

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**

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## FCC OMITTS SUMMER VACATION; BUSY SUMMER AHEAD

The Customary Summer recess which the Federal Communications Commission has observed in past years will be passed up this year, according to plans of Chairman Frank R. McNinch, and a quorum of the Commission will be on hand at all times to transact business.

With several investigations underway and a reallocation in the offing, the FCC will be the busiest it has been during the Summer season since it was organized.

While the super-power hearing has ended, except for oral arguments, two other hearings are scheduled for this month and FCC investigators are gathering data in preparation for the monopoly probe in the early Fall.

Oral arguments will be heard by the full Commission throughout July and possibly in August.

Chairman McNinch plans to permit one or possibly two Commissioners to take vacations simultaneously. In previous years the FCC left only one Commissioner to look after routine matters while the remainder went to vacation resorts. The Chairman was to take a two week's rest beginning this week-end.

On July 18th the super-power committee, headed by Commissioner Norman Case will hold a hearing on the application of Station WLW for renewal of its special experimental license to operate with 500 KW. A renewal of clashes between Commissioner George Henry Payne and Powel Crosley, Jr., owner of WLW, is expected.

Commissioner Payne was responsible for the hearing as he was acting in the one-man job of passing on broadcasting applications when WLW made its periodical request for a renewal of license. Instead of granting the application automatically, as the FCC had done in the past, he scheduled it for a hearing.

The inquiry will be particularly significant in view of the action of the Senate opposing any change in FCC rules which would permit the operation of broadcasting stations with power in excess of 50 KW.

However, the FCC will not be bound by this resolution as Senator Wheeler (D.), of Montana, its author, stated on the Senate floor that it was not intended to apply to stations already using more than 50 KW.

Action on applications of WLW and a dozen other stations for regular authorization to use 500 KW. has been postponed until after the FCC decides whether it will change its rules, which now limit power to 50 KW.

On July 25th the Commission will hear oral arguments in the matter of frequency allocation to services in the bands from 30,000 to 300,000 kc. This will be a follow-up of the testimony given last week by communications carriers which objected, among other things, to the allocation of so many channels to television.

Commissioner Thad H. Brown will go to Cleveland on July 18th to open hearings on radio matters in connection with the Great Lakes and inland waters survey.

The FCC shortly will announce rules for the guidance of broadcasting stations which well time to political candidates, and it is likely that it will have to pass upon complaints from politicians and stations from time to time as the campaign grows warmer.

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CASE REAPPOINTED; MC NINCH TO STAY ON

Reappointment of Norman S. Case, former Governor of Rhode Island, as a Republican member of the Federal Communications Commission was announced Thursday at Hyde Park. As it is a recess appointment, Commissioner Case cannot be confirmed by the Senate until Congress reconvenes next January.

Meanwhile, Chairman Frank R. McNinch stated that he has no intention of returning to the Chairmanship of the Federal Power Commission in the immediate future. Although he was drafted for the FCC job by President Roosevelt last Fall on a temporary leave from the Power Commission, it now appears that he will remain at least until Congress returns and possibly permanently.

When he took over the FCC helm, Commissioner McNinch indicated that he would have the Commission and the broadcasting industry in order by the first of this year. That the task was larger than he surmised became apparent shortly. Then, when Congress began talking of an investigation of radio, he remained to prevent it.

Now he has the job of conducting a monopoly inquiry of his own, probably early this Fall, and there is little doubt that Congress will demand a strict accounting of his findings next session.

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Meanwhile, the enmity between Chairman McNinch and Commissioner George Henry Payne is keeping the Commission boiling with internal politics.

Commissioner Case, who has been acting as Chairman of the Super-Power Committee of the FCC, is one of the most popular members of the Commission. He was first named on the FCC in 1934 for a four-year term. His new term will be seven years.

A native of Providence, R. I., Commissioner Case is of colonial and Mayflower ancestry, his forebears coming to Rhode Island with Roger Williams. He is a graduate of Brown University and the Boston University Law School.

During his services with the American Expeditionary Force overseas, he served as a general staff officer under Maj. Gen James G. Harbord, who is now Chairman of the Board of the Radio Corporation of America.

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#### FCC ENGINEER DEFENDS CLEAR CHANNEL ALLOCATION

Closing the Federal Communications Commission's super-power hearing this week, Andrew Ring, Assistant Chief Engineer of the FCC, defended the proposed allocation of 25 entirely clear channels to Class 1-A stations.

Under cross-examination by George Porter, of the Commission's legal staff, Mr. Ring said it would be dangerous to permit more than one station to operate on these channels until it was determined whether they would give adequate service to rural areas.

The National Independent Broadcasters had suggested a duplication of services on the clear channels earlier in the week through its engineer witnesses and George O. Sutton, counsel.

E. C. Page, consulting engineer, proposed that the rule defining Class 1-A operation be modified to provide that there be no "objectional interference" to the secondary service of stations on the 25 clear channels. He urged retention of the 50 KW power limit.

Other witnesses heard during the final week were: John V. L. Hogan, New York consulting engineer, in behalf of Station WQXE, New York; Paul M. Segal, Washington attorney, for WWL, New Orleans, and Mrs. Mabel Walker Willebrandt, former Assistant Attorney General, for WHDH, Boston.

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## RADIO HAS IMPORTANT PLACE ON N.E.A. PROGRAM

Radio as an educational medium occupied an important place on the program of the National Education Association convention in New York City this week.

One of the highlights was a demonstration of the technique of adapting radio's educational facilities to the ordinary schoolroom by the CBS Department of Education. High School pupils, who witnessed the demonstration, "easily eclipsed a group of professional radio artists as the center of interest", according to the New York Times.

CBS presented a slightly revised dramatization of "Propaganda", an "American School of the Air" program that was awarded the Institute of Education by Radio's prize as the outstanding broadcast for American schools in 1937. H. V. Kaltenborn acted as commentator.

After the simulated broadcast, Dr. Ignatius Donnelly Taubeneck, Director of Social Studies and Public Speaking at the Bronxville High School, took charge of the class and guided it through a forty-minute spirited discussion of the program.

The pupils "expressed their enlightenment from the method of presentation of the avenues and techniques of propaganda, and then challenged any one to inform them how to distinguish authentic statements from propaganda", the Times reported. "They have, it appeared, a highly developed skepticism toward facts presented to them by the press, the radio and the school system.

"They asked the audience, they asked one another, and especially they asked the radio commentator H. V. Kaltenborn, how to know which sources to trust and which to distrust. They hazarded the belief that if the newspapers, the radio and the school system could be 'cleaned up' their doubts might be resolved.

"Unanimously they announced their belief in free speech and concurred in the declaration that as long as such discussions could be held democracy is effective in this country, and that counter-propaganda is the best defense against propaganda - except that in dictator countries there is no counter-propaganda."

Earlier in the week Dr. James Rowland Angell, President Emeritus of Yale University, hailed the radio as a force for the promotion of democratic ideals in an address on radio in education at the Center Theatre in Radio City.

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Lord Stanhope, President of the British Board of Education, addressed the delegates over a short-wave system connecting England and France with America. He emphasized the value of international broadcasting in teaching the ideals of good government.

From France, Jean Zay, French Minister of Education, said international broadcasting was an important aid to democracy.

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#### BROADCAST INDUSTRY PAYS TOP WAGES, U. S. SAYS

The radio broadcasting industry pays the highest wages to its full-time station employees of any industry in the country, Broadcasting Magazine, trade organ, quotes the U. S. Bureau of Labor Statistics as reporting.

The average weekly pay is \$45.12 for some 17,000 workers in 631 stations. This figure includes the salaries of executives. Some 5,820 part-time employees received an average weekly wage of \$18.97 during the week of March 6th, the U. S. Bureau stated.

"If the week is judged as a typical one for the industry, aggregate payrolls for the year would amount to approximately \$45,825,000", Broadcasting comments. "This figure, when checked against the 1937 financial statement for the industry prepared by the FCC (Broadcasting June 15) reveals that substantially more than half of broadcast station income (56%) is expended in payrolls. The FCC income tables showed 624 reporting commercial stations during 1937 had net sales of \$81,649,718, and net income of \$15,412,128."

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#### OPINIONS IN WIRE RATE CASE ARE RELEASED

The Federal Communications Commission on Friday released its majority and minority opinions in the case of the application for a 15 percent rate increase by Western Union, Postal, and other communications companies. The dissenting opinion was written by Commissioner T.A.M. Craven and signed also by Commissioner Norman S. Case.

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## A. T. & T. DEFENSE TO BE STUDIED BY FCC

Before submitting its final report to Congress on the \$1,500,000 telephone rate inquiry, the Federal Communications Commission will give "appropriate study and consideration" to the replies of the American Telephone & Telegraph Co., Chairman Frank R. McNinch announced this week.

An order, offered by Mr. McNinch and seconded by Commissioner T.A.M. Craven, was adopted unanimously by the Commission. It read:

"It is hereby ordered that the responses filed by the American Telephone and Telegraph Company with the Commission in answer to specific exhibits and testimony introduced during the telephone investigation be given appropriate study and consideration in the preparation of the final report of the Commission to the Congress on the telephone investigation."

The Commission's action followed protest by the company against the refusal of Commissioner Walker, who conducted the inquiry, to permit it to cross-examine witnesses at the public hearings or to offer testimony in rebuttal to exhibits entered on behalf of the Commission.

"The inquiry, which ran almost a year, resulted in the submission to Congress on April 1st of a "proposed report" the highlight of which was an assertion that telephone rates might be reduced as much as 25 percent under certain conditions without interrupting the existing net revenues.

Mr. McNinch emphasized at that time that the report was only a "proposed" one to be submitted to the full Commission for its study with a view to determining as early as possible the form and content of the actual report requested by Congress.

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## NEW STATION AUTHORIZED; ANOTHER RECOMMENDED

The Federal Communications Commission this week granted a construction permit to Harry Schwartz, Tulsa, Okla., for a new broadcasting station to operate on 1310 kc. with 250 watts power daytime.

At the same time Examiner Tyler Berry recommended that the Garden Island Publishing Co., Ltd., of Lihue, Hawaii, be granted a permit to build and operate a station using 1500 kc., with 100-250 watts power.

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SUPER-POWER HEARINGS END; ACTION TO BE DELAYED

Culminating four weeks of testimony, the Super-Power Committee of the Federal Communications Commission concluded its hearing this week and postponed the WLW case until July 18th.

Indications were that the new FCC rules on which the hearing was held will not become effective before late this year or early 1939. Commissioner Norman S. Case, Chairman of the Committee, said that respondents will be allowed 30 days to file briefs after which the Committee will proceed to write its report.

As the full Commission must act upon the recommendations of this Committee after hearing oral arguments, it appeared unlikely that the new rules could be made operative for some months to come.

The major issue to be decided is whether the FCC rule limiting regular broadcasting power to 50 KW. is to be changed so as to permit operation of super-power stations. The stand of the Commission and the FCC engineers up to this time has been against the change, and the action of the Senate in adopting a resolution opposing super-power is certain to have its effect on the Commission's findings.

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CBS REPORTS BEST SIX MONTHS IN HISTORY

Within the past three weeks, at the close of the biggest six-month period in history, the Columbia Broadcasting System has signed contracts for future business representing a 175% gain over the same period a year ago, a CBS release states.

Preliminary estimate for January through June, 1938, shows a cumulative total well over \$15,500,000 - some 5% better than the first six months of 1937, and even further ahead of any other half-year in the company's career.

New business - over and above a score of renewal and resumption contracts - totals nearly \$2,500,000 on CBS books already.

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## U. S. AWARDS CONTRACT FOR RADIO SAFETY DEVICE

The U. S. Bureau of Air Commerce has awarded a contract for the design, manufacture and installation of its new airplane instrument landing system to the International Telephone Development Company of New York, a subsidiary of the International Telephone and Telegraph Corporation, it was announced this week. The system will be built from complete performance specifications worked out by the Bureau of Air Commerce in its search for the ideal radio landing system for American aviation conditions, and will be installed at Municipal Airport, Indianapolis, Ind., for use by the commercial transport lines. If it meets the expectations of the Bureau, it will be applied at principal airports as the American means of defeating weather conditions unfavorable for landing.

Equipment is to be provided at Indianapolis for four wind directions on two concrete landing runways crossing at right angles North West by South East and North East by South West. The order involves a trailer carrying main and spare localizer beam transmitters with means to connect to fixed localizer antennas at four points. There will also be a trailer bearing main and spare glide path beam transmitters with an antenna. Also four sets of "marker" beacons each consisting of an outer marker two miles from the field and an inner marker near the boundary of the landing field. Equipment will be provided for the airport control tower for remote control of the various transmitters and for visual automatic alarm in the case of trouble in any part of the system. The localizer beam establishes for the aircraft the direct line to the airport runway, the glide path beam provides the exact line of descent to the runway, the outer marker establishes the beginning of the glide path, and the inner marker signals that the runway has been reached.

The International Telephone and Telegraph Corporation has been engaged extensively in the development and manufacture of instrument landing apparatus through various of its subsidiaries abroad. The I. T. & T. systems are in use at more than fifty airports in Europe, South America and Australia and are being adapted to America's higher speeds and greater distances. The Corporation conducted last May the first demonstration of commercial type instrument landing equipment in the United States at the Indianapolis airport where the Department of Commerce system is to be tried.

The Department of Commerce in its specifications for the new system has coordinated what it regards as the outstanding features of the several principal systems which have been developed. It expects the result to become the official system which will provide airports and planes in the United States with a uniform method of instrument landing.

The equipment will be designed by I. T. & T. engineers. The receiving apparatus for the airplanes will be designed by the Bell Telephone Laboratories and will be made by the Western Electric Company.

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#### NETS COOPERATE IN N. Y. U. RADIO COURSE

With the cooperation of all the major networks, the New York University Radio Workshop will open next Tuesday and continue for six weeks, it was announced yesterday (Thursday) by Douglas Coulter, CBS Assistant Program Director and Director of the Workshop.

Sixty-three men and women from nineteen States in all sections of the country have already registered for the Summer session, Mr. Coulter stated. The group represents a variety of businesses and professions, students including theater directors, attorneys, librarians, a dietitian, salesmen, brokers, writers, musicians, college and high school teachers, school principals, and a college dean.

The courses have been designed to give practical training to persons interested in radio as a career.

Mr. Coulter announced that Frank E. Mason, Vice-President and Assistant to the President of the National Broadcasting Company in charge of the International Department, will deliver the first of a series of Tuesday evening special lectures on July 5th on "Network Operation and Shortwave Broadcasting".

Other guest lecturers will be Theodore C. Streibert, Vice-President of the Mutual Broadcasting System and Vice-President and General Manager of WOR, on "Local Station Operation"; Roy Durstine, President of Batten, Barton, Durstine & Osborne, Inc., on "Showmanship in Advertising"; Paul Whiteman, on "The Radio Orchestra"; Deems Taylor, music consultant of the Columbia network on "Serious Music and the Radio"; Dr. Peter C. Goldmark, Chief Television Engineer of Columbia, on "Television"; J. R. Poppele, Chief Engineer of WOR, on "Radio Engineering"; and Robert J. Landry, Radio Editor of Variety, on "Radio Trade Publishing and Publicity."

The teaching staff of the Workshop will include, in addition to Mr. Coulter, Lewis Titterton, Manager of the Script Division, NBC, and members of his staff, on script writing; Max Wyle, Director of Scripts and continuity for CBS, also on script writing, using his own text, "Radio Writing"; Earle McGill, Casting Director for CBS and instructor in production for the Workshops of 1936 and 1937; Robert S. Emerson, Assistant in Production at CBS, who will lecture on radio acting and conduct field trips; William A. Wheeler, Jr., Acting Production Director of the Educational Radio Project, U.S. Office of Education, who will be studio technician and assistant in production.

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TWO-THIRD OF RADIO PROGRAMS ARE SUSTAINING

Two-thirds of the programs of U. S. broadcasting stations, as examined for a typical week, that of March 6th, by the Accounting Department of the Federal Communications Commission, are sustaining, according to data submitted to the FCC Super-Power Committee. Only 34.55 percent of the broadcasts were commercial.

The information, based on answers to exhaustive questionnaires, showed that only 21,542 hours of 633 reporting stations were sold, while 40,810 hours were financed by the stations.

A break-down of the types of programs which predominate in the commercial and sustaining programs showed that music, light and serious, easily lead in the type of entertainment offered. The types of programs in percentages of time consumed are shown in the following table:

<u>Type of Program</u>	<u>Sustaining</u>	<u>Commercial</u>
Music	40.03%	12.42%
Dramatic	3.06	6.05
Variety	4.24	4.60
Talks and Dialogue	7.56	3.85
News	5.36	3.19
Religious & Devotional	3.15	2.00
Special Events	1.44	.77
Miscellaneous	.61	1.67
Total	65.45	34.55

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Station WGAL, Lancaster, Pa., joined the National Broadcasting Company as its 153rd affiliate on July 1st. The station is owned by WGAL, Inc., and operates full time on 1500 kilocycles with daytime power of 250 watts and night power of 100 watts.

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DUE TO THE GOVERNMENT OFFICES BEING CLOSED ON MONDAY, JULY 4TH, THERE WILL BE NO ISSUE OF THE HEINL NEWS LETTER ON TUESDAY, JULY 5TH.

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## CBS AND A.T. &amp; T. CITED IN JIMMY ROOSEVELT STORY

The fact that Jimmy Roosevelt, son of the President, got a large insurance policy from the Columbia Broadcasting System but failed to sell the American Telephone & Telegraph Company, form a part of a story, "Jimmy's Got It" by Alva Johnston, in the current Saturday Evening Post.

After recounting how young Roosevelt got the CBS insurance business away from a competitor, Mr. Johnston comments:

"The broadcasting industry is even more closely 'connected with the Government' than the air lines. The radio stations have to renew their licenses for air waves every six months. They are always in danger of punishment if they fail to please the Government. They are also eager for Government favors."

The writer ties in significantly the fact that "Jimmy" failed to get the A.T.&T. insurance business with the FCC \$1,500,000 investigation of the telephone company.

The story of Roosevelt's dealings with the A.T.&T. is recounted as follows:

"Jimmy has cured himself of the old bashfulness, but he still is less assured than some of his fellows. He has illustrated this by giving a humorous account of the time he went to W. S. Gifford, President of the American Telephone & Telegraph Co., to solicit the A. T. & T. insurance. He was accompanied, on this visit, by Congressman Hamilton Fish, of New York. Ham Fish is an important Republican and has been mentioned, from time to time, as a possible Republican candidate for President. Ham happens to be a director in one of the companies that Jimmy is associated with. The Congressman has been one of the most violent assailants of President Roosevelt. He hails from the Hyde Park visinity, and has made speeches charging President Roosevelt with such things as underpaying his farm laborers. In Congress, he demanded an investigation of the President's income tax, claiming that it would reveal strange things. Because Ham had become such a thorn in the side of the President, he was the object, in 1936, of the Get Ham Fish campaign, a special drive to defeat him for Congress. But insurance makes strange bedfellows.

"The President's son and the President's enemy went to the A. T. & T. office together to solicit insurance from President Gifford. Ham did the talking. Ham was a famous Harvard football star in his day, and he brings into the insurance business the same bold, dashing, headlong attack that distinguished him on the gridiron. Jimmy, according to his account, was aghast at the blunt, bluff manner in which Ham stated what he and Jimmy could do for the A. T. & T. if they could get A. T. & T. insurance. Jimmy retired to the anteroom in confusion and let Ham do all the talking. Gifford's reply was that he had never made a recommendation about insurance since he was connected with the A. T. & T. He told them that they could go and see the auditor if they wanted to, but that he (Gifford) would not assist them. Jimmy and Ham sent a man to see the auditor, but they got no A.T.&T. insurance."

