearing will be recessed until January 6, 1936, at which time the commercial and all other aspects will be developed through the introduction of testimony and argument."

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RADIO HELPS REDUCE UNEMPLOYMENT IN SWEDEN, CONSUL REPORTS

Since the Government Ministry of Labor began broadcasting weekly reports of jobs available over the country, Sweden has experienced a dwindling of unemployment, Acting Commercial Attache Osborn S. Watson, Stockholm, has reported to the Commerce Dept.

Only three-fifths of 1 per cent of the total population was unemployed in August, this year, and there was a shortage of skilled labor in many lines. The weekly broadcasts are credited with helping reduce the unemployment.

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PUBLIC HEARING SET IN PROPOSED ST. LOUIS AUTO RADIO BAN

Aroused motorists, broadcasters, and radio manufacturers and dealers will appear in outspoken opposition to the proposed ban on radio receivers in automobiles before the Public Safety Committee of the St. Louis Board of Aldermen at 10 A.M., Nov. 25.

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association will be one of the principal witnesses against the ordinance proposed by Maj. A. J. Lambert, St. Louis Police Commissioner, in connection with a traffic safety campaign.

Organized and individual motorists, representatives of the three St. Louis broadcasting stations, and radio dealers and jobbers will attend the hearing armed with evidence and testimonials to prove that automobile radios do not constitute a traffic hazard but rather induce the motorist to drive more slowly in order to listen to programs.

The proposed ordinance would impose a fine of from \$5 to \$500 on anyone who operated a motor vehicle on the public streets with a radio receiver installed.

About 100,000 auto radios in Missouri would be threatened if the ordinance is adopted by the Board of Aldermen. Geddes points out that some 4,000,000 auto radios have been sold in the last six years, and not a single accident has been attributed to their presence.

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BUENOS AIRES STOCK EXCHANGE TO BROADCAST INFORMATION

An increased demand for radio receiving sets in Argentina is likely to develop as a result of the recent establishment by the Buenos Aires Stock Exchange of a daily broadcasting service to supplement its daily bulletin, according to advices to the U.S. Commerce Department. The broadcasting will be done from the floor of the Stock Exchange through an exclusive agreement with one of the most important broadcasting stations in the metropolis.

It is expected that the increased demand for radios as a result of the inauguration of the new service will be especially apparent in the rural districts, the report stated.

United States exports of radio receiving sets to Argentina during the last five years have averaged 27,356 sets annually, Commerce Department statistics show. The peak trade was recorded in 1931 with a total of 53,633 sets; in 1933 exports had declined to 24,077 sets, while the 1934 total amounted to only 12,000 units.

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LIEUT.-COMMDR. T.A.M. CRAVEN NAMED CHIEF ENGINEER OF FCC

The Federal Communications Commission has selected a former U. S. Navy radio expert to succeed Dr. C. B. Jolliffe as its Chief Engineer. He is Lieut. Commdr. T.A.M. Craven, widely known in the radio industry as well as in Naval circles.

His appointment, announced November 21, came as a surprise as Lieut. E. K. Jett, Assistant Chief Engineer who had been Acting Chief since Dr. Jolliffe left the Commission on November 15, was generally expected to get the post.

Commander Craven was chosen, however, because of his broader experience in the broadcasting field. He was persuaded to leave his private practice at a sacrifice in income, it is understood, as the FCC Chief Engineer's job pays \$9,000.

Dr. Jolliffe left the FCC to become Chief Engineer in charge of all frequency allocations for the Radio Corporation of America.

Lieutenant Jett remains as Assistant Chief Engineer in charge of telegraph matters, both wire and wireless, with A. D. Ring continued as Assistant Chief Engineer in charge of broadcasting. A third engineering assistant, embracing the telephone field, has been vacant for several months, due to the resignation of William G. H. Finch, who has returned to his consulting practice in New York. That vacancy will presumably be filled upon Commander Craven's recommendation in view of the fact that the Chief Engineer administers the engineering problems of all three FCC divisions.

Commander Craven is 43 and a native of Philadelphia. He was graduated from the United States Naval Academy in 1913 and for 17 years thereafter served in various radio capacities with the Navy. He practically "grew up" with wireless, from its early maritime and transoceanic development to its broadcasting phases. He has been Fleet Radio Officer of the United States Fleet and during the war was in charge of all radio communications between the United States and Europe and with our ships at sea. During this period he served under Franklin D. Roosevelt, then Assistant Secretary of the Navy, who had charge of radio among other naval operations. In 1928-9 he was loaned by the Navy Department to the old Federal Radio Commission to administer communications other than broadcasting. For a time he was Acting Chief Engineer of the Radio Commission.

He has served as United States delegate to several international communications conferences, and he has made notable contributions to radio developments in his writings. Among other things he has collaborated with Capt. S. C. Hooper, of the Office of Naval Operations, in writing "Robinson's Manual of Radio Telegraphy and Radio Telephony".

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RCA AND CBS PREPARE ANSWERS TO VOLUMINOUS FCC QUERY

While the State Department ignored the incident and even Italy appeared unexcited over it, the Federal Communications Commission is relentlessly pursuing its inquiry into the censorship of Baron Aloisi's speech by the British Post Office Department.

The Italian diplomat early in October tried to broadcast an interview with a newspaper correspondent from Geneva to the United States via British short-wave stations. At the last minute Great Britain refused to make available its facilities. American listeners and the Columbia Broadcasting System and the RCA short-wave pick-up station were left waiting. The speech was subsequently broadcast from Rome and carried over the CBS network.

At first the Commission announced it would ignore the incident as being outside its jurisdiction. Then, without explanation, it adopted a resolution calling for the facts in the case so far as they relate to American communications companies.

An involved and lengthy questionnaire was prepared and submitted to the American Telephone & Telegraph Company, the Radio Corporation of America, and the Columbia Broadcasting System. The questionnaire goes into infinite detail in asking for information as to arrangements for the broadcast both from Geneva and Rome. Replies were requested by November 30.

Meanwhile, the Associated Press reported from London that the British Broadcasting Corporation this week went blithely along its course and refused to allow Marconi, called "The Father of Radio" to speak over its facilities, presumably for the same reason that Aloisi was barred.

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RADIO HELD GROWING LIKE JACK-THE-GIANT-KILLER'S BEANSTALK

When the new year rolls around, approximately 22,500,000 homes in the United States will be equipped with radios - a record that will place the child prodigy of modern luxuries far ahead of older contributions to this mechanical age, such as the telephone and the automobile.

Some amazing figures have been compiled by Seir Diefender, of the Columbia Broadcasting System's Sales Department, for a paper on "Just How Big is Radio?", read recently at the AFA convention in Boston.

Declaring that the task of measuring radio at any one moment was like estimating the size of Jack-the-Giant-Killer's beanstalk, he said:

11/22/35

"This very minute ten more radios are being sold. In this hour 600 more sets will be sold - 15,000 more sets today - 90,000 sets this week - 5,000,000 sets in the 12 months of 1935."

