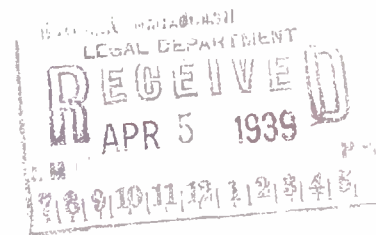


# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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April 4, 1939

FCC PUTS BRAKES ON TELEVISION

There is apparently considerable more behind the announcement that the Television Committee of the Federal Communications Commission will make a tour of the plants where television experiments are being carried on before making their report than appears on the surface. The formal statement was as follows: ✓

"The Federal Communications Commission announced today (April 3) that the three man Television Committee of the Commission, composed of Commissioners T.A.M. Craven, Chairman, Norman S. Case, and Thad H. Brown would proceed to New York, Philadelphia, and possibly Schenectady to inspect the laboratories which have been most active in the technical development of television.

"The Television Committee plans to make recommendations to the Commission in the near future in regard to standards necessary for television transmission."

It was said that despite great pressure exerted upon the Communications Commission to launch the television industry and still beyond that, pressure brought to bear on the Commission to adopt certain standards, the FCC Television Committee did not propose to be stampeded blindly into making a hasty report.

"Others have been running away with things in television and the present cautious procedure means that the FCC gets the reins back", it was said.

Although the formal announcement states the Television Committee plans to make its recommendations "in the near future", judging by the complications they see in the present situation considerable time may elapse before the report is actually made.

"What's the necessity for going so fast in this important matter of television?" an FCC official asked. "What's the hurry?"

It was pointed out that there were many phases of the matter which must be most carefully considered such as the danger of giving any one group a monopoly in the field through the acceptance of certain standards, determining who is entitled to the restricted number of television channels, the effect of the introduction of television on the broadcast receiver industry, and, finally and most important, it was said, full protection for the public interest.

Credit was given to the Radio Corporation of America and to David Sarnoff in particular for trail-blazing.

"Unquestionably television development would not be as far along as it is in this country if it had not been for the efforts of Davis Sarnoff", it was said, "and deserves the opportunity to cash in."

Even that, it was maintained, would not hurry the Committee unduly.

"We want to know more about the business end of television. There have been many misgivings on the amount of royalties to be received. Much to the astonishment of the FCC Committee, the Radio Manufacturers' Association Committee didn't give any consideration to the Commission's problems. If the FCC Committee accepts the standards offered by the RMA it means almost a monopoly. The standards they propose would put television on a par with the movies in about 1906.

"If the television development means a limited amount of channels, who, considered on a broad public basis, is entitled to them - the existing broadcasting industry, the moving picture industry, or the newspapers? They are all vitally interested", the spokesman concluded.

Among the laboratories or stations to be visited by the FCC Television Committee are the RCA Victor, Philco and Farnsworth in Philadelphia; NBC, Columbia, A. T. & T. and Armstrong, in New York, and Dumont in Passaic, N. J. The Committee will also probably go up to Schenectady to see what the General Electric is doing. The Committee is expected to begin its tour Tuesday, April 11th.

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PRESIDENT AGREES TO LET FCC REFORMS WAIT

President Roosevelt is reliably reported to have agreed that the reorganization of the Federal Communications Commission can wait until next session of Congress if the present session is adjourned early.

Chairman Wheeler, of the Senate Interstate Commerce Committee, called at the White House recently and during the conference is said to have asked the President if he wished to push the reorganization through the present Congress. Mr. Roosevelt is reported to have replied that it could wait.

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## CHAIN-MONOPOLY HEARING DRAWING TO A CLOSE

With transcription company representatives on the stand this week, the FCC chain-monopoly investigation, which has been under way since late November, was drawing to a close this week. It was expected to be concluded this week or next.

Following a fortnight of examination of management contracts, the Commission placed in the already-bulging record a large number of statistical exhibits in rebuttal to those of the networks. The exhibits were explained by DeQuincy V. Sutton, Chief Accountant of the FCC.

Mr. Sutton also asserted that 340 of the country's 700 odd stations have "a community of interest with other licensees" through interlocking directorates, multiple ownership or group control. The information, he said, was taken from FCC records and answers to questionnaires sent by the Commission to all station owners.

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## FCC REBUKED IN APPELLATE COURT REVERSALS

The Federal Communications Commission was rebuked in two opinions of the Court of Appeals for the District of Columbia which sharply reminded the administrative agency that it must follow the law just as courts do.

Two license applications were sent back for rehearing.

Applicants upheld by the Court were the Pottsville Broadcasting Corp., a Maryland company which seeks to operate at Pottsville, Pa., and Paul R. Heitmeyer, who wished to establish a radio station at Cheyenne, Wyo.

The Pottsville firm had asked for a license in 1936. An FCC Examiner recommended that it be granted. Later the FCC heard the case, along with the claim of a second applicant for the same license. The FCC said the Pottsville company's financial ability had not been shown and that the chief stockholder did not live at Pottsville, in denying the application.

The Court of Appeals reversed the FCC, saying the complaining applicant was financially stable and that the FCC had followed no fixed rule or policy about the residence of stockholders. The FCC ordered the Pottsville company to start all over again, competing for its license with a third applicant.