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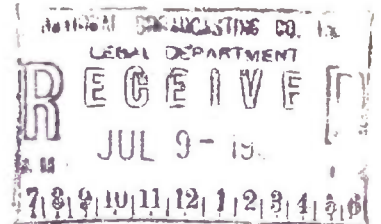
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## POLITICAL BROADCAST RULES ARE ANNOUNCED

Rules which make more specific provisions of the Communications Act relative to political broadcasts were adopted by the Federal Communications Commission this week and made effective as of July 1st. While introducing no innovations in policy, the rules are aimed at helping broadcasters observe the law.

Chairman Frank R. McNinch stated that the FCC will see to it that the regulations are rigidly observed although he admitted that problems may arise which are not covered in the rules.

"While no set of rules or statutes can specifically cover all situations that may arise", he said, "conformity to the spirit as well as the letter of these rules will enable stations to make their facilities available to political candidates upon terms and conditions which will assure fair treatment to all.

"The Commission will, of course, insist upon good faith in the application of these rules and will deal vigorously with infractions thereof."

The rules paraphrase and elaborate the pertinent section of the Federal Communications Act. The most important states that "no station licensee is required to permit the use of its facilities by any legally qualified candidate for public office, but if any licensee shall permit any such candidate to use its facilities, it shall afford equal opportunities to all other such candidates for that office to use such facilities, provided that such licensees shall have no power of censorship over the material broadcast by any candidate."

The rules also provide that the same rates must be charged all candidates for the same office, without rebates directly or indirectly. They likewise nullify any contracts or agreements which have the effect of excluding any qualified candidate for the office. Legally qualified candidates are defined as those who have met the requirements prescribed by local, State and Federal law.

All licensed stations are required to keep and permit public inspection of a complete record of all requests for broadcast time, together with appropriate notations regarding the disposition of the requests and the rates charged if they are granted.

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McNINCH VERY ILL IN NAVAL HOSPITAL

Chairman Frank R. McNinch this week was in Naval Hospital, Washington, being treated for severe stomach disorders from which he has been suffering for some time. While his condition was said to be serious, FCC officials said they expected him to be back on the job by the middle of the month.

The severe strain of his work since taking over the Chairmanship of the FCC was said to be largely responsible for his condition although he had suffered from cilitis previously. This is the first rest he has taken since assuming the FCC post last Fall.

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RADIO OPERATORS TO PROTEST RULES JULY 11

The nation's radio operators will be given a hearing next Monday by Chief Engineer E. K. Jett on the new rules of the Federal Communications Commission governing them.

A number of protests against the rules, especially the new regulation which requires examinations every five years, are to be aired at the hearing.

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PERRY, FORMER RADIO COUNSEL, DIES

William Armstrong Perry, radio counsel to the Payne Fund, died this week in Westport, Conn. He was 61 years old.

His study, "Radio in Education", was published by the Fund. Fund lent him to the National Advisory Committee on Radio in Education, of which former Secretary of the Interior Wilbur was Chairman. Mr. Perry directed the Committee's survey of educational broadcasting facilities and in 1933 made a survey of educational broadcasting in European countries, published in The Congressional Record.

Later he was the first specialist in radio in the United States Office of Education, and in 1934 became Director of the Service Bureau of the National Committee on Education by Radio.

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## RADIO ADVERTISING RISE FORECASTS DEPRESSION END

The upward trend of radio advertising on the three major networks, disclosed this week, gives credence to statements by Secretary of Commerce Daniel C. Roper, RFC Chairman Jesse Jones, and others that this Fall will see the end of the present business depression.

NBC, CBS, and Mutual all reported record times sales for June and for the first half of 1938.

Advertisers in June increased their use of NBC facilities for the first half of 1938, or rather for seven successive months, over comparable periods a year ago, with gross billings rising to \$3,200,569, up 6.6. percent, or \$196,182, over June, 1937. The June total, continuing the series of record months, brought the cumulative total for 1938 to \$21,023,674, up 5.4 percent over 1937, the highest for any similar period in the company's history.

Commercial broadcasting on the CBS network for June, 1938, totaled \$2,120,235, closing the first six months of the year 5.3% ahead of 1937. Cumulative figure, \$15,581,295, represents the best half-year for any network in the history of radio. June, 1938, gross was 14.4% behind the same month of 1937, when a record high of \$2,476,576 soared 64.8% over the previous June.

A 15.1 percent increase in time billings for the first six months of 1938 is reported for the Mutual Broadcasting System in comparison with the same period in 1937. Total billings for this period in 1938 were \$1,342,182. For the first six months of 1937 they were \$1,165,620.

Total billings for June, 1938, were \$202,412. For the same month in 1937 they were \$117,388. Billings for May, 1938, were \$194,201. The percentage of increase for June, 1938 over the same period in 1937 is 72.4 percent.

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Sales of private radio receiving licenses in Canada during the fiscal year ended March 31, 1938, totaled 1,104,207, recording an increase of 6.3 percent compared with the corresponding period of the preceding year, according to statistics made available in Canada and reported to the Department of Commerce by the office of the American Commercial Attache at Ottawa. All provinces with the exception of Saskatchewan reported an increase in the sale of radio licenses during the past fiscal year, the report stated.

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## RADIO EMPLOYMENT RISES; RCA ADDS 1,200

Coincident with an announcement by the U. S. Bureau of Labor Statistics that the radio industry showed a substantial increase in employment for April, George K. Throckmorton, President of the RCA Manufacturing Co., Inc., Camden, N. J., stated this week that more than 1,200 new employees had been added to the normal 8,500 during the past month.

The employment increase noted by the Bureau of Labor Statistics for last Spring was the first in the radio industry since last September, while the payroll rise was the first since August, 1937.

The increase in radio factory employment in April, 1938, was 2.3 percent, but still leaving it 44.4 percent below radio employment in April 1927. The April index figure was 88 percent, compared to the March index figure of 86 percent, and to the February index of 95.4 percent.

Radio factory payrolls last April increased 13.7 percent above March payrolls, but were still 45.5 percent below radio payrolls of April, 1937. Average weekly earnings last April of radio factory employees were reported at \$20.91, an increase of 11.2 percent over the March average, but 1.9 percent below the April, 1937, average weekly earnings. The April national average of all manufacturing industries was \$22.28, a decrease of one percent from March, and that of all durable goods manufacturers was \$24.16, an increase of .2 percent, but 18.2 percent below the April, 1937, average.

Average hours worked per week in radio factories last April were 33.5 hours, an increase of 8.8 percent over the previous March average of 30.7 hours, but were 7.8 percent below the average working hours of April, 1937.

Average hourly earnings last April by radio factory employees were reported at 62.6 cents, an increase of 1.8 percent over the March average of 61.6 cents but they were 7.7 percent above the April, 1937, average. The national average hourly earnings of all manufacturing industries last April was 65.2 cents, a decrease from March of .3 cents. The national average of all durable goods manufacturers in April was 72.2 cents, a decrease of .1 percent but this average was 2.8 percent above the April, 1937, average.

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## DEMPSEY NAMED COUNSEL IN MONOPOLY PROBE

Appointment of William J. Dempsey as Special Counsel of the Committee of the Federal Communications Commission investigating charges of monopoly within the broadcasting industry was announced this week through the office of Chairman Frank R. McNinch.

Public hearings, Chairman McNinch said, will get under way about September 1st. Meanwhile, preliminary investigations and the gathering of voluminous data will continue.

"The investigation, which is expected to provide a comprehensive factual basis for the formulation of special regulations applicable to chain broadcasting and, possibly, revision of the Commission's regulations governing broadcasting generally, will be conducted in a thorough, impartial, and business-like manner" the McNinch statement said. "Should it appear from the facts developed in the course of this investigation that amendment of the Communications Act of 1934 is desirable or necessary, the Commission will be ready to submit recommendations for legislation when the Congress convenes for its next regular session.

"Preliminary work in connection with the investigation has been under way for several months and will be carried forward aggressively. It is not believed, however, that hearings will be commenced until about the first of September in view of the vast amount of work that still remains to be done on this phase of the investigation."

Commissioner Thad H. Brown is Chairman of the Committee, and the other members are Paul A. Walker and Eugene O. Sykes, with Chairman McNinch as ex-officio member.

The work of this Committee will be watched with particular interest as it was because of its existence that Administration leaders were able to forestall a Congressional investigation of the FCC and the broadcasting industry.

The Commission Committee has been engaged for several months in the collection of data to be used for the investigation, and has asked the broadcasters for certain definite information designed to give the Commission a preliminary view of the practices. However, there is much to be done by the Commission's investigating experts before public hearings can be held.

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## CONNERY CARRIES ON IN CONGRESSIONAL RECORD

Although Congress adjourned three weeks ago, Representative Connery (D.), of Massachusetts, was still carrying on his campaign for a Congressional investigation of the Federal Communications Commission and the broadcasting industry this week - in the Congressional Record.

Extending his remarks in the supplemental issue of July 5th, Representative Connery lauded the activities of Commissioner George Henry Payne and derided the Special Committee named by the FCC to investigate monopoly practices and chain broadcasting.

"The House of Representatives, in the closing hours of the session, did vote against a Congressional investigation of the radio monopoly only after positive assurances on the part of the House leaders, that the Monopoly Investigation Committee, with \$500,000 at its disposal, would make a thorough investigation of the radio monopoly, and that the Federal Communications Commission would hereafter function in the interest of the people rather than in the interest of the radio monopoly". Mr. Connery said.

"The recent Congressional disclosures, revealing the deplorable conditions prevailing in the Federal Communications Commission and the influence of the radio monopoly will, to my mind, however, plague Congress until a real Congressional investigation is made and the proper remedial legislation enacted, unless the radio monopoly is soon broken up.

"The Commissioners alone as a body and their individual acts as Commissioners have made possible the present radio monopoly. There are some who would if they could, lead us to believe that the 'mess' which Chairman McNinch a year ago promised to clean up, is due to employees of the Commission. Only those too cowardly to assume full responsibility for their own official actions ever resort to such a subterfuge.

"A few days ago, while attending the hearings before the Rules Committee on the resolution calling for a Congressional investigation of the radio monopoly, I was astounded when I listened to some who but a few weeks before had been quite vociferous in their demands for a Congressional investigation of the radio monopoly respond most graciously to the whinings of Chairman McNinch, who, in 'Charley McCarthy' fashion, danced to the music of the radio 'Pied Pipers', as he did in 1928 when he deserted the Democratic Party to support President Hoover. It was laughable to listen to Chairman McNinch plead for an opportunity for the Federal Communications Commission to investigate its own activities.



"How ridiculous this is can best be considered when we find two of the three, or at least, two of the four members of the Commission he has assigned to investigate the actions of the Federal Communications Commission in creating the radio monopoly are in great part responsible for the many complaints uttered against the Commission. Can anything other than a whitewash be expected from such an inquiry?"

The answer of the Rules Committee to this appeal of Chairman McNinch was the recommendation by the Committee that a Congressional investigation of the radio monopoly was necessary. The investigation would have been voted overwhelmingly but for the positive assurances of the House leaders that an investigation would be made by the monopoly investigating committee and that the evils cited would be corrected.

"Commissioner Payne, who, although an independent Republican, is a strong supporter of President Roosevelt, realizing the need for legislation to correct known and admitted evils in the radio field, told the Rules Committee that he welcomed a Congressional investigation of the radio monopoly and the official actions of the Federal Communications Commission."

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#### TWO NEW STATIONS AUTHORIZED; 1938 TOTAL 30

Construction permits for two new broadcasting stations were granted by the Federal Communications Commission this week, bringing the total number authorized since January 1 to 30.

The newest authorizations are:

Pinellas Broadcasting Co., St. Petersburg, Fla.,  
1370 kc., 100-250 watts, unlimited time.

Wichita Broadcasting Co., Wichita Falls, Texas,  
620 kc., 250-1,000 watts, unlimited time.

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If permission is received from the Federal Communications Commission, the New York City Board of Education hopes to operate its own short-wave radio broadcasting station this Fall, according to the New York Times. Regular broadcasts are planned to supplement the classroom instruction; at the same time the school system will conduct an experiment in the use of radio in education.

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## NEVILLE MILLER TAKES OVER NAB PRESIDENCY

Neville Miller, the first full-time paid President of the National Association of Broadcasters, took over his job in Washington this week.

He and Mark Ethridge, who has been Acting Head of the NAB since its reorganization last Spring, have been in Washington all week conferring with new departmental executives of the NAB and the Executive Committee.

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## RADIOS FIRST CHOICE OF FARMERS

Radio sets are the most popular electrical appliance on newly electrified farms, according to a survey of forty-six projects of the Rural Electrification Administration. In the June issue of "Rural Electrification News", U. S. Commissioner of Education Studebaker stated that radio is almost always the first appliance bought by farmers on REA projects. Radio ranked first in popularity among electrical appliances on 38 of the 46 projects surveyed, and was a close second on eight other projects. Radio "saturation" amounted to 90 percent and over on eight projects. According to the REA survey, radio is an inexpensive but dependable instrument contributing to the culture, entertainment and information of the farm family, being especially valuable for bringing crop and market information to the farmer. Radio repays its cost many times, according to the REA report.

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## NEW BROADCASTING STATION AT BUENOS AIRES

The Buenos Aires broadcasting station LSl, under the auspices of the Municipal Government, recently inaugurated its new transmitting equipment, according to a report to the Department of Commerce by the office of the American Commercial Attache at Buenos Aires. Congratulatory messages were received from the Mayors of New York, London, Paris, Berlin, Rome, and leading cities in Latin America, the report stated.

The station formerly operated on a 5.6 kilowatt power, but since the installation of the new equipment, it will now have a 50 kilowatt in the antenna and will broadcast on a frequency of 710 kilocycles.

The equipment for the new station was manufactured in the United States, according to the report.

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7/8/38

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:::: TRADE NOTES ::::  
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Portland daily newspapers have discontinued their radio columns. This is in keeping with a similar policy adopted by newspapers in other Pacific Coast cities.

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The increasing popularity of the television programs of the British Broadcasting Corporation has raised a curious and interesting problem regarding advertising, which the corporation has always banned from its spoken programs, the New York Times reports. The problem was strikingly illustrated during the televising of the Derby when an estimated total of 50,000 watchers not only had an excellent view of the race but a good look at the huge outdoor posters of branded gin and whisky around the course.

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Joseph P. Ryan, President of the International Longshoreman's Association, an A. F. of L. affiliate, charged last week in New York that the radio rooms of every ship leaving American ports in 1937 were under the control of the Communist Party.

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In a resolution directed to President Roosevelt, the Federal Communications Commission and Governor James V. Allred, the Texas Board of Medical Examiners recently asked that the people be protected from the "source of radio advertising", Editor & Publisher reports. "Flagrant violations of the medical practice act of the State are daily occurring along the Texas-Mexican border by unfair, untrue and merciless radio advertising", said the resolution adopted at a meeting in San Antonio. While the Board did not go into details, it obviously had in mind radio broadcasts from Mexican stations in behalf of medical practitioners on this side of the border.

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Lever Bros. again tops the list of all 65 clients of the Columbia Broadcasting System, according to billings for the first six months of 1938. General Foods, Colgate-Palmolive-Peet, Wrigley, and Ford follow in that order. General Foods and Proctor & Gamble join the ranks of the first ten this year after being absent in the first half of 1937.

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A Federal grand jury this week in New York indicted the woman president and three other executives of Tower Marazines, Inc., on charges of using the mails in a \$1,000,000 scheme to defraud national advertisers. The corporation, now bankrupt, formerly published such magazines as Home, Illustrated Detective Mystery, Illustrated Love, Serenade and Radio Magazines. They were distributed through a chain of 5-and-10-cent stores.

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A meeting of the RMA Television, Engineering Committee, to discuss experimental developments and other standards, will be held in New York City during the week of July 11. The Committee hopes to complete additional television standards for submission to the Federal Communications Commission at Washington and to consider various technical problems in the television experiments now being conducted.

In addition to television standards, there are television allocation problems for consideration of the RMA engineers and also the FCC. At the recent allocation hearings of the Commission, representatives of private communication companies opposed allocations of ultra-high frequencies from 100,000 to 300,000 kc. There was little objection to the assignments below 100,000 kc.

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#### LOCOMOTIVE BROADCAST GRADE CROSSING SIGNALS

Ultra-short wave radio equipment is to be installed on a number of railway engines in Stockholm to transmit warning signals to receiving stations to be established at grade crossings, according to a report received in the Transportation Division, Bureau of Foreign and Domestic Commerce.

The signals so received will be automatically amplified and announced through fixed loud speakers at grade crossings, it was stated. For the present only those engines which are employed on routes having a large number of level crossings are to be equipped with the transmitting apparatus.

It is claimed in Stockholm that this system of signaling is more efficient than the ordinary arrangement of rail contacts since it permits the sounding of the warning in accordance with the speed of the train, according to the Commerce Department.

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## NELSON SALES MANAGER FOR NBC-BLUE DRIVE

Lenox R. Lohr, President of the National Broadcasting Company, this week announced that plans adopted for more intensive development of the Blue network would become operative late this month, when A. E. Nelson, Manager of Station KDKA, Pittsburgh, joins the New York staff as Sales Manager of the Blue network, under the general supervision of Roy C. Witmer, Vice-President in Charge of Sales.

Mr. Nelson's successful record in directing KDKA and, previously, NBC's Denver station, KOA, led to his selection to coordinate the extensive Blue network activities, Mr. Lohr said.

Mr. Nelson is one of the pioneers who ventured into radio when its future was unknown and who helped develop it as a successful commercial enterprise as well as a major medium of public service. He founded Station WIBO in Chicago in 1923, and was its principal owner until, in 1933, it was discontinued under an "Overquota" provision of the law which has since been repealed.

Despite this setback he determined to remain in radio and achieve equal success with another station. In 1934 he joined the National Broadcasting Company, and shortly was assigned to Station KOA in Denver as General Manager. In Denver he attained outstanding success, building KOA up to a position of preeminence in the Rocky Mountain region, from the commercial as well as the program point of view. Among his other achievements in Denver was the building of the new KOA studios, known as Denver's "Radio City".

In September, 1937, Mr. Nelson was transferred to Station KDKA, Pittsburgh, which in the short period intervening he has advanced to a position where it not only tops all other Pittsburgh stations in national spot advertising, but in local advertising as well.

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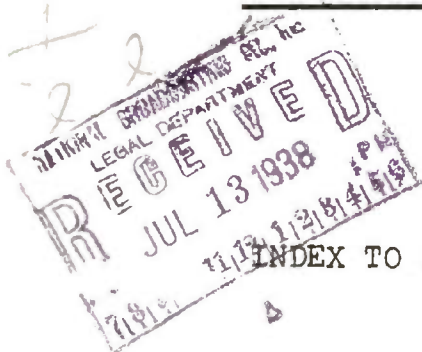


# HEINL RADIO BUSINESS LETTER

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## MONOPOLY STUDY UNLIKELY TO COVER BROADCASTING

While definite plans of the joint Congressional Committee investigating monopolies have not been disclosed, broadcasters have reason to believe that any extensive probe of chain broadcasting will be avoided.

There is more likelihood, however, that the Committee will examine patent licensing agreements of the radio manufacturing industries and the telephone companies.

Administration leaders in the House made vague predictions that the monopoly inquiry would cover broadcasting when they urged rejection of the Connery resolution on the eve of adjournment. Since then Representative Connery (D.), of Massachusetts, and other agitators for a broadcasting probe have assumed that this promise would be carried out.

Senator O'Mahoney (D.), of Wyoming, Chairman of the Committee, has steadfastly refused to specify which industries will be examined for monopolistic practices, but a study of the general outline of the investigation indicates that broadcasting will escape a thorough overhauling.

Moreover, the broadcasting industry has a distinct friend among the administrative officials on the Committee. He is Richard C. Patterson, Jr., who for three years was Executive Vice-President of the National Broadcasting Company.

The only Congressional member of the Committee who has previously criticized the broadcasting industry is Senator King (D.), of Utah, who let loose a blast early last session.