More than 69 per cent of all homes in the United States owned radios at the beginning of this year, he pointed out, or a total of 21,500,000. Trade reports already show there will be at least 1,000,000 new radio homes by January 1, next, in addition to replacements, secondary sets, auto receivers, et cetera.

"There are today more than twice as many radio homes as telephone homes", he said. "There are 4,500,000 more radios than automobiles. There are now over 2,500,000 radios in automobiles - 2,000,000 of which have been bought in the last two years."

The larger cities and the higher income groups have the largest proportion of radios. Some 93.4 per cent of all families in cities of 250,000 population or over own sets, while 9 out of 10 families with incomes of \$10,000 and over own receivers. Eighty-five per cent of all families with incomes from \$5,000 to \$10,000 own sets. Even 50 per cent of families with incomes under \$1,000 own radios.

Explaining that 68 of the 100 largest national advertisers are using network facilities, Diefendorf listed the largest network sponsors as follows:

Fort Motor	94 stations (CBS)
Liggett-Myers	91 stations (CBS)
R. J. Reynolds	87 stations (CBS)
Packard Motor Co.	86 stations (CBS)
Campbell Soup Co.	76 stations (CBS)
Firestone Tire & Rubber Co.	63 stations (NBC)
General Motors	63 stations (NBC)
Texas Co.	61 stations (NBC)
Lever Bros.	61 stations (CBS)
Maxwell House	61 stations (NBC)
Gulf Refining Co.	60 stations (CBS)
Pebeco	57 stations (CBS)
E. R. Squibb	57 stations (CBS)
Standard Brands	57 stations (NBC)

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WARNER BROS. MAY QUIT ASCAP

Warner Bros. Pictures, Inc., plans to remove its four music publishing concerns from membership in the American Society of Composers, Authors and Publishers because of dissatisfaction with the amount of royalties received, spokesmen from both organizations indicate.

If the break takes place, it will create the first major schism in the field of popular music publishing since the ASCAP was formed under the guidance of Victor Herbert twenty-one years ago.

"We don't know definitely whether they will break away but the indications are that they will not renew their membership which expires December 31", E. C. Mills, General Manager of the ASCAP said. "They feel we are licensing the use of their music too cheaply to the broadcasting stations and have indicated the withdrawal of their catalogue so that they may issue it themselves at substantially higher rates to the broadcasting stations."

There was no animus on either side in the withdrawal, Mr. Mills said. Warner interests are responsible for about twenty-five per cent of the popular music output.

"Their songs are very valuable", he said, "and this is simply a business transaction. They feel they want more money. We don't know definitely though. They have fulfilled their obligations to us and if it is their judgment they can do better alone we will just have to let them take their own action."

Herman Starr, Treasurer of Warner Brothers, said that his concern had expressed some differences with the ASCAP in recent Board meetings and "unless they can do better, we feel that we should withdraw."

"There has been no change in that situation", he added, "and I don't see any other way out of it. The chances are that we will withdraw and we will know definitely within ten days."

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The Securities and Exchange Commission announces that a hearing will be held at 10 A.M., November 26th, for the American Radio & Television Corp., of New York City, to "show cause why the effectiveness of a registration statement filed October 29 should not be suspended because the Commission finds reasonable grounds for believing that the facing sheet, nine items, three exhibits, and the prospectus contain untrue statements or omit to state certain required material facts."

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BERRY DENIES PLAN TO REVIVE NRA AT DECEMBER MEETING

Broadcasters who are watching with interest the efforts of George L. Berry, coordinator of industrial cooperation, to enlist all major industries in a conference scheduled for December 9 in Washington will be interested to learn that the Government has no intention of reviving the NRA.

Berry, himself, is the source of the promise. In an address before the Washington Society of Engineers November 20 he charged that the purpose of the meeting had been "intentionally distorted".

"I am in no way and no form whatsoever attempting to revive the NRA", he said. "In the letters I have received from thousands of substantial business men and labor leaders, I find a fairly general agreement that no further 'emergency' legislation is desired.

"I do find, however, a widespread belief that the fundamental policies of maintaining fair competitive and labor standards are sound and desirable. Responses concurring in this view have come from heads of great corporations with far-flung interests, and little business men who operate single factories and other enterprises in small towns from which the trend of opinion of the masses may be discerned."

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MOVE TO SELL STOCK IN BIG RADIO STATIONS SEEN

What Variety describes as "part of an elaborate campaign by a firm of New York stockbrokers, W. E. Hutton & Co., to make the investing public part owner of some of the major and better paying stations throughout the country" is soon to be launched. "20% of WJR, Inc., stock will be placed on sale through Hutton the first week in December. The asking price per share of the WJR block will be \$25.

"Deal with WJR comes on the heels of a similar one made by the same brokerage house with WCAO, Baltimore", the article continues. "Hutton's acquisition from WCAO gave him 45% of the station's stock, or what is reported to be around 4,500 shares. When Hutton obtained the holdings he suggested that the stock, which involved 10,280 shares of WCAO existing, be split eight for one. Following assent to this proposal by WCAO's stockholders, the stock was sold at \$15 a share. Last week it was selling at \$26 a share."

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ANDREA DECISION HELD AID TO RADIO EXPORTERS

Radio export manufacturers in general will benefit as a result of the decision of the United States Circuit Court of Appeals upholding the licensees, F.A.D. Andrea, President of Frank A. D. Andrea, Inc., radio manufacturers, defendants in a suit instituted by the Radio Corporation of America and the American Telephone and Telegraph Company, he declared last week.

The court ruled that the manufacturer of a radio circuit for export was not infringing upon the patents held by the manufacturers of a similar radio circuit, as the sets were not connected until sent outside the country. Mr. Andrea hailed the court's ruling as a victory for the fifty other export manufacturers who use the same circuit and have been paying the plaintiffs royalties estimated at millions of dollars.

The decision reversed a preliminary injunction granted to the plaintiffs by Federal Judge Robert A. Inch in Brooklyn several months ago.

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APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WHN, Marcus Loew Booking Agency, New York City, Mod. of CP to make further changes in equipment and extend commencement date to this date and completion date to 120 days hereafter; WFBM, Indianapolis Power & Light Co., Indianapolis, Ind., license to cover CP, 1230 kc., 1 KW, unlt'd. time; WOR, Bamberger Brdcstg Service, Inc., Newark, N. J., license to cover CP (auxiliary transmitter); 710 kc., 5 KW, unlt'd.; KIIV, Charles L. Jaren, Portable (Fergus Falls, Minn.), Mod. of license to add freqs. 2060, 2790 kc.; also granted renewal of license in accordance with modification; WICC, The Southern Conn. Brdcstg. Corp., Bridgeport, Conn.; authority to install new automatic frequency control equipment; WJAS, Pittsburgh Radio Supply House, Pittsburgh, Pa., authority to determine operating power by direct measurement of antenna input; WAIM, Wilton E. Hall, Anderson, S. C., renewal of license for the regular period, 1200 kc., 100 w., unlimited; same for WALR, WALR Brdcstg Corp., Zanesville, Ohio, except 1210 kc.; same for WNEL, Juan Piza, San Juan, P. R., except 1290 kc., 500 w., unlt'd.; same for WBBZ, Estate of Charles Lewis Carrell, Howard Johnson representative, Ponca City, Okla., 1200 kc., 100 watts.

WFMD, The Monocacy Brdcstg. Co., Frederick, Md., Mod. of CP to make changes in equpt; approval of transmitter site, make changes in antenna; also Mod. of CP to extend completion date to 12/26/35; Mutual Broadcasting System, Inc., Chicago, Ill., authority for 6 months from Dec. 1, 1935, to exchange programs with Station CKLW, Windsor, Canada, and other Canadian broadcast stations through the facilities of the American Tel & Tel. Co.

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WEATHER MAPS TO BE FURNISHED SHIPS AT SEA VIA FACSIMILE

The United States Weather Bureau will furnish weather maps of the Atlantic Ocean to ships at sea via facsimile radio transmission as soon as the Radio Corporation of America completes its installation.

The achievement of a regular facsimile service to ships is a culmination of several years of development by the RCA laboratories, including many experimental tests at sea.

The development of terminal apparatus has been completed, and equipment will be placed on four chosen vessels as they make their next call at the port of New York. The ships are of American, German, Norwegian and Spanish registry. This step toward the extension of the Radiomarine Corporation's service to vessels of other nations is natural, since the American company is first in the world in this field, to have developed radio facsimile for marine service.

Short waves will be employed for transmission, as in the present commercial transoceanic service of picture transmission. That part of the radio spectrum is best suited to long distance transmission.

The Weather Bureau maps will be sent to the ships on two different frequencies, one adapted to transmission up to about 1500 miles, and the other suited to transmission over greater distances. The ship operators will thus be able to select the frequency of most efficient reception for their position. Although the service will at first consist largely of weather maps, the facsimile apparatus will also be tested in the reception of type matter and pictures. It is expected that further development will revolutionize methods of communicating news to ships.

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CHINA HAVING HARD TIME GETTING RADIO SETS REGISTERED

The Ministry of Communications of China, who has been trying without much success to get radio set owners to register so that an accurate count of receivers can be made, has enlisted the aid of foreigners residing in the International Settlement, according to a report from U. S. Trade Commissioner A. Viola Smith.

"There are upward of 50 broadcasting stations in the Shanghai area", she writes, "but no records are available as to the districts of concentration of receiving sets, though they are assumed to be in the residential districts."

Registration upon the part of foreigners, the Trade Commissioner points out, is purely voluntary, but so far 15 per cent of the 20,000 registering have been non-natives of China.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

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GERMAN RADIO INDUSTRY IS REPORTED TO BE LOSING GROUND

Over-production and declining demand have notably affected the German radio industry in recent months, according to a report from the American consulate-general, Berlin, made public by the Commerce Department. One prominent manufacturer has become insolvent and it is rumored locally that other large concerns are in difficulties.

Expansion of the radio industry in Germany has been marked in the last four years. During 1934-35, production of receiving sets amounted to approximately 2,000,000 compared with less than one million in 1931-32. During the four year period between 1931-32 and 1934-35, the number of licensed radio owners increased from 4,100,000 to 6,500,000, the report said.

It is estimated that at the close of the last radio year (July 31), total unsold radio stocks amounted to between 500,000 and 600,000 sets, which means that nearly one-fifth of the annual production remained unsold. The stocks on hand at the end of the last radio season, it is pointed out, were larger than ever before.

It is difficult to determine the cause of the present stagnation in the radio trade, according to the Consulate-General. A saturation of the market is out of the question as almost two-thirds of the homes in Germany are still without radio receiving sets of any kind. It is held probable that the competition of automobiles and the increasing popularity of touring have played a role in directing German purchases in other directions.

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GERALD GROSS MENTIONED FOR VACANCY IN ENGINEERING OFFICE

The vacancy in the Engineering Division of the Federal Communications Commission is expected to be filled shortly upon recommendation of Lieut. Commdr. T.A.M. Craven, newly-appointed Chief Engineer.

The name of Gerald Gross, one of the engineers in the division, has been mentioned as in line for promotion, but an official of the FCC stated that the job probably will be given to a specialist in the telephone field as the assistant will aid in the A. T. & T. inquiry. The vacancy was created recently by the resignation of William G. H. Finch.

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TRANSRADIO HEAD SEES FIERCE RADIO-PRESS SCRAP AHEAD

The scrap between the radio and the press that has been carried on spasmodically for the last two years is only an indication of what is ahead, Robert Moore, President of Transradio Press Service, told the Intercollegiate Newspaper Association at a convention in Pittsburgh last week.

"The forces of radio", he said, "are moving to the attack for the first time. We are about to witness a terrible slaughter - the utter demolition of the daily press as it now exists.

"We shall in the future, after the final battle has been fought, see that miracle of news dissemination - the delivery of news in printed form through the very air itself! We shall see the development of facsimile on a gigantic scale, with a receiving set in every home.

"It is for this splendid victory that we men of Transradio are fighting. We are hurling ourselves against the old order of the publishing industry, leveling its out-moded printing plants, to clear the way for a truly modern news service to the public, geared for the breathless speed of the 20th century.

"We cannot afford to be sentimental about our former affiliations nor can you, as the editors of tomorrow's newspapers, permit yourselves to be strapped to obsolete machinery. The struggle between the press and radio is a struggle between the Old and the New. The same sort of fight has been waged between railroads and air transport. These struggles are a necessary process in the advancement of civilization.

"Because progress must be served, this struggle between the publishing and broadcasting industries must be tolerated for the ultimate improvement that it will bring. Radio cannot and will not be strangled. The daily newspapers must modify their structures and take the inevitable losses in advertising revenue which radio has caused them to suffer."

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RCA SECRETLY PREPARES NEW TELEVISION APPARATUS

Working in secrecy, engineers of the Radio Corporation of America and National Broadcasting Company are reported to be dismantling the old television equipment atop the Empire State Building preparatory to installing modern apparatus, according to the New York Times.

"It is expected that the new installation will be completed in January, and that after preliminary engineering experiments, the metropolitan area will be used as an outdoor laboratory, probably about April 1," the Times said November 24.

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"The plan is understood to provide for the manufacture of 500 television receivers of four different designs. They will not be sold publicly but will be distributed to research outposts and homes of observers to facilitate a complete check on the behavior of the images. After three or four months of observation the experts hope to be able to decide which type of receiver is most practical, also what improvements are necessary in the receivers and transmitters to make television a utility in the home. Then, as a representative of RCA Victor explained, the 'bugs' will be ironed out of the system and the way will be cleared to offer a fool-proof receiver to the public, possibly in time for the Christmas trade in 1936. It is expected that other manufacturers will do likewise.

"The images will be hurled into space by a twelve or fifteen kilowatt transmitter operating on the six-meter wave, which will carry both the picture and associated sound across a radius of thirty miles.

"The pictures, approximately 9 by 10 inches, are described as 'very clear', especially since a new fluorescent material has been discovered for the receiving 'screen' on the flat end of the cathode ray tube, or kinescope, as it is known. The pictures, under the influence of this new substance, are said to be greatly improved and are cream colored, although eventually the engineers expect that they will be black and white.