Meanwhile, although Chairman Frank R. McNinch is in the Naval Hospital, the FCC is going forward with plans for its own radio monopoly inquiry, beginning about September 1st. This will be conducted by a special committee headed by Commissioner Thad H. Brown, an Ohio Republican. Chairman McNinch, as an ex-officio member, however, is expected to direct the course of the probe.

William J. Dempsey, who was named Special Counsel of the FCC Committee last week, has taken over his duties and is directing the Commission investigators in gathering data preliminary to the holding of public hearings.

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## RULES GROUP PROPOSES PROCEDURE REGULATIONS

The FCC Rules Committee this week recommended a new set of regulations of procedure governing attorneys and others who practice before the Commission. The rules, which may be the subject for a hearing, must be approved by the Federal Communications Commission before they become effective.

One of the new rules is designed to prevent a repetition of the Segal-Smith case in which dummy applications allegedly were filed with the FCC to block rival applicants. The new regulation requires that the applicant disclose his true identity, his associates, and other pertinent data.

Ignoring a proposal of Commissioner George Henry Payne that lawyers who quit the FCC for private radio practice be barred from appearing before the Commission for two years, the Committee recommended instead a rule that an attorney or Examiner be prevented only from appearing before the FCC in a case in which he was associated before resigning.

Radio lawyers and other interested parties have been invited to offer suggestions or proposed amendments before the rules become effective.

The Committee comprises T. J. Slowie, Secretary of the FCC; Chief Engineer E. K. Jett, and William J. Norfleet, Chief Accountant.

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## TELEVISION CABLE USED FOR TELEPHONE CALLS

The German Post Office, in cooperation with Siemens Halske, A.G., of Berlin, recently for the first time on record used a television cable for the transmission of telephone calls, according to the American Commercial Attache at Berlin. In this case the Berlin-Leipzig television cable was used and about 30 calls were put through without interruption to the television service.

The success of the experiment has led to plans for the regular telephonic use of the cable, and it is estimated that as many as 200 calls a day may be so transmitted. The supplementary use of the television cable for telephone calls is particularly desirable as it obviates the necessity for additional telephone cables and thus saves metal urgently needed for other purposes.

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## HOW DO FCC RULES APPLY TO PRESIDENTIAL TALKS?

Washington political writers and commentators are asking the questions: Do the FCC rules on political broadcasts apply to the radio speeches of President Roosevelt on tour when they are admittedly made in behalf of candidates for the United States Senate?

The Federal Communications Commission is having nothing to say on the matter and will make no ruling unless called upon to do so by a rival candidate to the presidential choice.

Also there arises another questions: When does the President cease being the Chief Executive and become Mr. Roosevelt, heading a political party?

Many a Republican partisan believes the President mixes the two without giving the public any warning.

The President has not asked the broadcasting companies for any time, any nation-wide hook-up. The broadcasting companies themselves have offered their facilities. The White House attitude toward the question of a proper division of time on politics, therefore, is that what others do on the air is no business of the White House.

The large broadcasting companies are not the least disturbed by the Federal Communications Commission rule to split radio time evenly between candidates. Such procedure is their general rule. Also, in certain instances, they would rather give time than to sell it because there is likely to be a public feeling that the side with the most money gets the best radio "break" and such a viewpoint might react unfavorably to radio.

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## IMPORTS OF RADIOS INTO CHILE DECLINE IN 1937

Total imports of radios into Chile from all countries during 1937 were valued at \$481,000, an increase of 27.9 percent compared with the imports valued at \$376,000 during 1936, according to a report to the Commerce Department from the office of the American Commercial Attache at Santiago. Imports from the United States, however, amounted to only \$298,000 during 1937 declining 10.6 percent compared with \$333,000 in 1936, while those from other countries amounting to \$171,000 increased 545.2 percent compared with the imports valued at only \$29,000 in 1936, statistics show.

The serious inroads made upon the predominantly American market was made largely by compensation countries as a result of the gold rates which were applied to American products throughout 1937.



It was pointed out, however, that not all of the loss in American imports could be attributed to the obstacles caused by import control, because one of the largest distributors of American radios in Chile established a factory and assembling plant in that country late in 1936 and the value of the completed sets imported during the year 1937 naturally declined somewhat as a result, according to the Commerce Department.

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#### FLAWS IN COMMUNICATIONS ACT ARE CITED

Both the Communications Act and its administration by the Federal Communications Commission are criticized in a two-column letter to the Editor of the New York Times published last Sunday over the signature of Harold R. Shapiro, of New York. Pertinent excerpts from the letter follow:

"A vital safeguard of democracy under our American system of radio broadcasting is the fact that stations, to obtain license renewals, actually compete with each other in granting radio time to all shades of public opinion in order to prove to the Federal Communications Commission that they are serving 'public convenience, interest or necessity.' Nor may the Commission itself redistribute wave-lengths arbitrarily or capriciously, but on the contrary it must so act as to provide an equitable allocation of broadcasting facilities in accordance with the statute.

"Charges have been made that whereas the present Commission is empowered to grant licenses to broadcasting stations for three-year periods, it has nevertheless not issued licenses for more than six months at a time.

"The only possible excuse suggested for so short a license period as six months is that it enables the Commission to hold hearings on charges or complaints against a licensee instead of attempting to revoke his license. Yet six months is far too short a time to permit the development of adequate station policies or program service, nor is it ample security for the vast investments in broadcasting equipment and facilities.

"However, the specter that a six-month license may not be renewed is not the sole worry of the station owner. Coupled with it is the long-standing complaint against the Commission's habit of summoning stations to untimely 'license renewal hearings'. It has engendered worse than fear; it has produced more than annoyance.

"Not only have stations convinced themselves that they must submit to the arbitrary political requests of the Administration, or else; not alone have stations found themselves obliged to divert funds from improvement of their services, in

order to pay large sums to legal counsel who have the job of protecting the station's very life at these chronic hearings, but there inevitably develops the attitude that it would be cheaper for a station to control those who grant the licenses than to have a political versions of the Sword of Damocles suspended over its head.

"Despite the serious charge that six-month license period limitation and the chronic license renewal hearings tend to compel broadcasters to submit to arbitrary political requests and orders, the system nevertheless has the outstanding virtue of encouraging stations to furnish their facilities to representatives of divergent points of view.

"In contradistinction to these not-unmixed blessings of the Communications Act as administered by the Commission is the dangerous power granted to the President by Section 606(c) of the same Act.

During these depression years, when the vultures of Fascism still hover over the sickbeds of democratic governments, Section 606(c) contains a central power-switch that could be used by unscrupulous or misguided hands to convert our radio beams into dictatorial darkness. That subsection, which at first glance appears merely to implement the President's power in war-time, reads as follows:

"Upon the proclamation of the President that there exists war or a threat of war or a state of public peril or disaster or other national emergency, or in order to preserve the neutrality of the United States, the President may suspend or amend, for such time as he may see fit, the rules and regulations applicable to any or all stations within the jurisdiction of the United States as prescribed by the Commission, and may cause the closing of any station for radio communication and the removal therefrom of its apparatus and equipment, or he may authorize the use or control of any such station and/or its apparatus and equipment by any department of the government under such regulations as he may prescribe, upon just compensation to the owners."

"Unlike our experience in the last war, a similar exercise of presidential dominion over the radio during any future conflict would be vitally felt by every man, woman and child in this country. The very thought of one man - whatsoever his party affiliation - possessing unlimited power over our air waves in wartime should be enough to cause liberty-loving men and women to move heaven and earth not only to avoid a war but to amend the statute immediately to safeguard civil liberty as they ask themselves, 'Will this power be surrendered when the war is over?'

"Yet it is the peace-time threat of Section 606(c) before any war is declared that should concern Americans most. A President needs only to proclaim 'there there exists war or a threat of war or a state of public peril or disaster or other

national emergency, or in order to preserve the neutrality of the United States.' Nowhere in the Act is 'national emergency' defined. We must take the word of the President. Upon making the proclamation, he may forthwith assume supreme control over our entire broadcasting system, with unlimited discretion to silence or take over any and every station, or suspend or amend existing rules and regulations 'for such time as he may see fit'!"

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### LEAVE COURTS, LEGISLATURES TO PRESS, SAYS E. & P.

The newspaper is much better equipped than the radio to sift the chaff from the wheat in courtrooms or legislative halls, according to Editor & Publisher. In an editorial in its current issue, it says, in part:

"In the absence of a final pronouncement from the American Bar Association, it can be deduced from past reports that the lawyers don't like the idea of having trials broadcast from the courtrooms. Most newspapermen also dislike the idea, but refrain from official disapproval by saying the question is not the proper business of a newspaper association.

"Broadcasting presents a more personal, and therefore, a more difficult problem. Lawyers know that a 'radio presence' can be of considerable advertising value; its lack can be a damning vacuum. Judges are close enough observers of politics to share that knowledge. They fear that the processes of justice might be distorted if witnesses and counselors divide their attention between the subject of testimony and the magnetic pull of the mike that carries their voices to the ends of a continent. And sometimes, in the heat of litigation, judges, lawyers and witnesses alike go into tailspins that would not sound well on the air.

"The last consideration gives a laugh to Howard Vincent O'Brien, Chicago Daily News columnist, who thinks it an excellent reason for providing all courtrooms with microphones. The public ought to know how the high-priced legal talent conducts its business. He would have a mike in every legislative hall, too.

"We can't go along with Mr. O'Brien. Granting that the air waves are too valuable to be wasted on 'tunes, gags, set speeches and advertising', we can't see much improvement in dialogue which runs like this:

"Speaker - 'The clerk will read the bill!'

"Clerk - 'This act will take effect immediately.'

"Or this:



"President Pro Tem - 'Does the Senator yield?'

"Senator - 'The Senator from New York yields 10 minutes to the Senator from Montana.'

"We've got newspapers to thrash all that chaff out and tell us in short words what is going on in the courts and legislatures. They have expert eyes and ears which cut through the mumbo-jumbo of legalism and keep confusion from the minds of the people who aren't learned in the machinery of government. If newspapers aren't doing that job now, let them get busy and do it. Why abdicate the function for which they primarily exist and owe their constitutional privilege, to an agency which is not physically competent to perform the duty?"

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#### NAB STUDYING SCRIPTS OF NEWSCASTS

Because of allegations of "biased news broadcasts", the National Association of Broadcasters has requested all stations to submit to the trade association scripts of all news broadcasts for the week of June 20th.

"The charge has been made seriously in quarters which cannot be ignored", NAB stated, "that a great many radio stations throughout the country are putting biased news broadcasts on the air. We do not believe it is true, but we are unable, for lack of information, to dispute the statement."

In addition to the request for news scripts for the June 20th week, NAB also asked stations to submit any editorial broadcasts of any kind, together with other material, including remarks of radio commentators aside from those on the networks.

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The Italian State Railways have been experimenting with radio apparatus to facilitate train operation. They had done so as far back as 1910, without satisfactory results. When railcar services were introduced it was thought they might be run without ordinary signalling, on the tramway principle, could some means be devised of indicating continuously to drivers their nearness to the preceding car. Tests were accordingly made in the Turin division a few years ago with equipment enabling a musical note to be received on a car, varying in tone according to the distance away of the car in advance, and so forming a kind of continuous, movable, audible block system. The risk of interference with reception, however, was too great for the system to be adopted.

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## BROADCASTING ABROAD - JAPAN

Broadcasting in Japan proper is under the control of a single organization, the Broadcasting Corporation of Japan (Nippon Hoso Kyokai), a semi-official concern closely supervised by the Department of Communications, according to the U. S. Commerce Department. Programs are subject to strict censorship and nothing that might harm the interests of the country and its people is allowed to go on the air. Advertising of all sorts is prohibited. Political speeches cannot be included in the daily program. Even election campaign speeches and Diet proceedings cannot be broadcast.

Short-wave reception in Japan is prohibited, the few sets operated being owned by Government officials or foreign diplomats. Satisfactory reception from the United States is reported to be impossible, owing to the fact that the power broadcasting stations are all on the Atlantic seaboard of the United States and also because of climatic and other interference. It is possible that a powerful station on the Pacific Coast could be heard in the Orient with some degree of regularity and satisfaction.

The strict governmental control is exercised with a dual purpose. Instruction of the people is the principal object, and the second is the discouragement of any facilities which might make Japan a field for the dissemination of foreign propaganda. The distribution of stations is part of this program, inasmuch as low-powered receivers are capable of satisfactory service under the plan in effect, and there is little encouragement to the purchase of higher powered types which would be within the range of foreign broadcasting. An early law, but one abrogated some years since, prohibited the use of receivers capable of receiving any foreign stations.

The Japan Broadcasting Corporation was organized by public-minded individuals who contributed varying amounts to its initial fund. By the end of June, 1937, the number making such contributions reached 5,495.

The revenue of the corporation is obtained from the license fees paid by owners of radio sets. Each owner pays a monthly fee of 50 sen (about 14.5 American cents) to the corporation, while an initial fee of one yen (about 29 American cents) is paid to the Department of Communications. The corporation pays the Government an annual monopoly fee of 20 sen (about 5.8 American cents) per subscriber.

The corporation operates 34 transmitting stations in Japan proper, including 3 alternative transmitting stations at Tokyo, Osaka and Nagoya. The stations are distributed on a plan seeking to give approximate equality of reception throughout the Islands, aiming toward an ideal of one-station reception in all regions.

7/12/38

Prior to November, 1937, central stations with aerial power of 10,000-watts were located in the principal stations of Tokyo, Osaka, Nagoya, Hiroshima, Kumamoto, Sendai and Sapporo. Supplementing these main stations were 27 other stations with aerial power ranging from 100 to 3,000 watts, at important points throughout the country. Two more sub-stations will be opened in July, 1938.

During November, 1937, the aerial power of the two 10,000-watt stations in Tokyo was changed to 150,000 watts, making them the most powerful broadcasting stations in the Orient, according to local claims. Plans are under way to increase the power of the 10,000-watts stations at Osaka and the 500-watt station at Fukuoka to 100,000 watts.

All stations have been linked by a permanent relay line, so that events of national interest can be broadcast to every corner of the country. Further, programs are regularly exchanged with the official broadcasting entities in Chosen (Korea), Taiwan (Formosa) Kwantung Leased Territory and "Manchukuo". Plans are being made for the extension of these broadcasts to North and Central China.

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#### CANADIAN TARIFF BOARD OPENS RADIO PROBE

The Canadian Tariff Board will open hearings at Ottawa July 12th, on an inquiry into the radio industry of Canada, according to a report from the office of the American Commercial Attache, Ottawa.

This investigation, authorized by the Minister of Finance last January, will cover the production, distribution and sale of radio receiving sets, radio tubes and batteries, the bearing of the patent law upon the manufacture, use and importation of radio sets, tubes and batteries, and the effects of the alleged pooled control of patent rights upon the importation, cost and use of radios in Canada.

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G. E. DEDICATES NEW S-W SERVICE

An enlarged broadcasting service to South America of the General Electric Company short-wave stations W2XAD and W2XAF will be inaugurated Wednesday night, July 13, at 7 o'clock, EST. The increase in international broadcasting follows closely the opening of the new WGY building and provides the short-wave stations with more studios and the latest equipment for transmitting to the South American republics.

Climaxing 12 years of short-wave broadcasting, the two stations now operate on four frequencies and broadcast regularly scheduled programs in six languages: English, Portuguese, Spanish, French, German and Italian for listeners throughout the world.

Improved service to South America was made possible recently by the granting of two new frequencies to the stations by the Federal Communications Commission, which now provides better reception in South America.

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BIG FARM MARKET SEEN FOR RADIO

The farmer likes the radio, owns one and yet offers the biggest single market for radio, according to the results of a nation-wide survey made for Philco Radio & Television Corporation.

This survey covered a field of more than 200,000 farm families which could be grouped into the more prosperous agricultural classification as they were all owners of electrified farms and farmhouses. Probably the highest percentage of radio ownership in the country was found in this group, with 93.7% owning one or more radios of one kind or another. The non-owners totaled 6.4%.

This high proportion of ownership would hardly indicate a huge market for radio, except for these figures which were obtained from the radio owners covered by the survey. Only 12.1% of these owned radios less than one year old. Sets either one or two years old amounted to 31% while those which were three, four and five years old totaled 25.1%. The chief surprise was that radios over six years old accounted for 31.8%, the highest single grouping.

The total proportion of radios over three years old amounted to 56.9%, or considerably more than half of all the radios owned.

These figures, according to Sayre M. Ramsdell, Vice-President of Philco Radio & Television Corporation, point to a huge farm market for radios.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL** — Not for Publication



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No. 1141

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"NEWSPAPER OF AIR" APPROVED AFTER THREE YEARS

The right of broadcasting stations to conduct a "newspaper of the air" was in effect sustained by the Federal Communications Commission this week when it renewed the license of Station KVOs, Bellingham, Wash., and approved its transfer of control after three years of investigation.

At the same time the FCC denied a construction permit to KVOs' bitter rival, the Bellingham Publishing Co., which publishes the only daily newspaper in the city.

Significant is the fact that KVOs in its editorial pronouncements over the air was strongly New Dealish, whereas the Bellingham Herald, in its equally acrimonious published articles, was on the other side of the political fence, both locally and nationally.

The FCC decision marks the second victory for KVOs and its counsel, former Senator C. C. Dill, as it previously had bested the Associated Press in a legal fight that was carried to the U. S. Supreme Court. The A.P. had charged KVOs with "pirating news" for its "newspaper of the air".

The Commission, which reversed the recommendation of Examiner Ralph L. Walker, made in October, 1936, did not go deeply into the charges against the "newspaper of the air" and the intra-city political rows.

It concluded merely that the testimony against the station was insufficient to justify the refusal of a license renewal and that the City of Bellingham has no other station and Station KVOs is needed in that place.

The FCC also found that there had been no violations of the law in the execution of a contract under which KVOs was provided a "newspaper of the air" and approved the transfer of control from the Westcoast Broadcasting Co. to Regan Jones.

Several previous decisions of the Commission were cited in the decision to support the FCC's ruling that an existing station should not be deprived of its broadcasting privilege "unless sound reasons of public policy demand such action".

Concerning the "newspaper of the air", which was designed "to be in every way comparable to a newspaper as it is known today or as 'radio newspapers' may develop", the FCC said:

"The contract of June 20, 1933, though not approved by the Commission, does not appear to be in violation of the Act; nor does it absolve KVOS, Inc., of responsibility, full and complete, for the use or misuse of its radio-broadcasting facilities by L. H. Darwin.

"The Examiner found, inter alia, that 'the "Newspaper of the Air" consists of local, national and international news items, commercial and gratuitous announcements, and daily "editorial comments" by Mr. Darwin.' That finding is sustained by the record; and it appears that in the course of the daily comments Mr. Darwin made remarks concerning certain individuals and groups in Bellingham, of which they complained by addressing letters to the Commission."

Examiner Walker in his report had quoted numerous excerpts from the "newspaper of the air" assailing individuals and organizations. An example:

"If Justice Roberts of the United States Supreme Court were to run for President, do you think it would be worthwhile counting his votes? He is nothing but a Philadelphia Republican machine lawyer. Read his opinions, and you will find what your Congress has done, what the President has done, who were elected by two-thirds of the people of the United States."

That the FCC saw no reason for authorizing a new radio station in Bellingham merely to combat the political broadcasts of KVOS is apparent from the decision denying facilities to the Bellingham Publishing Company.

"To support its application, the applicant (Bellingham Publishing Co.) offered testimony of one witness who testified that there was a need for additional radio service in Bellingham; that he was personally opposed to the policies advocated by Station KVOS and that he felt there should be another station in Bellingham", the FCC said. "When cross-examined on his personal objection to the existing station, his answer was:

"I think when they talk (Station KVOS) about the Hoover-made depression it is an insult to men of common sense."