"One of the main problems faced in launching television is said to be servicing of the instruments, which will be more complicated than a standard radio set. During the outdoor tests next Spring thorough analysis will be made of the servicing riddle.

"The prices of the receivers are expected to range from \$250 to \$500. If a larger picture is desired the cost increases; however, those working on the New York project believe from their research experiments that a nine-by-ten picture can be viewed from a distance of three feet in the home and that it will have considerable entertainment value because its clarity is said to compare favorably with the motion picture.

"A meeting was held during the past week by representatives of the various groups organized to develop the plan to give New York television in the springtime. It is reported that plans have gone ahead so far that a 'dead line' has been established, so if the engineers make any further advances the present work will no longer be delayed to take advantage of them. They will be incorporated in later instruments."

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JEWETT MINIMIZES IMPORTANCE OF COAXIAL CABLE FOR TELEVISION

Proposed television experiments by the Radio Corporation of America over the coaxial cable which the American Telephone & Telegraph Company wants to build between New York and Philadelphia were called relatively unimportant by Dr. Frank B. Jewett, President of Bell Laboratories, at a hearing before the Federal Communications Commission November 25.

"It is absurd to place so much emphasis on this feature of the cable", he said, "when it will be used chiefly for experiments in telephone communication."

The hearing, the first phase of a reopening of the case, was concluded in one day, but it will be resumed on January 6 with an inquiry into the commercial aspects of the coaxial cable.

Albert Stephan, an FCC counsel, indicated by his questioning that the Commission believes another order should be issued requiring the A. T. & T. to make the cable available to other radio manufacturers besides RCA on the ground that the single privilege would constitute a monopoly.

Dr. Jewett explained that the RCA was the only radio manufacturer to consult him on the matter, and he emphasized that the A. T. & T. should be allowed to be the judge of the disposition of its own property. He said, in answer to a question, that the A. T. & T. probably would charge RCA nothing for the initial television experiments.

"Of course, once the cable is proved of value in television", he said, "we will doubtless make it available to other companies. It is to our interest to have as many users of the cable as practicable."

He expressed the opinion that television is still far in the future and that the utilization of the cable for television "will be small in the next ten years."

C. M. Bracelen, A. T. & T. General Counsel, was frequently over-ruled as he objected to questions which called upon Dr. Jewett to express opinions.

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NAB DECLINES TO PARTICIPATE IN BERRY'S BUSINESS PARLEY

While previously non-committal regarding the efforts of Major George L. Berry, coordinator for industrial cooperation, to revive the NRA under a different label, the National Association of Broadcasters this week revealed it would not participate.

The conference of varied business representatives, scheduled for December 9, is ostensibly to be held to decide what new legislative program may be drafted. Major Berry has emphatically denied he intended to try to resurrect the NRA that was killed by the U. S. Supreme Court.

James W. Baldwin, Managing Director of the NAB, in declining Major Berry's invitation to attend the conference, wrote as follows:

"This is in further reply to your letter of October 9 extending to the radio broadcasting industry an invitation to participate in round-table discussions for the purpose of conferring upon the advisability of developing a permanent structure, contemplating the furtherance of prosperity and stability in our industrial life and an acknowledgment of the receipt of your letter dated November 7.

"It seems quite clear from the letters received from you that the purpose of these round-table discussions is to prepare a program and determine upon a course of action which shall result in a re-establishment, by legislative enactment, of all or a part of the Codes of Fair Competition which were approved in pursuance of the provisions contained in the National Industrial Recovery Act. We, therefore, approach the question presented in the light of our experiences in the administration of the Code of Fair Competition for the Radio Broadcasting Industry. Without attempting to discuss here the many phases of code regulation, we are convinced that the highly competitive character of the radio broadcasting industry must not be destroyed. We regard it as practically impossible to adopt any regulation governing hours, wages and prices which will not set a standard that will be oppressive to many members of our industry and prejudicial to the best interests of all our employees. We are confident that the problems related to your undertaking insofar as the radio broadcasting industry is concerned can be best met by giving due consideration to each problem separately and giving due weight to the conditions and circumstances surrounding it without regard to any common denominator for the industry as a whole.

"We regret to say we cannot accept your invitation."

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RAYTHEON ASKS JURY TRIAL IN \$15,000,000 SUIT

Attorneys for the Raytheon Manufacturing Company of Massachusetts asked the U. S. Supreme Court Nov. 25 to allow a jury to decide on its \$15,000,000 anti-trust damage claim against the Radio Corporation of America.

The Court on Oct. 14 agreed to review a preliminary angle of this dispute on petition of RCA, and oral arguments are scheduled for the week of Dec. 9.

John W. Davis as chief counsel for RCA, has contended that Raytheon forfeited its right to bring the damage action by signing an agreement and release with RCA and accepting a license to manufacture radio tubes under RCA patents with exemption from paying \$1,500,000 royalties.

Lawyers for Raytheon contend that this release was obtained under duress. In a brief filed they contended that unless the release was set aside, the company would be deprived of capital assets of more than \$9,000,000.

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PANAMA'S BROADCASTING FACILITIES ARE EXPANDED

That facilities are becoming sufficient for satisfactory radio broadcast coverage of Panama is indicated in a report from Consul K. de G. MacVitty, Panama City, made public by the Commerce Department.

During the last eight months, the report states, four radio broadcasting stations have been established in the Republic, three of which are operating on short-wave band and one on the medium wave band. In addition to the broadcasting station, the Government of Panama has established three short-wave stations for governmental use.

Commercial radio and radio phone stations have been in operation a number of years. These stations maintain communication with New York, Miami, New Orleans, San Francisco, Cuba, Trans-Atlantic Radio, Bogota, Colombia, and nine Central American stations. All construction of the commercial radio company is designed exclusively for short-wave operation.

The transmitting station of the commercial radio is remote controlled, the report shows. Its radio telephone network can be connected with the telephone systems of the Republic of Panama and the Panama Canal Zone.

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"AMOS 'N' ANDY" MISS FIRST EASTERN BROADCAST

The fondness of "Amos 'n' Andy" for hunting caused them to miss what would have been their 2,202nd broadcast on November 22 and brought forth some apologies to the millions of disappointed listeners.

They were guests of Lawrence Richey, secretary to former President Hoover, for a wild turkey hunt near Hancock, Md., not far from the National Capital. Due "to circumstances beyond their control", they failed to return to the NBC studios in Washington for the 7 P.M. broadcast and arrived just a little ahead of the 11 P.M. program for the Pacific Coast.

Loaded with two wild turkeys apiece and a lot of ducks and pheasants, Amos (Freeman F. Gosden) and Andy (Charles J. Correll) said their only regrets were that they disappointed their followers.

"The hunting was so good", explained Gosden, "that we got all mixed up on our calculations about time, and the first thing we knew it was too late to get back to Washington in time for our first broadcast."

While the famed blackface comedians have a remarkable record for being on hand for their twice-nightly broadcasts over a period of eight years, they have missed but two previous broadcasts through no fault of their own.

"They gave us two days off when we went to California to make our picture, one day going and one day returning", Correll said. "We didn't really want these, however. We wanted to broadcast en route."