"Another witness called by the applicant testified that there should be another radio station in Bellingham to eliminate the 'bunk going on over the existing station' which that witness characterized as a disturbing factor in the community. The following question and answer appear in his testimony:

"Q. You think by getting this new radio in here it might eliminate the other radio?

"A. At least I hope so."

"The foregoing illustrates fairly well the general trend of the testimony given in favor of the applicant.

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"The general manager of the applicant for the construction permit under consideration testified that the publishing company had been importuned by interviews and letters from a large number of people and by agricultural, educational, civic and religious institutions to make application for a construction permit for a new broadcast station in Bellingham but the general manager failed to give the names of any individuals that had solicited the applicant to apply for broadcast facilities. There is nothing in the record to indicate who these individuals are, what their interests might be or what reasons there is to suppose that their solicitations could be made a reasonable basis for additional radio facilities in the City of Bellingham."

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#### CANADIAN RADIOS MORE COSTLY THAN AMERICAN

Canadian radio users demand and get better quality in their radio receiving sets than do American listeners, the Canadian Tariff Board was told this week by radio manufacturers, according to the Canadian Press. This, in part, accounts for higher prices for radios in Canada than in the United States, it was said.

The Board was told that reasons for the better quality in Canadian sets are the Canadian electrical code which imposes strict standards on manufacturers and for which there is no counterpart in the United States and the fact that a great many Canadians live at a distance from broadcasting stations and would find the inexpensive small sets made in the United States of little use.

As the Board opened a hearing on the radio industry, S. M. Finlayson, Deputy General Manager of the Canadian Marconi Company, presented a brief for the Radio Manufacturers' Association of Canada and called a number of radio experts to demonstrate the alleged inferiority of American sets.

E. C. Grimley, President of R. C. A. Victor, said that the lowest price RCA set in the United States sold for \$14.95 and the lowest in Canada for \$29.50. The sensitivity of the Canadian set was ten times as great and it cost twice as much to make, he said.

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ZENITH GETS CP FOR CHICAGO TELEVISION STATION

The Zenith Radio Corporation, of Chicago, this week was granted a permit by the Federal Communications Commission to construct a television transmitting station in its Chicago factory for the purpose of experimentation and with the aim of making visual broadcasting a medium of public entertainment.

The station will operate on the frequencies 42,000 to 56,000 and 60,000 to 86,000 kc. with power of 1 KW, unlimited time.

"The applicant has a program of research and experimentation which indicates reasonable promise of substantial contribution to the development of the television broadcast art", the FCC stated in making the grant.

Zenith's program of research, according to Commander E. F. McDonald, Jr., President, will cover the five principal divisions of television service: (1) transmitters, (2) transmitter antennae, (3) transmission medium, (4) receivers, and (5) receiver antennae.

"One of the problems which must be met in the further development of television to a point where it will be of practical use and of sufficient merit to be sold to the public", the FCC stated, "is a better understanding of the matter of interference on the frequencies which have been allocated for television experimentation. The Zenith Radio Corporation has for a number of years manufactured sound receivers which cover the broadcast band and also the short-wave band. It has ascertained that in many locations satisfactory reception on the short-wave bands is impossible because of electrical interference. It is not thought that the whole problem of interference can be fully and properly investigated without a transmitter for testing purposes, nor is it thought that a receiver can be intelligently and successfully designed without the use of a transmitter in conjunction with the study and work devoted to the receiver; furthermore, it appears that special antenna may have to be developed for use along with the receivers; and it is not likely that the development work on a receiving antenna would be successful without an available television signal.

"It appears to be a fact that field tests on a sound receiver show up defects which are not disclosed by equipment tests in the laboratory; and apparently there is no reason to suppose that a television receiver passing equipment tests in the laboratory should not be subjected to field tests before it is accepted and subjected to use.

"It is said that there are many circuits in a television receiver which would be related to the results of the tests which might be made with a transmitter available while the television receiver proceeds to the completion of its design.

It is believed that the television transmitter must necessarily perform a large part in overcoming problems now known to exist in the development of the television receiver. It might be admitted that at present the engineering staff of the applicant is unable to state in what particular the television receiver which they hope to perfect will be superior to some receiver which may now be in process of development by some other radio manufacturer; but there is nothing in that point, if indeed it be a fact, because one of the purposes of the application is to put the engineers of the Zenith Radio Corporation in a position where they may contribute their ability and experience to the development of a satisfactory television receiver.

"One of the engineers of the applicant stated that it had been investigating the various component parts of transmitters and receivers; that the engineers of the applicant had been working on television sweep circuits, on the production of the synchronizing signals, on television amplifiers; that they hope to learn something about radiation systems and antennas usable on ultra high frequencies to overcome the difficulty experienced in television reception; that television receivers as presently known require in operation a strong signal for any satisfactory use; that difficulties arise in propagating such signals on the frequencies used in the transmission of television because of the noise level that exists in cities; and it is contended that experimentation is needed for such reasons.

"The Commission finds that the television transmitter and the television receiver are the two most intimately related parts of the terminal apparatus in a radio transmission; and that the receiver must have sufficient signal at all times to maintain the operating relation.

"It is not believed that it will be an easy and certain possibility to perfect the design for a radio television receiver except under actual field conditions and tests to ascertain the effect of noise and other disturbances upon the propagating medium on the wide band frequencies.

"One witness testified that complete television systems had been developed at the laboratory but he added that the systems that were developed in the laboratory did not test the propagation characteristics, the effect of static, both man-made and natural disturbances, and in some instances were not far enough separated to get away from the harmonics, etc., that might be generated by the transmitter itself.

"The same engineer also said: 'There is a great difference between a laboratory set that works fairly satisfactorily in a laboratory and one that would give fair satisfaction under outside conditions'.

"The applicant maintains a staff of many engineers, several of whom are devoting, and will continue to devote, their entire attention and time to television experimentation; and the applicant at the time of the hearing was engaged in selecting an additional staff of competent television engineers to carry on the work proposed by it under the pending application.

"The Zenith Radio Corporation owns a completely equipped factory with approximately 13 acres of space on one floor - and one section of the factory has two floors. It has recently spent one year and expended more than a million dollars in improving and enlarging its factory; its laboratories are fully equipped for radio television research and development. The applicant has actively engaged since January, 1937, in the development of important parts of the television transmitter and receiver. The proposed transmitter is designed for and will be capable of modern high definition television, using all electronic methods."

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#### U. S. STATIONS HELD COMBATTING EUROPE'S PROPAGANDA

American short-wave broadcasting stations are quietly counteracting the barrage of radio propaganda directed at the Latin American countries by Nazi and Fascist nations, the Institute of Public Affairs at the University of Virginia was told this week.

William V. B. Van Dyck, Assistant to the President of the General Electric Company, admitted that "the purpose of the barrage of radio propaganda from Europe is primarily to develop closer trade relations with overseas countries". However, he insisted that General Electric's two Schenectady stations, W2XAD and W2XAF, and other privately-owned U.S. short-wave stations are combatting this propaganda successfully.

He called particular attention to the action of the Federal Communications Commission last Winter in lending the Government-allocated international frequencies to General Electric and the World Wide Broadcasting Foundation, of Boston.

"The application was granted in February, and on March 4th the broadcasts announced in Portuguese were inaugurated on one of the new channels, while those previously announced in Spanish were continued and improved", he recounted.

"Since the inaugural night, we have been broadcasting every day of the week programs which we endeavor to make more interesting than those originating in other countries and that are designed to let our listeners know something of the life and culture of the people of the United States.



"Already, in hundreds of letters and personal assurances we have been convinced of the good results of this policy.

"Our listeners comment favorably on the strong signal given in South America, both by England and Germany, and they like their excellent musical programs, but they say that they 'turn the dial' when they recognize inspired news items or other propaganda. They prefer to receive their news items or matters of like interest from America."

In this way, rather than by retaliation, in kind, Mr. Van Dyck said, his and other privately owned stations were counteracting one "barrage of radio propaganda from Europe designed to develop closer trade relations with overseas countries at the expense of the United States."

General Electric, Mr. Van Dyck said, was now at work on research and development projects designed further to improve its service in listening countries "thus contributing to the cultivation of good-will abroad", and to make our facilities available for public service."

At Schenectady new studios and equipment are being inaugurated to be used exclusively for short wave", he told the Institute.

"In addition, a new station is under construction at Belmont, Calif. A directive antenna will enable it to serve the Orient effectively, and, by reversing its directivity, to transmit to Latin America.

"All this work costs money, and the question may well be asked: 'Why does General Electric do it - especially since international broadcasting cannot be commercial?'

"I will answer that in the words of Boyd Bullock, Assistant Manager of Broadcasting:

"First, because General Electric is interested in the technical and social advance of all phases of electrical enterprise, and, second, because it believes that such broadcasting is a vital factor in the promotion of international good-will - not by the propaganda method, but by making all peoples better acquainted with each other.

"It is a long-range and far-sighted viewpoint, but General Electric knows that through peaceable and understanding conditions, world prosperity can flourish, bringing with it national prosperity and the prosperity of great industrial enterprises which provide employment, buying power and real wealth to hundreds of thousands."

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WILL GETS POWER INCREASE DESPITE INTERFERENCE

Despite the fact that its increase in power will cause interference with three commercial stations, the University of Illinois, Urbana, Ill., was given a construction permit by the FCC this week to raise the power of Station WILL from 1 to 5 KW, daytime, on 580 kc.

The educational station will interfere slightly with Stations WCHS, Charlestown, W. Va., and WKZO, Kalamazoo, Mich., and seriously with WIND, Gary, Ind., the Commission stated.

"The present operation of the applicant station causes objectionable interference within the service area of Station WIND, affecting 60,000 people", it added. "If the instant application is granted, the affected area will be enlarged to include a population of 93,000 people.

The affected area in either case is within the borders of Illinois, and its listeners receive service similar to that rendered by Station WIND from several commercial stations operating in the metropolitan area of Chicago."

In summarizing its conclusions in support of the grant, the FCC said:

"The slight interference that the proposed operation would cause within the normally protected service areas of Stations WKZO and WCHS is warranted by the need for the service which the applicant proposes. There will be increased interference within the normally protected service area of Station WIND, but the affected area is entirely within the State of Illinois and the listeners therein have a greater need for service from the applicant station than from Station WIND. The objectionable interference that would result within the proposed service area of the applicant station from existing or proposed stations is negated in importance by the increase in the number of listeners that would receive satisfactory service from the applicant's station."

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By decree of the French Minister of Colonies, an Inter-ministerial Committee for Colonial Radio Broadcasting has been instituted, the U. S. Commercial Attache at Paris reports. The aim and object of this Committee will be to prepare and draw up programs for radio broadcasts intended for colonial propaganda throughout the metropolitan France, and to promote a closer relation between France and its overseas possessions. The Committee's headquarters are at the Intercolonial Bureau of Information and Statistics.

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## NBC AND CBS SIGN WITH AFRA

Contracts governing wages and working conditions for actors and singers employed by the Columbia Broadcasting System and the National Broadcasting Company for sustaining radio programs in New York, Chicago and Los Angeles, and in the case of NBC, also in San Francisco, were signed this week at Radio City by officials of the broadcasting companies and the American Federation of Radio Artists.

The contract provides minimum pay schedules ranging from a low of \$8.00 for choral and group singers for a 15-minute broadcast on the Pacific Coast to a high of \$25.00 for soloists for a full-hour's broadcast in New York or on a national network. It sets up a minimum scale for singers employed by the week ranging from \$40.00 on the Pacific Coast to \$65.00 in New York, and also names AFRA the exclusive bargaining agent for radio actors and singers on sustaining programs originating on the network key stations in the cities affected.

Lenox R. Lohr, President of NBC; Lawrence Lowman, Vice-President of CBS; Emily Holt, National Executive Secretary of AFRA, and George Heller, Assistant National Executive Secretary and Treasurer of AFRA, were the signers.

The contract, which is for a term of two years, becomes effective the third Sunday following its ratification by the members of AFRA and after AFRA shall have been certified to the broadcasting companies by the American Arbitration Association representing a majority of the actors and singers employed by the broadcasters in the cities covered by the agreement.

As the contract covers only sustaining programs in the cities named, other radio stations and commercial advertisers are not affected by this agreement.

Under the agreement, rehearsal hours are limited for the first time in the history of broadcasting and overtime pay schedules are provided for artists required to rehearse more than the agreed time. Working conditions for staff singers are defined and there is a requirement that artists be paid for program auditions.

Rehearsal hours for actors call for two hours for a fifteen-minute broadcast, six hours for a thirty-minute program and eight hours for a sixty-minute broadcast. For singers rehearsals will be one and a half hours for fifteen-minute programs, two and a half hours for thirty minutes and three and a half hours for an hour's broadcast. The agreement provides for the payment of rehearsal overtime at the rate of \$4 an hour.

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## OPERATORS' HEARING RECESSES TILL SEPTEMBER

The informal hearing before the Chief Engineer of the Federal Communications Commission with respect to "Proposed Professional Radio Operator Rules", which was held on July 11th and 12th, will reconvene at the offices of the Commission in Washington, beginning 10:00 A.M., on September 14th. This recess was granted at the request of the American Communication Association and others who stated that they desired more time to consider the proposed operator regulations.

The next portion of the hearing will be for the purpose of permitting all interested parties to appear in person and submit specific typewritten recommendations as to changes, additions, or deletions in the proposed rules, together with the reasons for such recommendations.

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## FCC AUTHORIZES NEW STATIONS; TWO RECOMMENDED

One new broadcasting station was authorized by the Federal Communications Commission this week, bringing the total for the year to 31, and two more were recommended by Examiners.

Kanawha Valley Broadcasting Co., Charlestown, W. Va., was given a permit to operate on 1500 kc. with 100 watts power, unlimited time. There is one other station in Charlestown - Station WCHS.

Vancouver Radio Corp., Vancouver, Wash., and Nathan Frank, of New Bern, N. C., were given favorable reports by Examiners. They requested 880 kc. with 250 watts daytime and 1500 kc. with 100 watts unlimited, respectively.

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## FIVE FLATS SERVED BY BBC TELEVISION SET

"The luxury of today is more often than not the necessity of tomorrow", a correspondent writes in World-Radio, BBC journal. "In time a television receiver will be an accessory as accepted in English homes as 'sound' radio is today. When that time comes - just when it will come no responsible person would dare to prophesy - we can expect all kinds of devices for serving television programs to the public from one central source.

"I inspected one of the first television relay stations the other day. The service has been installed in a large block of flats in the West End, and has given satisfactory results for more than eighteen months.



"At the moment five tenants are served from the one master receiver, but there are sufficient points to include the remaining flats, without any appreciable loss in vision strength.

"Altogether the scheme seems to be ideal for hotels and large buildings inhabited by separate families. There is only one aerial system needed - in this case it is of the ordinary half-wave vertical di-pole type, mounted on a thirty-foot flag-staff erected on the roof, about 100 feet from the ground. The receiving apparatuses in the flats themselves are worked by only three controls - main switch, brightness of picture, and volume.

"The vision master-receiver, of the superheterodyne type, converts the vision signal to a frequency of about 16 Mc/s. This comparatively high frequency has been chosen for a variety of reasons.

"The vision power amplifier, fed from the master-receiver, feeds the network, the impedance of which is 20 ohms, at a fairly high level. A small multi-electrode transmitting valve is used.

"As for the sound receiver, this is entirely separate from the vision receiver, and follows a more or less conventional design, except that a certain amount of noise suppression is achieved.

"The sound amplifier is a small triode valve delivering the audio frequency component at a level of approximately 3 volts to the distribution network via a line transformer of the usual type. Sound distribution at low level has been used to avoid any possibility of cross-modulation effects and sound waveform appearing on the vision screen.

"Television monitoring arrangements consist of a bridging amplifier and rectifier feeding a cathode-ray tube. Sound is monitored by a simple stage bridging amplifier and loudspeaker.

"The filters are of conventional design, but care has been taken with the television section to avoid distortion of the modulation sidebands.

"All the equipment described above is mounted on relay racks and panels housed in a small building on the roof. This building, small as it is, also contains air-conditioning fans and motors - rather, one would have thought, an unfavorable place for radio reception.

"The distribution system is of interest. The cabling, all of which was laid after the flats were built, is inexpensive and no bulkier than ordinary lighting flex. This cable carries all the signals - vision, sound, and radio frequency.

"Technical details in the terminal apparatus are all standard, although the exteriors vary in accordance with the furnishing schemes of the flats concerned. The vision channel is passed through an amplifier of simple design prior to rectification. The signal available to different parts of the building varies somewhat, and the amplifier is used for adjustments.

"The high voltages for the cathode-ray tubes are locally generated, together with the scanning voltages. Large-diameter tubes are used.

"Altogether the apparatus is designed for trouble-free working. A successful design, evidently, for there has not been a single break-down since the service started."

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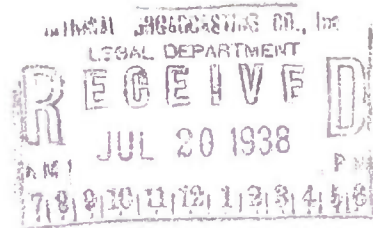


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No. 1142

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July 19, 1938.

FCC AWAITS OUTCOME OF McNINCH ILLNESS

Things are virtually at a stand-still with regard to important matters of policy at the Federal Communications Commission awaiting the outcome of the illness of Chairman Frank R. McNinch at the Naval Hospital in Washington. Under a separate set-up, plans are going ahead for the radio monopoly inquiry in the Fall of the broadcasting industry of which William J. Dempsey was named Special Counsel before Mr. McNinch went to the hospital.

Otherwise things at the Commission are drifting along waiting for the Chairman to come back. Mr. McNinch was sent over by the President "to clean things up" and the other Commissioners apparently are taking no chance on making any important moves in the North Carolinian's absence so that upon his return he may shoulder the full responsibility of whatever is done.

How long this may be is still pretty much of a conjecture. Although Mr. McNinch has now been confined to the hospital for about two weeks, he has, as yet, been allowed no visitors. The reason given for this is that the doctors want him to have a complete rest. There are reports that the illness of the Chairman - stomach ulcers with colitis infection - is considerably more serious than generally supposed. Mr. McNinch, who is 66 years old, has been under a tremendous strain over a long period which evidently has lowered his vitality. About a year ago, his present ailment being an old and chronic one, he was obliged to go to a hospital for treatment at Philadelphia. That was when he was on the Power Commission. One report has it that when the Chairman is discharged from the Naval Hospital this time, that he will be obliged to take a complete rest for a month or two - Southern newspapers say that an extended fishing trip is in contemplation - which would seem to indicate that there may be a considerable period before he actively resumes his duties as Chairman of the Communications Commission.

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N.Y.C. EDUCATION BOARD WOULD ERECT HIGH FREQUENCY STATION

An application has been received from the Board of Education of New York City to erect a 500-watt educational station in Brooklyn. The station would be non-commercial and the frequency asked for is 41,100 kilocycles.

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## WHITE FIRES OPENING GUN IN 1939 RADIO INVESTIGATION

Just at the time when the Federal Communications Commission felt that it had escaped a public spanking in the form of a Congressional investigation, Senator Wallace White, of Maine, interrupted the Summer siesta with a sharp warning that he would again ask the 1939 Congress to authorize a broad inquiry into the charges of irregularity and favoritism hurled at the Commission and a probe into radio broadcasting generally.

Coming from a Republican, this declaration ordinarily might not be taken seriously, but in the case of Senator White, who nearly succeeded in having a similar resolution passed by the last Congress, it is different. Regardless of party affiliation, he is looked upon both by the Senate and the House as the outstanding radio authority in Congress and is highly respected on both sides of the fence. He was the co-author of the legislation which created the Federal Radio Commission. Furthermore, he invariably has the backing of Senator Burton K. Wheeler, Progressive Democrat, Chairman of the Senate Interstate Commerce Committee, which handles all radio legislation in that body.

There is an impression in Washington that the main reason that President Roosevelt shifted Chairman Frank McNinch from the Power Commission to the Communications Commission was to stave off a Congressional inquiry. The effort Mr. McNinch made in this respect is understood to be one of the things which put him in the hospital. Nevertheless, although reported favorably by the Rules Committee, the House voted down the proposal of a Congressional investigation of the Federal Communications Commission, the understanding being the Commission would subsequently white-wash itself by its own investigation scheduled for the Fall.

One of the biggest radio problems, Senator White said, is the spread of chain broadcasting. Other phases he wants investigated include; Government ownership and operation of stations for other than strictly governmental purposes, licensing of super-power stations, whether Congress should deal with rates and practices of broadcasting companies, newspaper ownership of radio stations, censorship or broadcasts, and liability.

"Evern Senator knows, that the air is full of reports that cases have been decided not alone on the evidence presented and the merits of the issue, but that political pressure has been often exerted, and that it has been determinative in many instances", Senator White continued. "There is, I believe, a public impression that applicants before the Commission should and must seek political aid. The Commission ought not to be subjected to such influences. Its decisions ought not to be under suspicion to the extent they now are because this or the other person of political power has intervened. I know of no



more certain means of reestablishing the Commission in public respect than to turn on the light of publicity and thereby to stop these attempts to improperly influence a quasi-judicial and regulatory body of the Government.

"There is persistent report that the Commission, in the consideration of cases and in the determination thereof, disregards its own procedural rules and its established engineering standards. Is this true? If there is justification for the belief, what is the justification for the Commission's acts?"

"There is a greater volume and persistence of criticism of this Commission than of any other bureau or commission of the Government. Is there warrant for this? I think the Congress should free the Commission from unjustified suspicion or it should act if its policies and purposes and the standards which ought to guide a regulatory body of the public importance of this Commission are being disregarded. Only a searching inquiry will give the answer to these questions."

He then called attention to the profits of broadcasting and particularly to the sale prices of stations as disclosed by recent Senate and House appropriations hearings.

"Such figures", he added, "suggest that an inquiry should be made into the radio industry in order that the Congress may have complete knowledge as to the investment in radio stations and their equipment; as to profits; as to the real considerations for the sale, assignment, and leasing of stations; as to whether licensees are receiving huge sums for licenses which cost them nothing; and generally into the basic question of whether property rights in the nature of vested rights are being asserted in frequencies and are being recognized by the Commission."

Other major points discussed by Senator White were alleged trafficking in licenses, and charges of monopoly.

"Why should the Government be concerned?" he said with regard to the former issue. "The price paid cannot affect the legal powers of the Commission. In a legal sense a station licensee who has paid a hugh sum for an assignment, a sale, or a lease, and who has violated the law is subject to the penalty of revocation or to the rejection of a renewal of application as is one paying a nominal consideration, but I am afraid the human element enters into the equation and punitive action is not so certain in the one case as in the other."

"If we will regard the realities, we will recognize that, in disregard of the Congressional purpose, stations and licenses and frequencies are being freely bought and sold and leased; that prices are being asked and paid which have no possible relation to the investment, and which can only be explained upon the theory that the frequency is being highly capitalized."

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## NEW BROADCASTING SKIPPER DELIVERS FIRST MESSAGE

Neville Miller, new President of the National Association of Broadcasters, addressed the following message to the members of that organization:

"I come to radio with an open mind.

"I know there is a real job to be done.

"Out of necessity you have set up a new National Association of Broadcasters to face the problems of the industry within and without.

"We want the right answer found to each problem.

"We want an Association whose functioning will equitably serve each unit of the broadcast industry; whose work will weld us into a cohesive force, vigorously advancing the radio art under the free, competitive system of American radio. We want an Association mindful of both its social and economic obligations for the welfare of the nation.

"To these ends I pledge you our labors at Headquarters. With your help we will advance toward solutions with definite progress, week by week. Naturally, the job cannot be done overnight.

"I know that radio is young and still growing. Its growth needs to be fostered and not stifled. As Mark Ethridge has pointed out, radio wants perhaps less than any industry in the nation: it wants only the opportunity to develop the highest character of service.

"In the last few days I have had the pleasure of meeting several members of the Federal Communications Commission; of conferring with our NAB Board of Directors and Committee Chairmen. I have since talked with many others in Washington concerning radio's problems, present and future. In daily sessions our Headquarters Staff is tackling the problem of Copyright, and of Labor. We are analyzing the question of Education as related to radio; we have laid the ground work for extensive research into every phase of radio as a medium of advertising and as a fair forum of public discussion. We have formulated specific plans to acquaint the public with the real story of American radio and how it operates - and the story shall be told honestly and fearlessly.

"I hope in the near future to become better acquainted with each NAB member. Pending the time I have that pleasure of meeting you personally, I hope you will not hesitate to send in your suggestions and advice, and to call on us at Headquarters for any help at any time.

"I want to express to the entire membership my appreciation of the honor you have conferred upon me. To the best of my ability I pledge to serve you faithfully."

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7/19/38

### FIGHT FOR CROSLY 500 KW RENEWAL BEGINS

Technicalities marked the beginning of the fight for the renewal of the 500 KW experimental license for Station WLWL, of Cincinnati, at the Federal Communications Commission hearing in Washington last Monday (July 18). Earl C. Vance, a production engineer of the RCA Manufacturing Company, who helped to build the station, was the principal witness.

Mr. Vance told about many problems in building the station, whose power is the highest of any broadcasting station regularly used in the United States. Because of the pioneering nature of the work, Mr. Vance held conferences on many matters with officials of the General Electric Company, Westinghouse, and Crosley, he said. All joined forces in the job of building the station, each one producing certain parts.

The hearing was being held by the Super-Power Committee comprising Norman Case, Chairman, T.A.M. Craven, and George Henry Payne.

It was brought about by Commissioner Payne early last Spring when he set Crosley's application for renewal of WLW's experimental license for hearing while acting as a one-man Commission.

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### GREECE BANS RADIO TRANSMITTERS FOR PRIVATE USE

The Greek Ministry of Finance recently announced that the importation from abroad and the use by private individuals of radio transmitting equipment is strictly forbidden in that country, according to a report to the Department of Commerce from the office of the American Commercial Attache at Athens.

Only Government departments will be permitted to own and operate radio transmitters in Greece, the report stated.

While amateur radio transmitting is still very little developed in Greece, the new measure seems destined to eliminate all interest in that field. At present there are only three amateur transmitters in use in Greece. These transmitters are covered by special licenses. These stations will not be affected by the new regulation unless their licenses are specifically revoked, according to the report.

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## FCC REPORTED READY TO DISINFECT COMMENTATORS

The radio czars are making a deep secret of their plan to investigate complaints against "unfair commentators", Ray Tucker writes in a Washington McClure syndicated dispatch edited by Richard H. Waldo. "They refuse to name the prospective defendants or to publicize the source of the charges. But the close relations between the aerial purgers and the administration furnishes a partial answer", Mr. Tucker goes on to say.

"The radio orator who has aroused fiercest official antagonism is a deep-voiced, dogmatic fellow whose nightly jere-miads against the Roosevelt-Hull foreign policy have provoked some teeth-gnashing here. At a New York conference of Army, Navy and financial bigwigs designed to squelch peace sentiment in the West, his name was the most frequently mentioned as the big, bad devil. For fear of making a martyr of him, the scheme to force him off the air was abandoned on the advice of an administration publicist with lots of horse sense.

"With advertisers and station owners scared stiff at the thought of official disfavor or pressure - licenses must be renewed every six months - the investigators can easily eliminate harsh opponents. But it is expected that they will proceed slowly and cautiously for fear of arousing Congressional cries of censorship. Every politico will suspect that he might be next if he irritates the poobahs in coming campaign."

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## MULLEN ONCE OFFERED JOB ON RADIO COMMISSION

Arthur F. Mullen, former Democratic National Committee-man from Nebraska, who died last week, once turned down a proffered appointment on the Federal Radio Commission and obtained the job for his law partner, James H. Hanley, in April, 1933.

Mr. Mullen considered the Radio Commission job with \$10,000 a year salary too small for his consideration and became a professional lobbyist at many times that income. Following an active political career he practiced law in Washington until late in 1937, when ill health forced him to return to Omaha.

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C O R R E C T I O N

In listing the membership of the FCC Rules Committee in the Heintz News Service July 12th, in an article captioned "Rules Group Proposes Procedure Regulations", the names of Hampson Gary, General Counsel of the FCC, and Chairman of the Rules Committee, and Davis G. Arnold, Chief Examiner, of the FCC and a member of the Rules Committee were inadvertently omitted.

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(Not released for publication until Sunday, July 24th)

### SCHOOLS ARE PROLIFIC EDUCATIONAL PROGRAM SOURCE

Schools and colleges in 42 States of the Nation have produced more than 3,000 radio programs over local broadcasting stations in less than two years using scripts supplied by the Educational Radio Script Exchange, the Office of Education, Department of the Interior announces.

How these widely-separated schools and colleges are blazing new pathways in the field of education through radio is disclosed by the publication of the third edition of a Script Catalogue listing 181 radio scripts available to educational groups through the Educational Script Exchange. The Exchange is a project created to further the work of the Federal Radio Education Committee. This Committee is composed of 40 representatives of the broadcasting industry, institutions of higher learning, associations of educators, educational radio stations, various civic, labor and religious groups, and Government agencies, having been established by the Federal Communications Commission in order to bring about active cooperation between educators and broadcasters. Commissioner of Education John W. Studebaker is Chairman of the Committee.

In the short period of less than two years the Script Exchange has supplied more than 3,000 educational groups with more than 130,000 copies of radio scripts on many educational subjects. Upward of 13,000 copies of radio manuals and glossaries of radio terms, as well as hundreds of copies of music arrangements for many local programs produced in cooperation with more than 200 stations have been sent out on request.

The third edition of the Script Catalogue lists 16 complete radio series and a number of miscellaneous scripts available to educational institutions. More than 1,200 scripts have been conserved. They were literally saved from "sudden death", since scripts ordinarily are used but once over the air. The Exchange thus makes available to educational groups a wide variety of subjects in the fields of history, literature, the sciences, industry, discoveries, current events, economics, safety, civil liberties, Government travel, music, and international relations.

An educational group interested, for instance, in the presentation of literary subjects in the training of pupils or students in radio technique, has had placed at its disposal the series, "Treasures Next Door". This series consists of 10 fifteen-minute scripts originally presented by the Office of Education, with the cooperation of the American Library Association and the Columbia Broadcasting System. It dramatizes such literary classics as Edgar Allen Poe's "Fall of the House of Usher", and "The Spy", by James Fennimore Cooper.



An educational group desiring to present a historical subject over the radio has available through the Script Exchange a series of six dramatizations entitled "Interviews With the Past". In this series six celebrities, Benjamin Franklin, William Shakespeare, Napoleon Bonaparte, Queen Elizabeth, George Washington, and Catherine the Great, come back to earth to be interviewed by a group of high school students.

A series prepared and entitled "Epoch Discoveries of the Past", dramatizes discoveries which have revolutionized science and industry. In one of the seven chapters of this series, students bring back the Scientist Spallazani, to explode the once popular theory of "spontaneous generation". Another script tells the romantic story of the cotton gin, while another tells the story of aluminum.

In the field of natural science, the Script Exchange makes available scripts entitled, "Have You Heard", a series which deals with interesting and unusual facts about volcanoes, the weather, reptiles, birds, rivers, minerals, the moon, plants, insects, trees, and animals.

One of the series popular with many educational groups is entitled "Stories of American Industry", in the 24 thrilling chapters of which the history of industry is unfolded. Furniture, chemicals, motors, tobacco, shoes, gas, electric power, glass, carpets and rugs, petroleum, dairy products, commodity distribution, toys, motion pictures, canning, coffee, tea, printing and perfumes are some of the subjects included in the series.

Seven 30-minute scripts carry education by radio to an artistic climax by making available the music appreciation series, "Symphony Hall". This series, originally prepared by WRUF, State and University station in Gainesville, Florida, is a seven-chapter course in classical music. Through selected recordings the glory of the symphony is extolled, featuring the Minneapolis Symphony, Paul Whiteman's Concert Orchestra, the Chicago Symphony and the London Symphony.

As a supplementary aid to production, the Script Exchange has recently issued a "Handbook of Sound Effects", providing instruction in the various methods of creating vocal, manual, recorded, electrical and acoustical sound effects.

Another supplementary aid to production issued by the Script Exchange is a Radio Manual which gives suggestions for the preliminary arrangements, general organization, and production of radio programs. A third aid to production issued by the Exchange is the Radio Glossary which defined commonly used radio terms such as "sneak it in", "in the mud", and "schmalz it", any of which may be heard in the production of a radio program.

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7/19/38

### RADIO-WIRE UNION CONVENES IN N.Y.C.

More than 150 delegates representing nearly 15,000 workers in telegraph companies, radio land lines, radio stations at sea and on aviation fields gathered at the Hotel Victoria, New York City, this week for the Fourth National Convention of the American Communications Association, C.I.O.

Mervyn Rathborne, in his annual presidential report informed the delegates that the union has grown almost 50 percent and many new locals have been added since last year. The convention is expected to last for two weeks. Among the speakers scheduled for the convention are John Brophy, Councilman Michael J. Quill and Harry Bridges, C.I.O. leaders; Lee Pressman, counsel for the C.I.O.; Mrs. Elinore M. Herrick, Regional Director of the National Labor Relations Board, and Alex Rose, State Executive Secretary of the American Labor Party.

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### NEW ZEALAND HOUSE BROADCASTS PROCEEDINGS

There is a changed atmosphere in the New Zealand House of Representatives, writes a World Radio correspondent, because five sensitive microphones, connected to the big national broadcasting station, pick up the proceedings. No longer does a policy measure go through on a continuous time-table, the peak points of Parliamentary interest being arranged, if possible, to coincide with the best "entertainment hours".

The budget comes before Parliament - and the microphone - at 7:30 P.M., and most important Ministerial speeches are also heard in the evening. Sometimes, by a little clever strategy, the most devastating opposition criticism will be voiced in the final half-hour of broadcasting for the night. An immediate Government answer would not be heard, but by exercise of more strategy, the next afternoon in the House of Representatives is somehow filled in so completely that the resumption of the main debate, and the broadcasting of the official reply to the critic of the previous night goes "on the air" during the ideal "entertainment hours."

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7/19/38

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: : : TRADE NOTES : : :  
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Emerson Radio and Phonograph Corp., New York, has built itself into the largest manufacturer of small radio sets in the country through consistent use of newspaper space cooperatively with its dealers, according to Editor & Publisher. A report issued this week revealed a 22% increase in dollar volume over the preceding year and a 34% increase in terms of units sold", the article states.

"Most astounding achievement of newspaper advertising has been the sale of 'several hundred thousand' units of the Emerson \$9.95 sets since they were put on the market about Jan. 1. Only newspaper cooperative ads have been used during that time.

"At least \$600,000 was spent last year for Emerson advertising, nine-tenths of which went into cooperative newspaper ads. It was estimated a total of \$1,000,000 went into newspapers, including the dealers expenditures. Nine national magazines are used by Emerson in the Fall campaigns."

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Broadcasting and railroading completed a tie-up this week when the National Broadcasting Company forwarded several sets of NBC chimes to the Baltimore & Ohio Railroad Company for use by its dining-car waiters.

Among the trains on which the chimes were places are the B & O Royal Blue and Columbian between New York and Washington and the limiteds operating to Chicago, St. Louis and Detroit. Additional sets also have been ordered for the Alton Railroad Company, B & O subsidiary, for the Alton limiteds on the Cincinnati-St. Louis runs.

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Referring to the fact that North Americans often do not look upon short-wave radio with much importance, W. V. B. Van Dyck, Assistant to the President of the International General Electric Company, told the University of Virginia's Institute of Public Affairs last week that there are nearly 160 licensed short-wave stations in the Latin-American countries, as compared to only 17 in the United States.

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7/19/38

RADIO DESTINY RESTS WITH PEOPLE, SAYS OWEN D. YOUNG

In an address delivered by Owen D. Young, Chairman of the Board, General Electric Co., at the dedication of General Electric's new station WGY in Schenectady. Mr. Young spoke in part, as follows:

"Whether broadcasting serves this country or the world well or ill lies not in the hands of the engineer, but in him who uses the instrument, influenced as he must be by the reaction of his listeners. Now for the first time, the people of the United States, not the engineers, not the broadcasting companies, must decide what radio shall and what it shall not do.

"If one assumes that arts advance with comparable speed, radio is today where the light and power industry was at the turn of the century. Then we thought there was little more to do in the application of electric energy to light and power. The fact is that the great strides in practical application have been made since then.

"Will it be so with radio? Have we seen only the promising dawn not the noon-day of a great new art? Imaginative engineers tell us so. One must remember that the hazy dreams of today become in skilled hands the realities of tomorrow. Shall talking pictures be laid down in every home? Shall newspapers be created there by facsimile without the daily shipment of pieces of paper? Shall telephones be in every button-hole? Shall we see the world around as we now hear the world around? Shall we find this earth too small and sometime, somewhere reach into the vast spaces of the Universe to gratify that insatiable curiosity of the human mind as to what we are and why we are?

"The answer is not for me to make, nor however difficult, it is not for you to spurn. All we can say is that as the years go on, we will adopt the latest and best facilities and then we will hold again from time to time dedications of new instrumentalities doing those things which are only dreamed of now and perhaps even those things which have not reached the state of dreams."

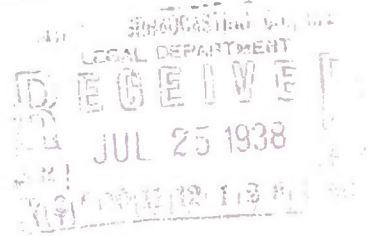
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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**



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## WLW ASKS MORE TIME FOR SUPER-POWER EXPERIMENTS

The Crosley Radio Corporation, of Cincinnati, this week presented a mass of statistical data, engineering and financial, to the super-power committee of the Federal Communications Commission in support of its request for an extension of its experimental 500 KW. license.

Toward the close of the first week of the hearing, the inquiry had failed to develop any of the expected sensations as Commissioner George Henry Payne remained silent and Powel Crosley, Jr., owner of WLW, failed to make an appearance.

Frequent clashes between Duke M. Patrick, counsel of Mr. Crosley, and George Porter, Assistant FCC General Counsel, marked the hearing as WLW put a parade of witnesses on the stand. At one point Mr. Porter explained that he wished to make a record for "further proceedings" either before the FCC or in the courts, indicating that the Nation's station will fight to retain its experimental station to the last ditch.

Considerable interest was aroused by exhibits presented by E. J. Ellig, Comptroller of the Crosley Corporation. Mr. Porter, during cross-examination, sought to show that WLW profits had shot up after its power was increased from 50 KW to 500 KW., experimentally, in April, 1934.

Indications were that the FCC committee would delve deeper into the profits of WLW before the hearing ended as Mr. Ellig's report dealt with Crosley operations generally, including manufacturing.

Earlier James Shouse, Vice-President of the Crosley Corporation, testified at length regarding the program service of WLW, while Gerald Branch, of WLW, explained tests which had been made to determine how much better service was rendered by WLW with 500 KW. than with 50 KW.

An odd fact developed, however, showing that 1.3 percent of 1045 listeners reporting one survey had found the WLW signal stronger when it used 50 KW. than when it used 500 KW. The vast majority, however, or 95 percent noted a decrease in signal when WLW returned to 50 KW. Three and seven-tenths percent found both signals the same.



Engineers of the applicant discussed in some detail technical tests relating to fading, static, and other obstacles to reception of WLW's super-power signal.

G. F. Leydorf said that the worst static level in the United States is in the southeastern section and that the strongest signal was needed to penetrate the area.

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WJJD CITED IN PATENT MEDICINE AD COMPLAINT

The Federal Communications Commission this week designated for hearing the application of Station WJJD, Chicago, for renewal of license after an investigation of complaint that the station was carrying patent medicine advertising.