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RADIO HELD INDISPENSIBLE IN MODERN AIR TRANSPORTATION

From an experimental novelty, radio has developed into an indispensable adjunct of air transportation, according to Lloyd H. Simson, principal radio electrician, Radio Development Section, Bureau of Air Commerce.

"Adaptations of radio principles have been applied to practically every phase of aircraft operation", he writes in the current issue of Air Commerce Bulletin.

"Aerial navigators are relying to an ever-increasing extent upon such aids as the radio range, the radio compass, airport runway localizers, and various instrument navigation devices. Complete, exact and frequent weather reports so essential to consistently reliable aircraft operation depend largely upon the

radiotelegraph and radiotelephone for the collection and dissemination of meteorological data, and entirely upon radio for its transmission to aircraft in flight. Equally important is an efficient communication network for the exchange of weather data and aircraft movement information between ground stations for the benefit of operations and servicing organizations. Here, radio supplements land-wire telephone and telegraph circuits where such are available and bridges the gaps where they are not obtainable. In this category falls the point-to-point radio chains maintained by the Air Navigation Division of the Bureau of Air Commerce, supplementing its extensive teletypewriter network.

"Radio, both as a medium of communication and an air navigational aid is a tool, without which it is extremely improbable that the art would have advanced at such an astounding pace. The extent with which it will enter into future development can only be anticipated on the basis of the role it has played in the past.

"Already, in fact, it has become so inextricably a part of transport operations equipment that familiarity with its use should now be a prerequisite qualification of all airport traffic-control personnel."

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ELECTRICITY CONSUMPTION REVEALS INCREASE IN LISTENING

The rapid rate at which actual radio listening is increasing is shown in the increasing consumption of electricity by the residences of the United States. Last week the utilities' output of electricity passed even its 1929 peak, and a considerable part of this increase in the residential field can be ascribed to radio, according to O. H. Caldwell, editor of Radio Today and former Federal Radio Commissioner.

Thus because of radio listening during the depression years, the average annual residence consumption of electricity (500 kw.-hours in the boom year of 1929), had increased to 600 kw.-hours by 1933, and has now climbed to 675 kw.-hours as 1935 closes.

The average radio set, when used 4 hours per day, consumes about 10 kilowatt-hours per month. With nearly 20 million lamp-socket sets now in service, this means a monthly consumption of 200,000,000 kilowatt hours for radio-set operation alone. The total consumption of these same dwellings is 1,180,000,000 kw.-hours per month, having increased 40% from 840,000,000 kw.-hours in 1929 at the beginning of the depression. Thus 20% of the domestic electricity consumption goes directly into long-hour operation of radio sets, while as much more is probably used for lighting, induced by radio listening.

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RCA ANNOUNCES DIVIDEND OF $1\frac{3}{4}\%$ FOR QUARTER

The regular quarterly dividend on the "A" Preferred stock of the Radio Corporation of America for the fourth quarter of the year 1935 was declared Nov. 22 by the Board of Directors, David Sarnoff, President of the Corporation, announced.

The dividend is $1\frac{3}{4}$ per cent for the quarter, amounting to $87\frac{1}{2}$ cents a share. It is payable on Jan. 1, 1936, to holders of record of the stock at the close of business on Dec. 4, 1935. It applies to all outstanding shares of "A" Preferred stock, including shares of "A" Preferred represented by outstanding unexchanged certificates of original Preferred stock -- ten of these unexchanged shares being equal to one share of "A" Preferred.

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CROSLEY ISSUES RADIO TRAVELOGUE BY LOWELL THOMAS

A radio travel book, written by Lowell Thomas, world traveler and noted commentator, has been published by the Crosley Radio Corporation for distribution through Crosley dealers. The book is in Lowell Thomas' characteristic style and tells important and interesting things about the different countries in the world, and gives information about the broadcasting stations in those countries to enable short-wave listeners to tune in at the correct time and the right place on the dial. It makes foreign broadcasts doubly fascinating by giving the listener the salient points about the countries being listened to, so that he feels a more personal acquaintance with them.

The book also gives practical suggestions to radio fans on how to dial and to tune in distant stations, where to look for police, weather, aviation, amateur and ship broadcasts in addition to the American and foreign broadcasts. A comprehensive list of the world's leading stations is given, together with a diagrammatic map showing the comparative time throughout the world.

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15 MACKAY OFFICIALS DENIED RIGHT TO HOLD TWO OFFICES

Continuing its enforcement of Section 212 of the Communications Act of 1934, the Federal Communications Commission has denied requests of 15 officials of companies included in the Mackay System to serve as executives or directors of more than one firm.

The companies affected, all controlled by the International Telephone & Telegraph Co., are the Commercial Cable Co., Commercial Pacific Cable Co., Mackay Radio & Telegraph Co., All America Cables, Cuban All America Cables, and Postal Telegraph & Cable Co.

The officers whose applications were denied are:

Maynard Dodd, William B. Dunn, Frank Flynn, John Goldhammer, Thomas V. Jordan, Luke McNamee, Chauncey R. McPherson, Robert D. Merrill, Frank W. Phelan, Harraden Pratt, Henry C. Roemer, John K. Roosevelt, Ellery W. Stone, Claude H. Strickland and Mark A. Sunstrom.

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 :::: INDUSTRY NOTES ::::
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The FCC has suspended until April 1 next, the new charge for monthly interstate teletypewriter exchange service, scheduled to begin January 1, 1936, to determine if the rates are reasonable. Among the communications companies cited for a hearing on December 20 are the A. T. & T., Postal, Western Union, RCA Communications, and the Mackay Radio & Telegraph Co.

WMCA, New York, was off the air but 55 seconds during the severe storm of November 17, according to Larry Nixon, in charge of Public Relations. One of WMCA's three transmitters, the one atop the WMCA building, was turned on after the power lines feeding the Flushing transmitter went out of commission.

WMCA recently was awarded the second highest showmanship rating in the highly competitive New York filed by Variety.

In order to make its total program building resources available to handle each creative problem as it arises, the Columbia Broadcasting System will, on January 1, combine its Commercial and Sustaining Program Departments into a single organization.

Lawrence W. Lowman, Vice-President in Charge of Operations, whose present duties include the sustaining end of the work, will be administrative head of the new combined department, and W. B. Lewis, now in charge of the Commercial Program Department, will be in charge of program building activities with the title of Director of Broadcasts.

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GIBES AGAINST RADIO SPONSOR CALLED UNFAIR

The following letter to the editor was published in the New York Times this week:

"Pity the poor radio sponsor! He has been the victim of gibes which have no legitimate basis. The self-appointed sages bemoan that a great singer is put on the air at a fabulous salary and then forced to sing 'claptrap', losing the privilege of 'expressing himself'.

"As one connected with radio and the people allegedly victimized, I resent such an attitude. Singers and all other performers are pretty much on their own. Sponsors recognize that a performer with a reputation understands pretty thoroughly what the public wants in the way of amusement and entertainment. Radio artists today stand or fall on their own merits. It strikes me that the singers whose honor these critics defend would be the first to appreciate the humor of the situation.