Announcement of the hearing in a formal press notice inaugurated a new policy of the FCC in making public complaints against broadcasting stations following preliminary inquiries by members of its own staff.

With regard to the WJJD case, the Commission said:

"The investigation did not disclose that the advertising was in accord with stipulations entered into by the manufacturers with the Federal Trade Commission and the Food and Drug Administration, Department of Agriculture, following proceedings and cease and desist orders entered by those agencies."

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CHURCH NAMED DIRECTOR OF G.O.P. RADIO ACTIVITIES

Ted Wells Church, formerly with the Columbia Broadcasting System in Washington, this week was named Director of Radio Activities of the Republican National Committee with headquarters in Washington. He will serve as an aide to Franklyn Waltman, Jr., recently named Publicity Director of the G.O.P.

Mr. Church, at one time on the Washington bureau of the New York Herald-Tribune, has been engaged in private business for the last several months. In his new job, it is understood, he will make arrangements for the major hook-ups of radio stations for Republican speakers during the current Congressional campaign.

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## MONOPOLY PROBE COUNSEL PROMISES FAIR INQUIRY

The scheduled chain-monopoly inquiry of the Federal Communications Commission, which is due to reach the hearing stage early in September, will be conducted with the utmost fairness to all parties, according to the Special Counsel, William J. Dempsey, recently named by Chairman Frank R. McNinch.

Declaring that he was preparing for the inquiry with an open mind, Mr. Dempsey said:

"I know the Commission wants the investigation conducted in a spirit of fair play as an honest, unprejudiced, fact-finding inquiry."

Mr. Dempsey is now engaged in studying the social and economic report on broadcasting prepared by Commissioner T.A.M. Craven while Chief Engineer. He said he also would examine the voluminous record in the recent super-power hearings.

The Special Counsel, despite his 32 years, has had considerable experience in governmental regulatory and legal work. He joined the FCC last October after having served as Assistant General Counsel of the Federal Power Commission, working there also under Mr. McNinch, who was Chairman of that agency.

A native of Brooklyn, Mr. Dempsey is a legal resident of Santa Fe, N.M., He joined the Federal Power Commission in May, 1937, as Assistant General Counsel. Prior to that he was identified with power litigation involving the Public Works Administration under Secretary of the Interior Ickes as PWA Administrator. He recently resigned as Special Counsel on those PWA cases now in litigation.

Mr. Dempsey attended grammar school in New York, and during his high school years resided in Oklahoma, when his father was an independent oil operator. He graduated from Georgetown University in 1927. While attending Georgetown University Law School at night, he taught Mathematics and Physics at the University during the day. He received his law degree in 1931 but had been admitted to the District of Columbia bar the preceding year. He was admitted to the New York bar in 1931 and joined the legal staff of BMT Corp., subway operators, handling utilities litigation and trial work.

In 1933, Mr. Dempsey joined PWA and was associated with Jerome Frank, Special Counsel handling power litigation, and now a member of the Securities and Exchange Commission. Mr. Dempsey is married and resides in Washington with his wife and three children.

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## PRESIDENT NAMES McDONALD TO RUSHMORE MEMORIAL

President Roosevelt last Wednesday named Commander E. F. McDonald, Jr., of Chicago, a member of the Mount Rushmore Memorial Committee. The announcement radioed to the White House from the U.S.S. HOUSTON on which the President is now cruising, stated that six new members had been appointed to the Mount Rushmore Committee. They were, in addition to Commander McDonald, Senators Norris, Independent, of Nebraska; Senator Townsend, Republican, of Delaware; Representative Keller, Democrat, of Illinois; Herman Oliphant of the Treasury Department and Russell Arundel, of Washington. Senator Key Pittman, Democrat, of Nevada, is the new Chairman of the Committee.

The White House aides said Mr. Roosevelt had accepted resignations of four members of the Commission. They were Mrs. Silas H. Strawn, of Illinois, John A. Boland, of South Dakota, E. B. Gurney, of South Dakota, and Charles N. Day, of South Dakota.

The Mount Rushmore Memorial is the gigantic project of Gutzon Borglum, the famous sculptor, who in 1927 began the carving in the stone of Mount Rushmore, Black Hills of South Dakota, massive figures of Presidents Washington, Jefferson, Lincoln and Theodore Roosevelt. This memorial was dedicated by President Coolidge August 10, 1927, and \$100,000 was voted toward its completion by the last Congress.

Commander McDonald is an old and intimate friend of Mr. Borglum, and is well-known as President of the Zenith Radio Corporation of Chicago.

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## ORAL ARGUMENT MONDAY ON ULTRA HIGH FREQUENCIES

Oral argument will be heard next Monday by the Federal Communications Commission in the matter of allocation to services in the ultra high frequencies from 30,000 to 300,000 kc. The argument is a sequel to a recent hearing at which objections were made by communications companies to certain of the allocations, especially for television.

Appearances have been entered by the Mackay Radio & Telegraph Co., represented by James C. Phelps; R.C.A. Communications, Inc., represented by Col. Manton Davis, Frank W. Wozencraft, and John F. Gibbons; Press Wireless and Aeronautical Radio, Inc., by Louis G. Caldwell; International Business Machines Corp., by Raymond Beebe, Alfons B. Landa, and Robert W. Mapes; and television channels, LeRoy J. Leishman.

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7/22/38

COMMISSIONER PAYNE HOST TO SECRETARY AND MRS. ICKES

Governmental officials, newspaper correspondents, and others were guests of Commissioner George Henry Payne of the Federal Communications Commission, on Thursday afternoon at the exclusive Chevy Chase Country Club, just outside of Washington, at a reception for Secretary Harold L. Ickes and his bride.

Two colleagues of Mr. Payne on the Commission, T.A.M. Craven and Norman S. Case, and several FCC subordinate officials were present. Guests in addition to Commissioners, who attended the reception follow:

Admiral and Mrs. S. C. Hooper; Captain and Mrs. Dudley Wright Knox; Lieut. E. K. Jett, Chief Engineer of the FCC, and Mrs. Jett; Commander and Mrs. E. M. Webster; Hampson Gary, General Counsel, FCC; Mr. and Mrs. W. Kingsland Macy; Francis Colt de Wolf, of the State Department; Count Fumasoni Biondi; Mr. Gideon A. Lyon, of the Washington Star, and Mrs. Lyon; Mr. George B. Parker, Editor-in-Chief of the Scripps-Howard Newspapers, and Mrs. Parker; Mr. Drew Pearson, United Features Syndicate, and Mrs. Pearson; J. Waldo Fawcett; Mr. and Mrs. James A. Kennedy; George B. Porter, FCC; Joseph P. Tumulty, former Secretary to President Wilson; Mr. Frederic William Wile, of the Washington Star, and Mrs. Wile; Mr. Lyle C. Wilson, United Press, and Mrs. Wilson; Jay Jerome Williams; Mr. Ernest K. Lindley, Washington Post, and Mrs. Lindley; Dr. and Mrs. Edward L. Corbett; Mr. Paul Y. Anderson, of the St. Louis Star-Times, and Mrs. Anderson.

Also, Mr. and Mrs. Leon Henderson; Hal Horan, London Daily Express; Mr. Arthur S. Henning of the Chicago Tribune, and Mrs. Henning; Mr. and Mrs. Roy Marcher; Frank P. Morse; Mr. and Mrs. Seth Richardson; Frank C. Waldrop, of the Washington Herald; Mr. and Mrs. Merle J. Pusey; Lieut. and Mrs. Raymond Asserson; Mr. Carl Bauman, Associated Press, and Mrs. Bauman; George Calvert Bowie; Mrs. Gladys Butler; Mr. and Mrs. Clifton Carter; Mrs. Karl Corby; Miss Mary E. Creveling; Mr. and Mrs. James D. Cunningham; Abraham Miller of the FCC; Mr. Gerald C. Gross, head International Division, FCC, and Mrs. Gross; Al Dibble; Mr. Warren B. Francis, Los Angeles Times, and Mrs. Francis; Miss Lenah J. Ferro; Andrew G. Haley; Hugh B. Hutchison; Mr. and Mrs. A. H. Jenkins; Miss Mary V. Johnson; Mr. and Mrs. Edgar M. Jones; Mr. and Mrs. Walter Johnson; Mrs. Ruth Koppialky.

Also, Mr. and Mrs. George W. Mehrtens; Don Romer; Mr. and Mrs. Harry Ward and Miss Ward; Mr. J. D. Secrest, Washington Post, and Mrs. Secrest; Miss Leila Stiles; Mr. Ray Tucker, McClure Newspaper Syndicate, and Mrs. Tucker; Mrs. George D. Walter; Mr. Franklin G. Wisner, of the FCC, and Mrs. Wisner.

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## ARMY AND NAVY WATCH TELEVISION'S PROGRESS

Among the most interested observers of television development here and abroad are technicians of the U. S. Army and Navy who expect that the art will play an important role in future international conflicts.

Army radio experts are cooperating with private industry in giving television practical application. Experiments are being conducted with this new art in an effort to give staff officers directing wartime operations, a constant view of the battlefields instead of sketchy and delayed telephone or telegraph descriptions.

The Navy Department also is interested in developing such an apparatus, possibly for installation in observation planes flying above or near enemy ships. In future international troubles it may be that for want of a television set a war will be lost.

U. S. Government is the Nation's principal user of radio. Radio devices of many kinds are being used every day in innumerable bureaus. Their applications range from "soundings" 20 miles into the stratosphere to explorations for oil and minerals a mile or more below the earth's surface. The Bureau of Mines is using radio in geophysical prospecting.

The Weather Bureau is completing plans for establishing on September 1 the first regular observations of upper air conditions with a radiometeorograph. This is a miniature broadcasting system attached to a rubber balloon which automatically observes weather conditions as it rises above the ground and radios them to ground observers. In experimental flights the device already has explored the ceiling of the world far above the greatest altitude ever reached by man.

The Weather Bureau also is developing sensitive "static-finders" which will locate storms and trace their progress by the amount of interference they cause in the ether.

Today in war-torn Shanghai and other parts of the world radio keeps the Government at Washington in constant touch with its far-flung emissaries. The Coast Guard maintains an unceasing radio vigil along the Nation's shores.

A large corps of workers in the Bureau of Air Commerce supervise the mysterious directional radio beams which airline pilots follow as safely as a horse and buggy ambles down a country lane. Other experts of the bureau are working to perfect new "blind" landing beams and other devices to improve the record of safety in the air. They have completed work on an accurate radio teletypewriter.

The Naval Observatory is the only spot in the country which knows to the split second what time it is. It makes that knowledge available to everyone with its hourly time signals from the powerful Arlington Radio Station.

Radio direction-finders for ships and airplanes are in constant use by Government agencies, distant outposts in Alaska and isolated Indian reservations are in immediate communication with headquarters, the Army is perfecting the radio direction of tanks, artillery and other units, work is still under way in the radio control of unmanned boats and airplanes for possible use in time of war, and the lighthouse service maintains radio direction beams on some of its lightships to bring vessels into port.

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#### RADIO FIRST PURCHASE ON ELECTRIFIED FARMS

What electrical appliance would you buy first if your home were wired for electricity tomorrow? The average farmer would buy a radio.

Skipping over electric washing machines and refrigerators, Mrs. Average Farmer next would buy an electric iron. In third place comes the electric washing machine to replace the old back-breaking tub, and fourth is the electric refrigerator. These facts were made public this week in a survey report of the Rural Electrification Administration.

The average farmer spends about \$180 for appliances during the first few months he has electricity, the report stated.

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#### SCOT PROFESSOR NEW HEAD OF BBC

Professor Frederick Wolff Ogilvie, 45-year-old economist, who since 1934 has been President and Vice Chancellor of Queen's University, Belfast, was this week appointed head of the British Broadcasting Corporation.

Like Sir John Reith, who recently vacated the post at the request of the Government to take over the reorganization of Imperial Airways, Professor Ogilvie is a Scot. Although an authority on adult education, unemployment, problems and the tourist industry, he has never broadcast. He will receive a salary of £9,000 to cater to the wants of 20,000,000 listeners.

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TELEVISION FIVE YEARS OFF, SAYS PHILIPS CO.

While keeping abreast of technical progress in television, the powerful Philips Company, of The Netherlands, believes that visual broadcasting will not be accomplished on a large scale for five years and even then a television receiver will be a luxury.

"Television in the Netherlands is still in the experimental stage", the U. S. Commercial Attache at The Hague reports, "although the progress already made in overcoming technical difficulties would, it is reported, justify the utilization of television in the Netherlands to the same extent as is being done in England, where performances are being given regularly. The Philips concern has secured a number at its laboratories at Eindhoven. The reproductions obtained with the company is newly developed 22-tube sight-and-sound receiver are considered satisfactory even when compared with the best obtained thus far elsewhere. With iconoscopes built in its own laboratories, both outdoor scenes and motion picture films can be transmitted direct, without the intervention of photography, by so-called interlacing at 25 pictures per second; in this manner, larger and clearer pictures are obtainable. There are still many improvements needed, but Philips has introduced complete television transmitters and receivers. This is some indication that the technical difficulties are being surmounted.

"A committee which was appointed to investigate and study the subject has filed a preliminary report. Recommendations have been made that experiments in television transmission be continued in order to awaken public interest. The committee finds that transmission can be done only on a modest scale for the time being. The erection in Amsterdam of a small transmitter with receivers installed in restaurants and department stores to ascertain the attitude of the public is advocated. The committee is continuing its investigations.

"The real problem of television is financial. To overcome this serious financial problem, experiments are being made to devise a cheaper apparatus and to extend the range of transmission which will render the general introduction of television practicable.

"At the Semi-Annual Trade Fair held at Utrecht in March this year, television demonstrations were held with a Philips portable television transmitter. These demonstrations are reported to have been very favorable. As to the practical introduction of television transmission, statements made recently by the Philips Company were not very favorable. In the Company's opinion, there are still so many problems that for the next five years, there will be no question of effecting television transmissions on a large scale and even then a television receiving set will still be a luxury article. Also there would remain the problem of producing actual and attractive pictures every day and every hour of the day for which enormous sums of money would be required."

::: TRADE NOTES :::  
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John Royal, Vice-President in Charge of Programs of the National Broadcasting Company, announced this week the appointment of Walter G. Preston, Jr., as his Assistant in Charge of Education. This is the first step in a reorganization of the educational set-up within the national program department. He joined NBC three years ago as Assistant to the Vice-President and Treasurer, and was appointed to his present position, Director of the General Service Department, in 1936.

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WLW, The Crosley Radio Corporation, of Cincinnati, Ohio, was granted extension on July 21st of special experimental authority to operate a facsimile station from 12 midnight to 6 A.M. with 50 KW., for the period Aug. 1/38 to Feb. 1/39.

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In order of frequency in kilocycles, the International Division of the Federal Communications Commission has just issued a world list of international short-wave broadcast stations.

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Appointment of Vincent J. Gilcher, present Manager of Technical Services in the NBC Engineering Department, as head of the company's General Service Department was announced this week. Mr. Gilcher succeeds Walter G. Preston, Jr., who has been appointed by John F. Royal, NBC Vice-President in Charge of Programs as his assistant in charge of Education. To succeed Mr. Gilcher in the engineering post, O. B. Hanson, NBC Vice-President and Chief Engineer, named William A. Clarke, now Assistant Manager of Technical Services.

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The plant for the radio station of Tripoli, which is being constructed in the Zanzur oasis, is to be completed in August, according to the U. S. Commercial Attache at Rome. The auditors are already in the Exhibition pavilion of Tripolitania and a 6-fold underground cable unites them with the transmitter. An interesting characteristic of the radiation system in the Zanzur oasis is that it can be orientated toward the East or the West or have circular radiation. This is obtained by using two aerials, each of which can radiate separately or serve as a reflector for the other. The Tripoli Broadcasting station will be inaugurated on October 28, 1938, as the beginning of the XVIIth Fascist Year.

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## BROADCASTING ABROAD - EGYPT

Up to May 31, 1934, broadcasting in Egypt was conducted by 21 unofficial private stations in Cairo, Alexandria, Port Said, and in the provinces, which operated intermittently as advertising media, the majority of their programs were made up of Arabic and European phonograph records, according to the U. S. Commerce Department. The quality of the transmission was poor and there was no publication of programs in the local press. All of these stations were closed on May 31, 1934, to make way for Egyptian State Broadcasting.

Egyptian State Broadcasting, through the Marconi Wireless Telegraph Company, Ltd., of London, now operates all broadcasting. The Marconi Company has a 10-year monopolistic concession, to operate as agents for the Egyptian Government, receiving 60 percent of the listener's license fees. The main studios are in Cairo in a specially constructed building.

Egyptian State Broadcasting is modelled after British Broadcasting Corporation. There is no advertising, and private broadcasting is not permitted. The construction of a new station of 100,000 watts has been authorized and will be completed by the Government within about 2 years. Subsequently it is expected there will be a short-wave station.

Two simultaneous programs in Arabic and European languages are broadcast daily. Hours vary with time of year but are usually from 7 A.M. to 11:30 P.M. (Egyptian Time), with intervals morning and afternoon.

Programs are general with considerable emphasis on spoken features in Arabic. There is general complaint, listeners demanding a larger proportion of music.

The Egyptian State Broadcasting has its own library which is composed of a substantial number of classical and dance music records. They buy periodically new records and also receive on loan from various local phonograph distributors the latest dance features which secure some advertisement since the title, number and make of each record is broadcast.

A limited number of transcriptions, chiefly from American sources, are also purchased by the Egyptian State Broadcasting from time to time, though the prices of American transcriptions are rather high, hence the extensive use of phonograph records.

The Marconi concession constitutes the regulations governing broadcasting. Dealers are required to report all sales of radio with the identity of the purchases. An annual receiving set tax is applied, amounting to 80 piastres (\$4.) plus 5 piastres (25¢) per tube. Antagonism to this taxation is general.

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## MANY DAILIES DROPPING RADIO COMMENT, SURVEY SHOWS

Faced with increased costs, reduced revenues, and subsequent necessary economies, there is a growing trend among publishers throughout the country toward elimination of radio comment columns, an Editor & Publisher survey in key cities of the U.S. reveals.

"Lack of adequate advertising revenue from the radio industry, which commands so much free space in newspapers, long has been a sore spot to publishers, who are now taking the view that they have been the 'goat' in glorifying the other fellow too long", Stephen J. Monchak writes in the current issue. "They feel elimination of radio gossip columns is one way to save white space for more newsworthy matter.

"Following the example set earlier this year by publishers on the Pacific Coast and in the Mid-West, where radio gossip columns were successfully dropped, the movement is gaining ground. In some sections, it is indicated, elimination of program logs is under consideration.

"The movement broke out in concert, the survey reveals, coincident with sharp protests by publishers at the American Newspaper Publishers Association annual convention in New York, in April.

"Elimination of radio comment columns, initiated by five Los Angeles dailies - Times, Examiner, Herald & Express, Daily News and Evening News - early in April has become almost universal in Southern California, the survey reveals, and was accomplished with very little unfavorable reader reaction. Publishers, it is indicated, are well satisfied with the move, but show no disposition at present to throw out the radio logs.

"In the Los Angeles area only two dailies continue to run radio comment columns, the Hollywood Citizen-News and the Pasadena Star-News. . . .

"Little effect on radio listening habits has been noticed according to W. R. Penney, head of W. R. Penney Market Research Corp., which maintains a continuous check on radio listeners. Figures for May of this year, following the elimination of the columns, indicates very little fluctuation from the average trend, he said. Mr. Penney estimates that newspapers in the U. S. have been giving radio from 20 to 25 million dollars worth of space each year, and compares that with the \$100,000,000 which motion pictures spend for promotion, about 85% of which goes to newspapers.

"How newspapers figure they can give \$20,000,000 a year to a competitive industry, I can't see' he said. 'If newspaper advertisers had been alert, they wouldn't have allowed the development of the radio columns in the first place.'