"Then, too, sponsors are summarily criticized because of advertising on their programs. Is not this a bit unfair? When we contemplate that an average first-rate radio program costs thousands of dollars for air time and there is additional great expense for talent, surely the sponsor is entitled to a brief moment to propagate the sales of his product."

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McDONALD'S STEWARD TAKES A SUDDEN INTEREST IN ZENITH CORP.

The following appeared last week in a chatty column of the Chicago Tribune:

"Thomas, chief steward on the yacht Mizpah, home of its owners, Mr. and Mrs. E. F. McDonald, Jr., has been in the habit of calling Commander McDonald at 6:30 in the morning. It was his custom to call him again if he did not hear him moving about by 7. During the last three or four months, however, his employer has observed that Thomas has been calling him a second time five minutes after the first call and at regular five minute intervals thereafter until he knew he was up.

"'Thomas, why this increased efficiency on my morning calls?' Mr. McDonald asked the other morning at breakfast.

"'I own some Zenith stock now, sir', Thomas replied.

"'In other words, I am working for you now instead of you working for me', answered the radio company head.

"'Yes, sir', answered Thomas."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

Handwritten notes in red ink:
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TEN PER CENT OF RADIO CONTINUITIES QUESTIONED BY FTC

The Federal Trade Commission during the last fiscal year after a preliminary review of 376,539 radio continuities found 38,873, or about ten per cent, questionable enough to refer to the Legal Division for further consideration and possible action, the FTC annual report released today (Nov. 29) reveals.

All of these 38,873 advertising announcements were not necessarily barred after further examination, but the Commission found reason for questioning them "as possibly false and misleading", the report explains. In many cases advertisers entered into stipulations with the FTC to cease and desist from broadcasting false or misleading announcements over the air.

False and misleading advertising matter as published in newspapers and magazines and as broadcast over the radio is surveyed and studied by a special board set up by the Federal Trade Commission in 1929. This board, known as the Special Board of Investigation, consists of three FTC attorneys designated to represent the Commission at preliminary hearings and specialize in this type of cases.

The Federal Trade Commission, which has recently been conferring with members of the Broadcast Division of the Federal Communications Commission regarding a cooperative control of radio programs, explains its attitude in "censoring" continuities.

"The Commission's sole purpose is to curb unlawful abuses of the freedom of expression guaranteed by the Constitution", the report states. "It does not undertake to dictate what an advertiser shall say, but rather indicates what he may not say. Jurisdiction is limited to cases which have a public interest as distinguished from a mere private controversy, and which involves practices held to be unfair to competitors in interstate commerce."

In all cases where false and misleading advertising is detected in radio broadcasts, the Commission is applying substantially the same procedure as is followed in the cases of false and misleading advertising in newspapers, magazines, and other periodicals.

"This scrutiny of radio advertising is being conducted with a minimum of expense to the government as well as to the industry", the report states, "because of the cooperation of members of the industry and the system of procedure developed.

"The Commission began its review of advertising copy broadcast over the radio at the beginning of the fiscal year 1934-35. At the outset the Commission, through its Special Board of Investigation, made a survey of all commercial continuities, covering the broadcasts of all radio stations during July 1934. The volume of returns received and the character of the announcements indicated clearly that a satisfactory continuous scrutiny of current broadcasts could be maintained with a limited force and at small expense, by adopting a plan of grouping the stations for certain specific periods.

"Consequently, starting in September, 1934, calls have been issued to individual radio stations according to their location in the five radio zones established by the Federal Communications Commission. These returns cover specified 15-day periods.

"National and regional networks, however, respond on a continuous weekly basis, submitting copies of commercial continuities for all programs wherein linked hook-ups are used involving two or more affiliated or member stations.

"To complete the observation of radio advertising, the producers of electrical-transcription recordings submit regular weekly and monthly returns of typed copies of the commercial portions of all recordings manufactured by them for radio broadcast. As the actual broadcast of a commercial recording is not always known to the manufacturer of the commodity being advertised, the Commission's knowledge of current transcription programs is supplemented by special reports from individual stations from time to time, listing the programs of recorded transcriptions with essential data as to the name of the advertiser and the article sponsored.

"The combined material received from the individual stations for specified periods, from the weekly returns on regional and national network broadcasts, and from the special transcription reports, furnishes the Commission with representative and specific data on the character of radio advertising which has proven of great value in its efforts to curb false and misleading trade representations."

In the field of dealers in radio sets and tubes, the Commission "charged various groups of persons, partnerships, and corporations selling radio sets and radio tubes in interstate and foreign commerce with appropriating and using prominent, well-established and favorably known names long in use by others, as marks or brands on radio sets and radio tubes manufactured and sold by respondents. It was alleged that surnames of individuals and brand names of concerns well known and established in the electric, sound transmission, and radio fields had been appropriated by respondents without the consent of the persons or concerns whose surnames or brand names had been so used, and that the alleged appropriation of such names and brands placed in the hands of respondents and others the means whereby trade was unfairly diverted from those whose names and brands were so

applied, with resultant injury to the purchasers of radio sets and radio tubes so falsely branded."

The Trade Commission was aided by effective cooperation from other departments of the Government. Cases involving what appeared to be fraudulent schemes in violation of the postal laws are referred to the Post Office Department. Scientific opinions have been rendered by the Food and Drug Administration, Bureau of the Public Health Service, and the Bureau of Standards. Also analyses and comments regarding the therapeutic properties of various preparations have been furnished by the Food and Drug Administration. In a number of cases, Commission action against advertisers of medical preparations has been undertaken at the request of the Department of Agriculture.

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ST. LOUIS AUTO RADIO BAN SEEN DOOMED AFTER PUBLIC HEARING

The proposed ban on radio receivers in automobiles at St. Louis appeared doomed by unanimous public opposition after a public hearing before the Public Safety Committee of the St. Louis Board of Aldermen, November 25.

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, which organized the opposition, reports that more than 100 representatives of the auto, radio and broadcasting industries appeared to testify against the ordinance sponsored by Maj. A. J. Lambert, St. Louis Police Commissioner.

"No one appeared in support of it", Geddes said, "not even Major Lambert."

The Committee took the matter under advisement and will report on December 6 at a meeting of the City Council. Defeat of the proposal appears very probable, Geddes said.

Witnesses who appeared to oppose the ban included the St. Louis Electrical Board of Trade, the Greater St. Louis Automobile Club, and Geddes, who presented telegrams from officials of 44 States asserting that no traffic accident to their knowledge could be attributed to an automobile radio.

The St. Louis Safety Council reported that no accident in the city could be attributed to the presence of radio sets in motor vehicles.

Broadcasting stations in St. Louis lent invaluable aid to the fight against the ordinance. For four days before the hearing, J. L. Van Volkenburg, of KMOX, and Raymond C. Schroeder, of WIL, broadcast attacks on it, explaining it would prove harmful to listeners, broadcasters, and advertisers. The Automobile Manufacturers' Association and other national organizations entered protests against the ban, and the St. Louis Post-Dispatch carried an editorial denouncing the proposal.