"In Chicago, three newspapers dropped their radio comment columns within the past 3 months with no particular outburst of protest from readers, Editor & Publisher was informed. In fact, the number of letters received, complaining the columns were discontinued, was less than 200 on each paper."

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July 26, 1938.

WORLD S-W PARLEY DISCUSSED BY U.I.R.

At the end of 1937, according to the annual report of the Council of the International Broadcasting Union, which recently held its Summer meeting at Ouchy, Lausanne (Switzerland), the number of registered or licensed radio receivers throughout the world was about 87,500,000, representing a figure of approximately 350,000,000 listeners, the British Broadcasting Corporation reports. Of that number, 31,200,000 sets (approximately 125,000,000 listeners) are in Europe.

Delegates representing twenty-three European countries, three U.S.A. broadcasting systems, Porto Rico, and the Dutch East Indies, together with observers from postal-telegraph administrations in various parts of the world, attended the meeting, during which the Greek broadcasting service and the Spanish Republican broadcasting service were elected full members of the U.I.R.; the Argentine Government station LRA, of Buenos Aires, the broadcasting service of the Department for Press and Propaganda attached to the Mexican Foreign Office, and the Mutual Broadcasting System of the United States were elected associate members; and the broadcasting service of General Franco's administration was admitted as a special member.

Preliminary discussions by the Technical Committee on the groundwork of a plan for the revision of European broadcasting wavelengths, which the recent World Telecommunications Conference at Cairo invited the U.I.R. to draft, were an important feature of the meeting's business.

The President of the Technical Committee (M. Raymond Braillard, Director of the Brussels Checking Centre) was asked by the Council to prepare a memorandum on the existing conditions in the short-wave field, with a view to a possible world conference on short-wave broadcasting.

Questions of copyright, the international protection of artists (a problem that is to be examined in the Autumn by expert committee convened by the International Labor Office), and the unauthorized recording of broadcast transmissions were discussed by the Juridical Committee, over which Dr. Sourek (Czechoslovakia) presided.

A recommendation by the Program Committee (President, Monsieur Dymling, Director-General of the Swedish broadcasting service) that the Canadian Broadcasting Corporation should be invited to provide the fifth World Concert, to be relayed in five



continents and to consist of music characteristic of both the English-speaking and French-speaking peoples of Canada, was adopted by the Council.

With the object of facilitating the international exchange of programs and so promoting understanding among nations, the Program Committee recommended the arranging of periodical meetings of the officials responsible in each organization for international relays.

During the General Assembly, Monsieur Antoine Dubois (Holland) was re-elected President of the U.I.R. for 1938-1939; Monsieur R. Jardillier (France) and Monsieur le Professeur V. Ylostalo (Finland) were re-elected Vice-Presidents. Messieurs von Boeckmann (Germany) and M. E. Nelky (Hungary) were elected Vice-Presidents in the place of Vice-Admiral Sir Charles Carpendale (Great Britain) and Professor Vallauri (Italy).

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#### McFARLANE, CRITIC OF FCC, LOSES PRIMARY FIGHT

While returns were not complete, reports from Texas early this week were that Representative W. D. McFarlane, outspoken critic of the Federal Communications Commission, had lost out in the Texas Democratic primary.

Representative McFarlane during the 75th Congress made frequent attacks on the FCC and what he termed "the radio monopoly" on the House floor and was one of the members who demanded a thorough Congressional investigation.

The apparent victory of W. Lee O'Daniel in the gubernatorial race also had a radio tie-in but of a different sort. Mr. O'Daniel achieved his large following via a radio program and a hill-billy band.

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The British Navy radio station under construction at the Singapore naval base will be completed during this year. This station will be used by the Admiralty as a relay station in the Far East and will provide direct communication with all British warships in Far Eastern waters, direct to London.

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7/26/38

FCC TO PRESENT CASE IN WLW HEARING THIS WEEK

With the Crosley Radio Corporation nearing the end of its presentation of testimony in the WLW case, the Federal Communications Commission was expected to present evidence this week on the social and economic aspects of super-power.

The hearing recessed over Monday so that the full Commission could hear oral arguments with regard to its orders on ultra high frequencies.

The highlight of WLW's testimony to date in behalf of continuation of its 500 KW. experimental license was the financial statement submitted by E. J. Ellig, Comptroller of the Crosley Corporation, covering operations from 1929 through 1937.

The statement showed that for 1937, WLW's net revenue totaled \$2,658,806.22, with total expenses of \$1,546,796.46 and after deducting probable income taxes, the net profit amounted to \$702,954.61, or 26.4% profit. The statement further disclosed that WLW's net income increased from \$43,464.20, or 6.4% profit in March, 1930, to a maximum percentage of profit for the year ending March 31, 1934, of 34% when the net income was \$408,951.58.

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UNION POLL OF CBS TECHNICIANS ORDERED

The National Labor Relations Board on Monday scheduled a collective bargaining election "as promptly as practicable" among approximately 200 broadcasting technicians and engineers employed by Columbia Broadcasting System, Inc.

All CBS engineers and technicians, except those employed at Station KMOX, St. Louis, will decide whether they wish representation by the C.O.O.'s American Communications Association, by the unaffiliated Associated Broadcast Technicians, or by neither. Each claims a majority.

Employees at Stations WABC, New York; WBBM, Chicago; WBT, Charlotte, N.C.; WKRC, Cincinnati; WCCO, Minneapolis; WECI, Boston, and WJSV, Washington, will be polled.

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7/26/38

AIR CENSORSHIP HIT BY CIVIL LIBERTIES UNION

Continuation of its fight against any form of radio censorship was promised by the American Civil Liberties Union recently in its annual report. One of its objectives for the new year, the Union said, would be:

"Greater freedom of the air by setting aside time for public discussion free of station managers' control; by requiring equal facilities for all sides of controversial topics; and by opposing governmental censorship in any form."

Discussing the past year, the Union said:

"While censorship by station managers continues as a part of the accepted set-up, the Federal Communications Commission which disavows censorship - and from which, in fact, it is prohibited by law - for the first time assumed such powers in criticizing a National Broadcasting Company sketch featuring Mae West and Charlie McCarthy. The Commission announced that it would take into consideration in considering renewal of licenses the character of programs. The Civil Liberties Union protested this announced assumption of powers by the Commission, and, as far as we know, it has not been exercised.

"While no cases of censorship by station managers came to public notice, it is a matter of common knowledge that the networks do not sell time to labor unions in order to avoid being drawn into industrial strife; nor do they, it is true, sell time to employers' associations. But the inequity of the situation is plain, for employers are able to get across their propaganda on commercial programs.

"The Union endeavored to push in Congress bills which would correct this inequality of opportunity to reach the public. No hearings, however, were held in the face of opposition by the companies and politicians desirous of retaining the good-will of the radio industry. Senate and House resolutions for sweeping investigations of the radio set-up and of freedom of the air died in Congress though reported favorably. The Civil Liberties Union worked actively for their passage. The Federal Communications Commission has announced its own investigation covering some of the issues on which the Union has been long campaigning."

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7/26/38

McNINCH STILL IN NAVAL HOSPITAL

Chairman Frank R. McNinch was still in Naval Hospital early this week undergoing treatment for colitis although he had been expected to return to his office by the middle of the month.

He was said to be resting well although it was not known when he would be discharged from the hospital.

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AUTHOR ADVISES AGAINST LATIN AMERICA PROPAGANDA

Broadcasters who have opposed the proposed entry of the United States in a short-wave propaganda contest with Germany and Italy for Latin American listeners received encouragement this week from an American authority on Latin American affairs.

Edward Tomilson, author and lecturer, upon returning from a tour of South America during which he made a special study of Nazi and Fascist influence, expressed the opinion that the United States should refrain from propaganda, according to the New York Times.

The Latin Americans are surfeited with the continual evidence of foreign influence and are growing wary of propaganda, he said, and the United States should carefully reject any attempt to add its voice to the tumult, especially since the existing friendly feeling for the United States would render any such urging superfluous.

He quoted Dr. Gil Borges, Foreign Minister of Venezuela, as saying:

"The United States does not need to put on a campaign of propaganda. The actions of your country and your President have done more to improve the standing of the United States in Latin America than any special campaign of propaganda could possibly do."

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## CLEVELAND HEARINGS RECESS TILL AUG. 1

Hearings of the Great Lakes and Inland Waters Survey of the Federal Communications Commission, which commenced before Commissioner Thad H. Brown in Cleveland on July 18th and continued until Friday afternoon, July 22nd, have been recessed until Monday, August 1st.

In his opening statement Commissioner Brown emphasized that the investigation was not an adversary proceeding, but a public hearing in aid of legislation to determine factually the nature and extent of shipping and commerce upon the Great Lakes, the facilities for navigation, the navigation hazards and casualties, and the need, if any, for radio communication facilities.

Congress in 1937 in "An Act to amend the Communications Act of 1934", which contained a provision for the promotion of safety of life and property at sea, directed the Federal Communications Commission to make a special study to determine what, if any, different radio facilities and uses are required in the Great Lakes and inland waterways trades than those ordered by Congress for coast-wise and inter-coastal ocean shipping and required by the International Safety at Sea Convention and Treaty for international high seas shipping.

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## RADIO SERIES CUTS TRAFFIC DEATHS

A 35 percent reduction in deaths on Maryland's highways thus far in 1938 over 1937 was traced in part at least this week to the 13 Sunday radio dramatizations over Station WBAL in Baltimore of death on the highway.

Walter R. Rudy, Commissioner of Motor Vehicles, who worked out the programs with the Commercial Credit Co., of Baltimore, said he felt the dramatizations had a healthy psychological effect on motorists starting out for Sunday or vacation trips.

Because of this apparent success, Commissioner Rudy recommended a continuation of the program, which has been entitled "It Happened So Quick."

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## ICKES MAKES DEBUT AS RADIO COMMENTATOR

Secretary Ickes made his debut as a radio news commentator Monday night over Station WOL, Washington, taking the place of a vacationing commentator.

During a review of the news, Secretary Ickes commented editorially on President Roosevelt's prospects for a third term, Senator Tydings' campaign for reelection, and the defeat of Representative Maverick in the Texas primary.

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## CIVIL WAR DIVIDES SPANISH STATIONS

The Spanish Civil War has had the effect of dividing the broadcasting stations into a number of groups, each controlled by one party or the other to the conflict, according to World-Radio. The Government stations are divided into two groups - the first under the Ministry of Telecommunications of Valencia, and the second under the Director-General of Broadcasting, Barcelona. The first of these groups consists of the following stations:

		<u>Metres</u>	<u>kc/s</u>	<u>KW</u>
Madrid	EAJ2	410.4	731	5
Jaen	EAJ70	410.4	731	1
Valencia	EAJ71	410.4	731	2
Almeria	EAJ54	200.	1,500	0.2
Murcia	EAJ17	201.1	1,492	0.2
Aranjuez	EAQ	30.4	9,870	20.

The second of:

Radio Barcelona	EAJ1	377.4	795	5
Radio Barcelona	EAJ1	( 42.7	7,026	-
		( 21.35	14,051	-
Radio Asociacion (Barcelona)		393.5	1,022	3

There are, in addition, 9 stations belonging to this group.

The following stations are controlled by General Franco's Administration of Radio Communications:

		<u>Metres</u>	<u>kc/s</u>	<u>KW</u>
Salamanca (Radio Nacional)		238.5	1,258	20
Saragossa	EAJ10	201.1	1,492	0.2
Burgos (Radio Castilla)	EAJ27	207.3	1,447	6
San Sebastian (Radio Espana)	EAJ8	207.3	1,447	1
Seville	EAJ5	410.4	731	5
Pamplona	EAJ6	227.3	1,320	0.5

(more)



Short-Wave Stations:	<u>Metres</u>	<u>MC/s</u>	<u>KW</u>
Tenerife EAJ43	28.93	10.37	23
Valladolid	48.82	7.00	0.4
San Sebastian	41.66	7.20	1

In addition, there are 39 local stations using a small power.

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#### FRENCHMAN GATHERS DATA HERE FOR RADIO SERIES

Hoping to present a true picture of the United States and the American people to French radio audiences, D. G. van Ackere, French representative of the Columbia Broadcasting System, is touring this country to gather material for a series of 30 weekly programs to be given over world-wide as well as French radio networks.

Mr. van Ackere arrived in Washington Friday from New York and spent the week-end viewing outstanding features of the Nation's Capital in order to prepare his Washington program.

"You know", he said, "the bulk of the population in France, due to the sensational treatment of American news by the majority of French papers, has a very warped idea of the true nature of America. They read of gangsters and love nests and mechanical feats with steel and stone."

By giving French audiences a clear picture of American life, Mr. van Ackere hopes in some measure to overcome popular understanding.

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#### SWEDEN STARTS S-W PROGRAM FOR U.S.

The Swedish Radio Broadcasting Company has commenced a regular radio program intended for Swedes abroad, especially in the United States, Canada, Australia, and South America, according to a report to the Department of Commerce by the office of the American Commercial Attache at Stockholm.

The program, which is broadcast bi-weekly for one hour, is at present conducted on an experimental basis in order to ascertain the most suitable wavelength and time, the report stated. In their experimental state, the programs consist of selected interviews, music of all kinds, and songs by Swedish artists, according to the report.

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7/26/38

::: \_\_\_\_\_ :::  
::: TRADE NOTES :::  
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The deadline for submitting briefs in the super-power hearing has been extended by the special FCC Committee from August 1 to August 15, it was announced this week.

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A labor representative on the Federal Communications Commission and a complete Federal investigation of the communications industry were demanded in the report of Mervyn Rathbone, President of the American Communications Association, adopted at the C.I.O. Union's convention in New York City last week.

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Measures taken by Columbia technicians to assure continuous operation under any emergency of the new \$350,000 KNX transmitter at Torrance, Calif., have made it practically impossible to cut Los Angeles off from communication with other parts of the country, according to James Middlebrooks, engineer in charge of construction of the new plant. To withstand earth tremors of any registered intensity, the transmitter house has been built of reinforced concrete in two adjoining units, each designed to "carry" horizontal or vertical shocks.

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The government of Australia has awarded contracts for nearly \$460,000 worth of radio aids to aerial navigation to be installed at airports in New South Wales, Queensland, Victoria, South Australia, Tasmania and the Federal Capital Territory, the Commerce Department reports. The equipment includes ultra-short wave landing beacons for six ports, two-way communication equipment for nine ports and radio navigation beacons for four ports, the Department said.

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The 154th station of the National Broadcasting Company will become affiliated with the NBC Mountain Group No. 10 on August 1st, when the Utah Broadcasting Company opens KUTA in Salt Lake City. It will be a supplementary outlet available only to advertisers using Station KLO in Ogden.

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Since the inauguration of radiotelephone broadcasts of information of use to mariners, made from the Key West Depot of the Lighthouse Service in both the English and Spanish languages, there has been a gratifying response from mariners, including a number of masters of Cuban vessels which operate partly in United States waters, according to the Bureau of Lighthouses, Department of Commerce.

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## CRITICISM OF DUTCH PATENT MONOPOLY GROWS

There is a growing amount of criticism against the pool patent control situation over radio goods in The Netherlands, the U. S. Commercial Attache at The Hague reports. The most energetic of the critics is a man by the name of Aalberts, who publishes a magazine called "The Lamp", or "De Lamp". Both forms of the name are given because he publishes sometimes in Dutch and sometimes in English, and the magazine nearly always carries articles in both of these languages, and in German, French and Spanish as well.

"Incidentally", the report states, "one of the larger import-wholesale-retail radio stores in Amsterdam issued a catalog listing American sets and evidently prospective buyers place their orders abroad, personally assuming the risk of suit for patent infringement. This concern doubtless gets sales commission and as far as is known has not been sued. Many smaller shops also do business in a similar manner and despite Philips' vigorous prosecution, there is a growing and almost wholesale disregard for its alleged 'rights'.

"A new move on the part of Philips at Eindhoven is to make the sales of sets, kits and parts impossible. It is stated that Philips has bought the American patent No. 18770, application presented June 12, 1925, under number 30472 and issued April 16, 1928. It is asserted that this patent covers all variable condensers on which trimmers are mounted and on which end plates are slotted.

"Therefore Philips forbids the sale of all variable condensers with mounting trimmers, even though they themselves will not deliver variable condensers. Thus, the independents assert, it is impossible to sell kits or sets so they are taking action in the courts and are hopeful of securing relief in spite of the strong backing the courts have always given the Philips Company. It is asserted that unless some relief can be obtained from America, the import of kits and other radio set parts from the United States probably will cease."

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### RCA DECLARES QUARTERLY DIVIDENDS

David Sarnoff, President of the Radio Corporation of America, announces that quarterly dividend number ten on the outstanding shares of the Corporation's \$3.50 Cumulative Convertible First Preferred stock, and a quarterly dividend on the outstanding shares of "B" Preferred stock, were declared at the regular meeting of the Board of Directors held in New York last week.

The dividend on the First Preferred stock, covering the period from July 1, 1938, to Sept. 30, 1938, is 87½ cents a share and payable on October 1, 1938 to holders of record of such stock at the close of business on Sept. 7, 1938. The dividend on the "B" Preferred stock is for the period from July 1, 1938, to Sept. 30, 1938, and amounts to \$1.25 a share being payable on Oct. 1, 1938 to holders of record at close of business Sept. 14, 1938.

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7/26/38

RADIOS HOLD BIG LEAD IN RURAL ENTERTAINMENT.

Although less than two decades old, the radio receiver has far outstripped the piano and the phonograph as an entertainment medium in rural villages, according to a survey made by the Bureau of Home Economics of the Agriculture Department.

U. S. agents made the surveys in 139 representative villages throughout the country during 1935-36. The results have only recently been announced.

They show that from 76 to 93 per cent of the white families included in the study owned radios; from 27 to 42 per cent owned pianos; and from 13 to 22 percent owned phonographs.

Three out of four white families interviewed in the Southeast, 76 percent to be exact, owned radios. There were 2,100 such families studied in 33 villages of the Carolinas, Georgia, and Mississippi.

More than four out of five families interviewed in the central portions of the country had radios. Specifically, the proportion was 85 percent for the 1,103 families reporting on ownership of radios in 22 villages of the Dakotas, Kansas, Colorado, and Montana; and 89 percent for the 3,042 families studied in 46 villages of Pennsylvania, Ohio, Michigan, Wisconsin, Illinois and Iowa.

Nine out of ten village families interviewed for expenditure data in New England and on the Pacific Coast had radios. In 24 villages of California, Oregon, and Washington, the percentage was 92 for the 1,471 families interviewed. In 14 villages of Vermont and Massachusetts, ownership was reported by 94 percent of the 743 families visited.

A special Negro study of 972 families in the 33 Southeastern villages plus Mound Bayou, Mississippi, an all-Negro village, showed 18 percent of the families owning radios, as against 20 percent owning phonographs, and 10 percent owning pianos.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

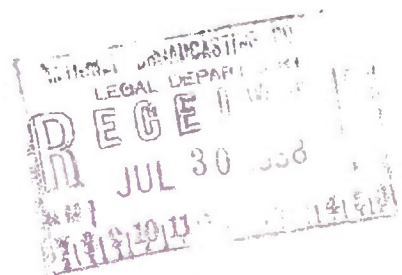
WASHINGTON, D. C.

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No. 1145



## SENATOR WHITE CITES GAINS AT CAIRO

World-wide radio regulations adopted at the International Telecommunications Conferences in Cairo, Egypt, last Spring "are a distinct improvement over the existing regulations" and "the interests of the United States have been safeguarded", Senator White (R.), of Maine, Chairman of the American delegation, reported to the State Department this week.

In a 42-page report, Senator White reviewed the actions of the Conference in relation to the demands of the United States.