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SUPER-POWER G-MAN STATION TO DEPEND UPON RESULTS OF TEST

Whether the Federal Government decides to construct a super-power G-Man short-wave broadcasting station to form an ethereal network for speedy apprehension of kidnapers and other inter-state criminals probably will depend upon tests to be made next week.

Police and short-wave radio fans have been asked to cooperate with the Federal Bureau of Investigation to determine whether the Bureau of Standards Station WWV, Beltsville, Md., can be tuned in at such far-away places as Florida, Mississippi, and the West Coast.

J. Edgar Hoover, Director of the FBI, who is anxious to impress upon the approaching Congress the need for more funds, said:

"There is no precedent in this country for broadcasting from one station on such a comprehensive scale. The project, of course, requires very careful study. The Federal Communications Commission and the National Bureau of Standards studied various plans from a general engineering standpoint and submitted the recommendations of their engineers to the FBI."

Hoover announced sometime ago that consideration was being given to erection by the Department of Justice of a powerful short-wave transmitter capable of flashing emergency orders to G-Men in all parts of the country and of informing State and City police of criminals at large.

The idea is one of many that Hoover has to coordinate Federal, State and Municipal law enforcement agencies in important man-hunt or other inter-state cases. Almost all, however, are subject to review by Congress because of the additional appropriations required.

Just why ordinary short-wave listeners should be invited to tune in on the experiments has not been explained, but it has the ear-markes of a publicity stunt as any Justice Department station that eventually is developed would not broadcast in a fashion that every short-wave set owner could listen in on.

The tests will occur on December 2, 5, 9 and 12. The schedule on each of the days follows:

Two p.m., E.S.T., on 5,000 kilocycles; 2:10 P.M., EST, on 10,000 kilocycles; 2:20 P.M., EST, on 15,000 kilocycles; 11 P.M., EST, on 4,000 kilocycles; 11:15 P.M., EST, on 6,800 kilocycles.

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EXAMINERS STRAIGHTEN OUT TWO INTER-STATIONS SCRAPS IN WEST

Two inter-station scraps for better broadcasting facilities have been recommended for settlement by Examiners in reports to the Federal Communications Commission. Both groups involve western outlets.

Five stations in the West and Northwest sought operation on 780 kc., including KEHE, Los Angeles, which is already assigned to the channel. The other stations and their present waves are: KDFN, Casper, Wyo., 1440 kc.; KGHL, Billings, Mont., 950 kc.; KSOO, Sioux Falls, Idaho, 1100 kc., and KXL, Portland, Ore., 1420 kc.

Examiner P. W. Seward recommended to the FCC that the disputed channel be granted to the Billings, Mont., station and that the other applications be denied. The Examiner said that the granting of the KGHL request would produce no objectionable interference and that it would serve public interest, convenience, and necessity.

Four Texas applicants asked for assignment on 1500 kc., with 100 watts power, daytime operation. Examiner John P. Bramhall recommended that construction permits be granted to the Big Spring Herald Broadcasting Co., Big Spring, Texas, and the North Texas Broadcasting Co., Paris, Texas, providing their antennas complied with engineering requirements.

Denial of the applications of the A.B.C. Broadcasting Co., Big Spring, Texas, and the Plainview Broadcasting Co., Plainview, Texas, was recommended.

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FEW NEW FEATURES IN GERMAN RADIO RECEIVING SETS

A birds-eye view of the new German radio receivers exhibited at the recent Berlin Exhibition has been reprinted by the Electrical Division of the Department of Commerce from "Das Echo". The Berlin show, the publication states, reveals little that is new and nothing revolutionary in design. The "standard types of last year, in their main characteristics and class divisions, have been retained", it states.

"The new sets are healthy improvements on the approved models, which offer purchasers a guarantee for thorough elaboration of the apparatus, and given reception performances in each class which represent the highest attainable."

Corresponding with the progress made in television, a number of German firms have already provided their standard sets with an ultra-short wave range which permits the ultra-short waves of the televisor to be received.

"It must not be forgotten to mention the television receiver for sound and pictures which, when switched together with a standard Super-net set, permits the ultra-short wave sound to be received, and can supply the first amplifying stage for the picture part of a television receiver", the report states. "Such apparatus considerably simplify the television receiver, and enables all who are already in possession of a good Super, or who intend to purchase one, to make use of their sets in combination with television receivers which will later make their appearance."

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NRA TO PASS INTO HISTORY SOON; RADIO INDUSTRIAL UNION LOOMS

The National Industrial Recovery Administration will pass into history within a few weeks, according to all indications in Washington, but a movement will start to organize the radio industry along industrial union lines as advocated by John L. Lewis, resigned Vice-President of the American Federation of Labor.

Even the business conference called by Major George L. Berry, coordinator for industrial cooperation, appears to be petering out as other industries stand with the National Association of Broadcasters in declining to participate.

Raymond Clapper, Washington Post columnist, commented on the Berry parley thus:

"The American Iron and Steel Institute has added its name to the long list of industries refusing to participate in the conference on industry called by George L. Berry, of NRA.

"From present indications, Berry will hold the most largely unattended conference in the history of NRA."

While Major Berry has denied he intends to try to revive the NRA, business appears skeptical. The conference is scheduled for December 9, when the future course of the remnants of NRA may be decided.

The proposal which is expected to be placed before the conference will be legislation to provide a permanent organization of business and labor leaders under government supervision to give continuous attention to industrial problems.

Laurence J. Martin, who has been Acting Administrator of NRA, will resign shortly to take a position with a manufacturing concern. No successor is expected to be named.

How far Lewis and his associates will get in their efforts to organize industrial unions as opposed to craft unions is conjectural. The issue has already split the ranks of the A.F. of L.; the radio industry, however, has been chosen as one of the industries in which the fight will be made.

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WARNER BROTHERS MOVE PUTS BROADCASTERS IN QUANDARY

The withdrawal of the eleven music companies controlled by Warner Brothers from the American Society of Composers, Authors and Publishers has placed broadcasting stations in a temporary quandary as they await the next moves of Warner Bros. and ASCAP.

James Baldwin, Managing Director of the National Association of Broadcasters, frankly admitted that he didn't know what the upshot of the resignations will be.

During a trip to New York, he learned that Warner Bros. has not decided what terms to offer broadcasting stations which want to use the music controlled by its companies. ASCAP is in the midst of reclassifying its membership, and it is presumed it will offer a schedule of reduced rates to broadcasters.

Asked whether the withdrawal of Warner Brothers should not bring down ASCAP rates on its remaining music, Baldwin said: "It certainly should."

Stations which already have renewed contracts with ASCAP for the next five years have been given the opportunity to cancel them pending the outcome of ASCAP's review. The new contracts were to become operative January 1, 1936.

The possibility that some of the stations may continue to use Warner Brothers' music after December 31, when the latter's withdrawal becomes effective, was seen by Variety, amusement trade organ, on the ground that the new contracts "guarantee to hold the licensees free from liability in any infringement suit brought in connection with any musical rights currently controlled by ASCAP."

Statements were issued by both Warner Brothers and ASCAP following the action of the former at its Directors' meeting last week.

Warner Brothers, in its statement, took exception to the published remarks of Edwin C. Mills, General Manager of the Society, in which he described the resignations of the music publishing firms as an action "solely and selfishly in the interest of themselves."

"Such an accusation demands a reply", the Warner statement asserts. "The self-preservation of our companies has dictated their withdrawal from the society, which has utterly failed to obtain adequate payments for the use of music by radio. The Society at present is being run by a well-entrenched clique of executive officers who sign contracts and perform other important acts on their own authority.

"As things stand today, the Society has disposed of its rights to radio for the next five years on a basis which

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would render it impossible to keep our music-publishing companies alive if they retained their memberships.

"These executive officers have very little at stake financially in comparison with the publishing firms that are threatened with extinction, although it must be said that the salaries paid the Society's executives are certainly not small. Mr. Mills, the General Manager, receiving about \$50,000 a year for his services, and Mr. Buck, the President, about \$35,000."

Mr. Mills said:

"Warner Brothers Pictures are attempting to justify an act for which, heretofore, publicly and privately, their single excuse has been that they must have more money."

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STATION LIST ISSUED TO COMPLEMENT PROGRAM BULLETINS

A list of radio stations has just been published in conjunction with the December program bulletin of The Radio Institute of the Audible Arts, in order to aid listeners in all parts of the country in tuning in on the recommended programs listed in the Institute's program bulletin, as well as other chain broadcasts. The list is arranged by States and cities, and notes the network affiliations and frequencies of the stations listed.

The December bulletin continues the day by day classification of outstanding domestic programs in the fields of music, talks, variety, comedy, drama, sports and special events to be heard during the month. Pitts Sanborn, nationally known music critic and Director of the Institute, discusses broadcasts of outstanding musical events in a supplement to the bulletin.

The station list and program bulletins of the Institute, which was founded by Philco Radio & Television Corporation, may be obtained free of charge, upon request to The Radio Institute of the Audible Arts, 80 Broadway, New York City.

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ZENITH REPORTS NET PROFIT OF \$482,025.99

Zenith Radio Corporation reports a net operating profit for the quarter ended October 31, 1935, of \$482,025.99, as against a loss of \$13,581.75 in the corresponding quarter of 1934, according to E. F. McDonald, Jr., President.

For the six months period ended October 31, 1935, Zenith reports a net operating profit of \$547,448.45, as against a loss of \$50,154.94 in the corresponding first half of the fiscal year 1934.

These figures are after all charge-offs, including liberal depreciation, excise taxes, and royalties, but before Federal profits taxes, as per the Company's books.

"Zenith Radio Corporation has at present three times as many dealers throughout the United States as it had at the beginning of its fiscal year, and its entire line of radio receiving sets with its new black dial have enjoyed an enormous increase in public acceptance", McDonald said.

"Production for the quarter was the highest in the history of the company. Sales for the quarter were the highest for any quarter since 1929. The company's two plants will be unable to fill the November orders on hand.

"The figures submitted herewith are believed to fairly set forth the extent of the Company's progress for the period but are, however, subject to verification by our auditors when making their annual examination at the close of our fiscal year."

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PRALL LUNCHEON ADDRESS TO BE BROADCAST DEC. 5

Anning S. Prall, Chairman of the Federal Communications Commission, will address the "Headliners" luncheon of the Downtown Athletic Club December 5. The talk will be broadcast over an NBC-WEAF network at 1:05 P.M. EST.

Noted officials of the radio, telephone and telegraph industries will be guests at the luncheon, among them being David Sarnoff, President of RCA; Richard C. Patterson, Jr., Executive Vice-President of NBC; R. B. White, President of Western Union; William S. Paley, President of CBS; Walter Gifford, President of the American Telephone and Telegraph Company, and Sosthenes Behn, President of the International Telephone and Telegraph Company.

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INDUSTRY NOTES

"Squashing all rumors to the contrary", reports Billboard, "the Don Lee network will continue to be the CBS Pacific Coast outlet -- at least for another year. It has just been revealed here (San Francisco) that an extension of the present contract between the two was signed in New York in October. The extension is to run until January 31, 1937."

Grief over the death of his wife was ascribed as the cause of the suicidal death of Walter A. Parks, 38, Program Engineer at WMAL, Washington, on November 27. Parks, who had been with WMAL four years, shot himself through the heart.

The Telephone Division of the Federal Communications Commission has adopted the annual report, Form M, for telephone companies for the year 1935. Certain changes have been incorporated. Copies may be obtained from the FCC.

Clear channel station representatives are reported by Variety to have held a meeting in Chicago recently to plan their defense against any change in policy by the Federal Communications Commission on clear channel assignments. Those reported represented: WSM, Nashville; WFAA, Dallas, WOAI, San Antonio; WHO, Des Moines; WLW, Cincinnati; KFI, Los Angeles; WGN, Chicago; WHAS, Louisville; and WJR, Detroit. KDKA, Pittsburgh and KYW, Philadelphia, were not represented.

The FCC Telegraph Division on November 26 set for hearing in part the applications for renewal of licenses filed by a number of radiotelegraph companies. The parts set for hearing covered points outside of the United States to which, according to the information in the possession of the Commission, no traffic was transmitted during the preceding license period. The Division will entertain motions to reconsider and to grant without hearing the renewal licenses where the applicants can show that the Commission's information was incomplete and that the circuits were active during the preceding license period.

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WJR STOCK TO BE SOLD TO PUBLIC; WILL ACQUIRE WGAR CONTROL

As WJR, Inc., Detroit, prepares to sell its proposed increase in stock to the public, a plan was revealed under which WJR will gain control of WGAR, Cleveland, through an exchange of shares.

WJR is awaiting approval of the Securities and Exchange Commission before increasing its present 15,000 authorized shares of \$10 par value, to 200,000 shares with a \$5 par value. WJR will make available 28,065 shares to the public at \$25 par.

WGAR control will be effected, it is reported, by WJR trading 20,000 shares of the \$5 par stock for the present 1,000 share capitalization of the Cleveland station. The latter is owned by G. A. Richards, President of WJR; Leo Fitzpatrick, Vice-President and General Manager; John F. Pratt, and P. M. Thomas, Treasurer of WJR.

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WESTINGHOUSE SELLS BALANCE OF SHARES IN RCA

Westinghouse Electric & Manufacturing Company has disposed of the balance of its holdings of Radio Corporation of America common stock, realizing an average of \$8.08 a share, according to the Associated Press.

As of May 1 last Westinghouse had a balance of 60,038 shares of Radio common and 28,200 shares of class "A" preferred. The shares were sold in compliance with the terms of the consent decree entered by the Federal Court in Delaware three years ago, which required liquidation by November 21, 1935.

The recent sales represented stock held against fractional receipts for one-fourth of one share of common, issued to Westinghouse stockholders last February 18, when the company made a pro rata distribution of 665,299 $\frac{1}{4}$ shares.

Holdes of the fractional receipts will receive a payment of \$2.02 for each receipt.

Westinghouse held 2,842,950 Radio common at the time of the decree which terminated the interests of General Electric and Westinghouse in Radio Corporation.

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