Seven decisions of the Conference on radio matters were cited by Senator White as outstanding. They are:

1. Adoption of a plan for radio channels for the world's seven main intercontinental air routes, including calling and safety service channels.
2. Widening of the high frequency broadcast bands to a total of 300 kilocycles and the adoption of special bands for tropical regions for regional use.
3. The limitation of the use of spark sets to three channels and the outlawing of spark sets except below 300 watts output.
4. Improved tolerance and bandwidth tables.
5. The extension of the allocation table to 200 megacycles for the European region. Other regions were given the right to effect their own arrangements above 30 megacycles.
6. Establishment of further restrictions on the use of 500 kilocycles frequency for traffic.
7. Bringing up to date of regulations relative to the maritime and aeronautical services.

Some of the highlights of the report relative to broadcasting follow:

"With respect to long wave broadcasting, the Madrid plan was only slightly altered. The band 160-265 kc. was continued for European broadcasting as under the Madrid Regulations. However, under the new regulations a European or Regional Conference may allow one or several broadcasting stations in Europe in the band 150-160 kc. in derogation of the general allocation to mobile services provided the mobile services are not hampered. The regulations also provide for the use of the frequency band 160-265 kc. for broadcasting in South Africa and British India, in addition to New Zealand and Australia, on condition that the stations which use these frequencies for broadcasting be placed in such a manner as to avoid interference with the services of countries which use these frequencies for purposes other than broadcasting.

"The regular broadcasting band, 550-1500 kc. was continued for this service in accordance with the Madrid Regulations except that in the footnote, which authorized the use of 1364 kc. by the mobile service, Type B emission has been eliminated. In addition, the Conference extended the band to 1560 kc. for broadcasting in Europe, and provided for the use of the band 1500-1600 kc. in other regions for broadcasting on a shared basis with the fixed and mobile services. The Delegation of the United States would have preferred an exclusive allocation to broadcasting in the band 1500-1600 kc., but this could not be agreed to by countries outside the Americas because of the special use of these frequencies in various regions for fixed and mobile services. However, inasmuch as this band is of a regional character, and since it is set up as an exclusive broadcasting band under the Inter-American Regional Agreement, it is not expected that the fixed and mobile services of the Americas will be permitted to operate therein.

"The problem of allocating frequencies between 6,000 and 25,000 kc. to broadcasting was left until late in the Conference. This was necessary because of the pressure which was brought to bear for aeronautical frequencies and the desire of most of the larger nations to protect the frequencies which are already in use by other services.

"Pursuant to the recommendations of the Inter-American Radio Conference of Havana, the Delegation of the United States submitted a proposal to consider the need for additional high frequency broadcasting bands in accordance with the basic principles which had been agreed to at Havana.

"After long discussion extending through several meetings, the Conference agreed to a broadcasting allocation which in most respects conformed to our recommendations. In other respects, the plan was not considered objectionable by our Delegation since it contained the necessary safeguards to our own interests.

"The new bands allocated to broadcasting are actually extensions of the existing bands. They are: 6150-6200 kc.; 9600-9700 kc.; 17800-17850 kc.; 21550-21750 kc. A footnote in the allocation table applicable to all of these bands requires the removal, as soon as possible, of stations other than broadcasting which are now operating in these newly created broadcast bands. It likewise requires that broadcasting stations operating in derogation of the general allocation table be moved to the broadcast bands. In addition, the Madrid amateur band 7200-7300 kc. was allocated for shared use between amateur and broadcasting services in regions outside the Americas, their territories and possessions. In the Americas the band is allocated for the continued and exclusive use of the amateur service. The Madrid broadcasting bands, 11700-11900 and 15100-15350 kc., were approved for continued use without change.

"The United States Delegation espoused the cause of the amateurs and vigorously opposed the recommendations of Italy to allocate parts of the 7 and 14 mc. amateur bands to the broadcasting service. Except for countries in the Americas, the Italian proposals received general support. Arguments were advanced to the effect that additional broadcast frequencies were required and the amateur service, as well as the fixed and mobile services, should make some sacrifice."

"With respect to the allocation of frequencies to broadcasting between 25,000 and 30,000 kc., our Delegation made every effort to obtain world-wide agreement for the use of the band 25,000-27,000 kc. in accordance with the plan approved last year for stations of the United States. This proposal, however, met with immediate opposition on the part of Great Britain, France, Germany, and other major nations. As a compromise, it was agreed to maintain the Madrid general allocation of frequencies between 25,000 and 27,000 kc. and also to show under the heading of 'Other Regions' that the American continent might use these frequencies for broadcasting. In this way it is believed that the plan which has already been adopted by the Federal Communications Commission may remain in effect without violating the new regulations.

"The United States endeavored to obtain world-wide agreement with respect to the allocation of frequencies to television and suggested, at least for the purpose of research and experimentation, that the entire world use the bands recommended by the Inter-American Radio Conference of Havana. This proposal did not satisfy Great Britain and other major nations which are now operating television stations on a permanent basis on slightly different frequencies. The British Delegation called attention to the fact that several thousand television receiving sets were already in use by the general public in England and these receivers were designed to operate on a locked frequency which could not be changed without re-designing all of the receiving sets now in use. Germany, France, and other countries were of the opinion, that the allocation should be handled on a regional basis so



that Europe, America and other regions might use the frequencies they believed best suited for television and other services. Opinions were expressed by nations outside the Americas to the effect that the frequencies desired by the United States for fixed, mobile and broadcasting services did not coincide with the use which is being made of these bands elsewhere. Consequently, after long discussion it appeared that the only solution would be to obtain a separate agreement for Europe. The resulting allocation is a compromise of all of these viewpoints. From a practical operating standpoint, it is not important that these very high frequencies be used by the same services in all regions of the world. In some bands there are supporting reasons for maintaining the allocation so as to insure the greatest possible flexibility."

"The Delegation of the United States is well pleased with the results of the Cairo allocation and believes that it represents the best possible agreement consistent with the policies of nations participating in the Conference, that could be reached in the time allotted to the work. Our existing services are protected. The plan, if faithfully carried out, should result in a better communication structure for all services throughout the world."

"The United States, supported by several other countries, advocated the total elimination of radio traffic on the 500 kc. distress frequency for other than distress, urgent and safety measures. This same proposal had been made at the Madrid Conference and while it was strenuously opposed by certain countries at that time, regulations were adopted by that conference which restricted somewhat radio traffic on that frequency. France vigorously supported the proposal as renewed at Cairo, but Great Britain, aided by other maritime nations including her Dominions and northern European countries, was instrumental in defeating it. However, an agreement was reached imposing further restrictions upon the use of 500 kc. for the handling of traffic. The proposal had for its purpose the reduction of interference caused by the excessive use of the frequency for sending messages, thereby preventing distress and urgent calls from being heard. Under the new regulations, ships in regions of heavy radio traffic, new regulations, ships in regions of heavy radio traffic, equipped with break-in devices, may transmit only one short single message on 500 kc., thus, coast stations and many ships will no longer be permitted to use this frequency for radio traffic for even short, single messages, as under the former rules. In other regions it may be used for traffic and radio direction finding, but with discretion. Some real progress has been made, therefore, toward the elimination of interference on the distress frequency.

Senator White made acknowledgment of the assistance given by Mr. Francis Colt de Wolf, Treaty Division, Department of State; Capt. Stanford C. Hooper, United States Navy; Mr. E. K. Jett, Chief Engineer, Federal Communications Commission; Edward M. Webster and Gerald C. Gross, both of the Federal Communications Commission in the preparation of the report.

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## McNINCH TO QUIT HOSPITAL; REPORTED RECOVERED

Chairman Frank R. McNinch, of the Federal Communications Commission, who has been in Naval Hospital since the first of July, was due to leave the hospital before the end of this week, his secretary said, and expected to return to his office sometime next week.

It was said at his office, however, that he may take a brief vacation with his family after returning to his office. His secretary stated he is "fully recovered" from the stomach ailment which sent him to the hospital.

Mr. McNinch's discharge from the hospital came on the heels of a published report that his illness was much more serious than officially stated and that he might be away from the Commission for several weeks or months.

During the Chairman's absence, work at the FCC has slowed down somewhat although plans had been made for a no-let-down Summer.

Chairman McNinch faces a busy Fall with important decisions pending on super-power, WLW, and FCC regulations and an inquiry scheduled to start around September 1 into charges of monopoly and chain operations within the broadcasting industry.

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## JUNE RADIO TAX COLLECTIONS RISE

The first increase in excise tax collections on radio since November, 1937, was recorded last June by the U. S. Internal Revenue Bureau. The June excise tax collections, covering operations largely of last May, were \$448,882.61, an increase of 12 percent above tax collections of \$394,641.50 in June, 1937.

The total radio and phonograph taxes for the June, 1938, fiscal year were \$5,848,841.64, as against \$6,754,272.07 for the year ending June, 1937.

For the six months from January to June, inclusive, 1938, the radio tax collections were 31.5 percent below those of the first six months of 1937.

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## 500 KW. LICENSE OF WLW RENEWED CONDITIONALLY

While hearings continued on the application of WLW, Cincinnati, for renewal of its 500 KW. experimental license, the Federal Communications Commission this week granted the station temporary experimental authority to continue operation from August 1 to February 1.

The authorization, however, carried the "express condition that it is subject to whatever action may be taken by the Commission upon the pending application of this station for renewal of extension of special experimental authority."

The FCC action indicated that a decision in the WLW case may be delayed for several weeks at least.

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## LISTENERS AID IN TESTS ON SUN SPOTS

Listeners to Daventry, the Greenwich Observatory, and the British Broadcasting Corporation are cooperating in the proving of new theories relating to the effect of sun-spots on short-wave transmissions, and as a result it may be possible, in the future, to warn Daventry listeners that one of the long-term fade-outs for which solar activity is responsible is due.

Investigations have shown that the complete fade-outs of the Daventry transmissions that listeners sometimes experience - such fade-outs may, at their worst, persist for one or more days - are preceded some thirty-six hours earlier by a bright hydrogen eruption from an active sun-spot crossing the sun's meridian. This eruption may cause a short fade-out of the higher frequencies which follows almost immediately. The delayed eruption effect on the short-wave broadcasts is apparently caused by the emission of vast quantities of charged particles from the vicinity of the sun-spot, which travel at a much slower speed than that of light. As they penetrate the ionised layers they considerably reduce the ionisation levels by collision with the electrons, and give rise to very poor propagation conditions, resulting in a more or less complete failure of signals.

A new scheme whereby oversea listeners cable reports to the BBC is proving most helpful in testing the new theory. Each week observers in many parts of the world report details of any fade-outs that they have experienced, and this information is correlated with the observations of BBC engineers and with the accurate solar information supplied by the Greenwich Observatory.

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## WLW CHALLENGES DEFINITION OF SUPER-POWER

The general definition of super-power as 500,000 watts was challenged this week by James D. Shouse, Vice-President of Crosley Radio Corporation, as hearings continued on the application of WLW for renewal of its experimental license.

"We find that the term super-power as applied to 500,000 watts in a certain sense of the word represents a distorted picture of what power is", he said.

"In 1924 power of 500 watts was called super-power, and in each successive stage in the increase in power of WLW, the step taken has been referred to as adhering to the super-power theory.

"Super-power has been progressively 50 watts, 500 watts, 5,000 watts, 50,000 watts, and 500,000 watts".

Mr. Shouse pointed out that WLW began with the call letters 8CR and only 20 watts power in 1921. The following March it took the call letters WLW and increased its power to 50 watts. In September the same year it was raised to 500 watts.

In 1925, WLW's power jumped to 5,000 watts, in 1928 to 50,000 watts, and in 1934 to 500,000 watts.

It was one of the first broadcasting stations to use 500 watts and the first, successively, to adopt 5,000 watts, 50 KW., and 500 KW.

"From the outset", Mr. Shouse explained, "executives of Crosley have been convinced that one of the principal factors in the growth and popularization of radio was the maintenance of a sufficient signal to over-ride noise level, whether man-made or natural, and pursuant to that belief it has been its policy at all times to seek authority to use the highest power then technically feasible under the circumstances."

WLW was still presenting evidence this week in support of its application for renewal of its 500 KW. experimental license.

George Porter, Assistant FCC counsel, and Duke M. Patrick, WLW attorney, were clashing frequently over evidence and cross-examination of WLW witnesses.

Among other witnesses was John A. Kennedy, who operates three West Virginia stations, who stated that WLW does offer competition to his stations in the West Virginia territory.

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## 3,000 EDUCATIONAL PROGRAMS ON AIR

Broadcasting over local radio stations in 42 States, schools and colleges have produced more than 3,000 radio programs in less than two years, using scripts supplied by the Educational Radio Script Exchange, according to the Office of Education, Department of Interior.

The Script Exchange is a project created to further the work of the Federal Radio Education Committee. Commissioner of Education John W. Studebaker is Chairman of the Committee.

Commenting on the work of the FREC, the Commissioner declared:

"The primary purposes of the Federal Radio Education Committee, created by the Federal Communications Commission December 18, 1935, were first, to work for the elimination of controversy and misunderstanding between educators and broadcasters, and second, to bring about active cooperative efforts between the two groups. As part of one of the projects set up by the Federal Radio Education Committee, the Educational Radio Script Exchange was organized to serve as a central clearing house for radio scripts and production suggestions. By this means educational groups in various parts of the country may exchange materials and experiences, and local educational organizations are helped to become sufficiently adept in radio broadcasting to enable them to secure time on the air and to do a quality of broadcasting which justifies cooperation by the local station."

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## TWO NEW STATIONS AUTHORIZED FOR NORTH CAROLINA

Construction permits for two new broadcasting stations in North Carolina were granted this week by the Federal Communications Commission.

The capitol Broadcasting Co., of Raleigh, N. C., was granted a permit to build and operate a station using the frequency 1210 kc., with 100 watts at night and 250 watts, daytime, unlimited time.

The Piedmont Broadcasting Co., of Salisbury, was granted a permit to build and operate a station using 1500 kc., with 100-250 watts power, unlimited power.

At the same time the FCC denied applications for the same facilities by C. Frank Walker and Waldo W. Primm, of Fayetteville, and Burl Vance Hedrick, of Salisbury.

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## LABOR PARTY ENDORSES REPRESENTATIVE CELLER

The American Labor Party has endorsed the candidacy of Representative Celler (D.), of New York, for reelection, according to the New York Times.

Representative Celler at the last session sponsored a bill to set up a Government-owned Pan American short-wave station but later came to the defense of the present broadcasting system during House debate on a resolution for a Congressional investigation of the FCC and broadcasting.

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## NEWFOUNDLAND PLANS NEW RADIO SYSTEM

Newfoundland, the oldest part of the British Commonwealth, is about to be given a new broadcasting system, according to World-Radio. At present VONF and VOGY of the Dominion Broadcasting Co., and VOXM of the Colonial Broadcasting System transmitting wholly sponsored programs, are the sum and substance of the radio field. VOWR, however, owned and operated by Wesley United Church, is on the "air" every Sunday with church services. All these stations operate on long wave only, and do not therefore reach into every corner of the Island throughout the year - reception in Winter, of course, being better than at any other time.

The Government is now considering the site occupied by the Admiralty at Mount Pearl during the War years as a national broadcasting station. It is about five miles from St. John's, the capital. If the scheme is adopted only a minimum of advertising will be accepted and relay stations will be placed at advantageous points throughout the country.

Plans, too, are under consideration for the institution of a wireless telephone system to link Newfoundland with Canada and America on the one side, and Great Britain on the other. This service would naturally aid the development of exchange broadcast programs with the Old Country, Canada, and the United States.

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MAJ. DALRYMPLE, OF FCC LEGAL STAFF, DIES

Maj. A. V. Dalrymple, last Federal Prohibition Director, who for the last four years has been a member of the legal staff of the Federal Communications Commission, died this week in a Washington hospital of injuries suffered in an automobile accident last Saturday night. He was 62 years old.

The Commission subsequently wrote the following memorial in its permanent records:

"In memory of Major A. V. Dalrymple, industrious, loyal and respected member of the Commission's legal staff, whose career ended in untimely death on July 25, 1938. His record as a patriotic and faithful public servant is recognized as a valuable service to his country and his fellowmen. The Federal Communications Commission regrets deeply the loss of the valuable services and association of Major Dalrymple."

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::::: TRADE NOTES :::::

Dr. C. B. Jolliffe, of the Radio Corporation of America, former Chief Engineer of the Federal Communications Commission, and A. A. Heising, Radio Research Engineer of New York, have been nominated for the 1939 presidency for the Institute of Radio Engineers, for balloting and decision next November. Nominations for IRE Directors include Virgil M. Graham, of Emporium, Pa., Chairman of the RMA Standards Committee, and A. F. Murray, of Philadelphia, Vice Chairman of the RMA Television Engineering Committee.

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The Federal Communications Commission on July 27th granted extension of special experimental authority to WGN, Chicago, Ill., to operate a facsimile station from 1 to 6 A.M., for period August 1, 1938, to February 1, 1939.  
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A special employment and wage rate survey for RMA parts and accessory member companies has been arranged, to cover manufacturing operations for the week of July 24 to 30, inclusive. Important employment and wage statistics, primarily for the information of RMA parts and accessory members but also for Government purposes, will be secured. The survey will develop wages paid (actual earnings) all employees in various wage groups, male and female, and in the principal employee classifications. Statistics also will be secured on employment, average hourly and weekly earnings, overtime practices, working hours, labor organization affiliations, etc.

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 ::: BROADCASTING ABROAD - NORWAY :::  
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Broadcasting in Norway dates from 1925, when a private company was granted a concession by the State for the construction and operation of a radio broadcasting station in Oslo, according to the U. S. Commerce Department. Similar concessions were granted to private companies in Bergen and other cities, and revenues were provided by the imposition of an internal revenue tax of 10 percent on sales of radio apparatus and equipment, and a "listeners' tax" of 20 kroner per annum. This latter will probably be reduced to 15 kroner from January 1, 1939.

The stations continued in private hands until after the passage of the "Law on Broadcasting" of June 24, 1933. On July 1, 1933, the stations were taken over by the Government, and an independent bureau, Norsk Rikskringkasting (National Broadcasting) was organized for the administration and control of broadcasting in Norway. National Broadcasting has up to the present been administered by a board of 5 members appointed by the King, while the program policy has been determined by a special board of 15 members, 4 of whom are designated by the Storting (Parliament) and 11 by the King. The technical work, including the maintenance and operation of the stations, the collection of taxes, etc., are function of the Radio Section of the Telegraph Board, which is under the jurisdiction of the Department of Commerce. The program service is under the control of the Department of Church and Education which will probably submit a proposition to the Storting in the near future for new administration of the National Broadcasting.

The National Broadcasting Company, which now occupies inadequate quarters in an Oslo building, is contemplating the erection of a broadcasting house in the Oslo district.

At present National Broadcasting is operating 17 stations, including the national station in Oslo. With the exception of Bergen, however, the regional stations function principally as relay stations for the national programs broadcast from Oslo. The Jely station is operated to relay the Oslo programs to Norwegian ships at sea and to Norwegians abroad.

Revenues of National Broadcasting are derived from the same sources as were those of the privately owned stations. This income may be used only for the operation and improvement of broadcasting in Norway.

During the fiscal years 1935/36 and 1936/37, National Broadcasting operated the Oslo station for a total of 3,313 hours and 6 minutes, and 3,280 hours and 40 minutes, respectively. Programs are general and widely varied as to type. It transmits advertising over all regional stations every day, except Sundays, from 10:45 A.M. to 11 A.M., EST. It also transmits advertising locally from 12:45 to 12:55 P.M. The rate for the first type of transmission is 100 kroner for each minute, plus 60 kroner for the first minute to cover recording salaries to actors, royalty to authors, etc., with an additional charge for the following minutes. Short advertisements of 30 words cost 60 kroner. Local transmission over the Oslo station costs 75 kroner per minute, and advertisements of 30 words, 45 kroner. About three-fourths of the time is used for entertainment, and the last fourth for mention of the advertising firm. The program cannot be broadcast more than once.