This was denounced as indicating "a definite intention to disregard the mandate" of the Court of Appeals, Chief Justice Groner held, saying: "We cannot consent to the view that either the right to grant or the right to revoke is subject to the uncontrolled discretion" of the Commission. The court ruling, in effect, was declared to be an order to grant the license.

The Heitmeyer case presented a similar question.

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## LABOR UNIONS OPPOSE BAN ON BEER ADVERTISING

Labor union spokesmen joined representatives of the brewing and distilling industries last week in voicing opposition to legislation which would prohibit radio advertising of alcoholic beverages.

Ira N. Ornburn, Secretary-Treasurer of the Union Label Trade Department of the American Federation of Labor, told a Senate subcommittee the measure was "a direct attack on American labor."

It was, he said, "as directly aimed at the jobs of labor as if the bill said so in so many words" because it would tend to curtail the sale of alcoholic beverages.

"It will invite further pressure by militant minority groups to prohibit advertisement of other commodities", Mr. Ornburn declared.

Senator Johnson (D.), of Colorado, author of the bill, replied to opposition witnesses with the assertion that the legislation was designed solely "for the protection of the sanctity of the home and the sanctity of the school room."

Also supporting the objectives of the measure were Howard A. Dawson, Director of the Division of Rural Education of the National Education Association, and Mrs. Sina H. Stanton of the Council of Women for Home Missions.

Mr. Dawson said radio advertising of alcoholic beverages made more difficult the educators' task of "teaching the harmful effects of consumption of alcohol and narcotics".

Joseph Obergfell of Cincinnati, Secretary of the Brewery Workers' Union, contended, however, that beer was "a mild beverage" and that efforts should be made to "wean the youth away from habits acquired during prohibition and hip-pocket drinking".

Senator Johnson protested that his proposal was not aimed at beer any more than other alcoholic beverages, but Mr. Obergfell asserted that most other liquor advertising had been taken off the air voluntarily, leaving beer to feel the chief effect of the legislation.

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There are now about 5,000 amateur radio operators in Germany who are members of the Deutscher Amateru-Sende-und Empfangsdienst e.V., the "DASD", which closely corresponds to the American Radio Relay League, according to the U. S. Commerce Department. Of this number, some 500 hold sending licenses and such licenses are issued only to members of the organization. Those members who do not hold sending licenses occupy themselves primarily with observing reception in the amateur wave lengths and also with short wave broadcasts in general.

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NEW FCC MEMBER MAY TAKE SPOTLIGHT

Reports are circulating around the offices of the Federal Communications Commission that Frederick I. Thompson, Alabama publisher, who has been appointed to the Commission, is "a hell raiser" who may well take the spotlight away from some of the veteran "hell raisers" on the Commission.

While Mr. Thompson's views on radio regulation are not known, it is expected that the publisher will be outspoken in his opinions and will soon make himself a target of groups holding contrary views.

It also is reported that Mr. Thompson has the backing of Marvin McIntyre, a former newspaper man, and was chosen in preference to a candidate of Thomas G. Corcoran, presidential advisor, who is slated to become one of Mr. Roosevelt's executive assistants when the Government reorganization bill becomes a law.

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THREE NEW STATION PERMITS ARE GRANTED

A return to normalcy in the consideration of applications was indicated at the Federal Communications Commission this week as three construction permits for new stations were granted.

The stations approved are at Fredericksburg, Va., Sedalia, Mo., and St. Petersburg, Fla.

The Fredericksburg station will operate on 1260 kc. with power of 250 watts, daytime only.

The station at Sedalia will operate unlimited time with power of 100 watts night, 250 watts local sunset, on 1500 kilocycles.

The Pinellas Broadcasting Company will operate the station in St. Petersburg on 1370 kilocycles with power of 100 watts night and 250 watts local sunset, unlimited time.

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The administration of the 240 parochial schools of the Roman Catholic Archdiocese of New York is testing a suggestion in teaching techniques by which each of the classrooms of the 90,000 pupils in Manhattan and the Bronx would be connected by amplifiers wired over telephone circuits to a central broadcasting studio.

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## TELEVISION ISSUE FILED WITH SEC

The Allen B. DuMont Laboratories, Inc., of Passaic, N.J., last Friday filed with the Securities and Exchange Commission a registration statement covering \$750,000 of ten-year convertible, 5 percent notes, warrants covering 9,375 shares of Class A common, and 39,375 shares of Class B common stock.

The company is engaged in the manufacture of cathode tubes for television reception and holds patents in the television field. Paramount Pictures, Inc., owns 14,000 shares representing 100 per cent of the company's outstanding Class B common, and has an agreement through which it may increase its holdings.

Of the proceeds a total of \$592,350 is to be used for carrying out a program of increased production, of which \$270,000 would be for working capital. The principal underwriters of the note issue were named as Lehman Brothers and Hemphill Noyes & Co.

In addition to the notes, warrants and common stock covered by the statement, it included rights to purchase up to the entire amount of the note issue which will be issued to Class A and B common stockholders.

The notes are convertible at \$25 a share into Class A stock. The warrants will be issued to the underwriters, and of the Class A stock to be issued, 30,000 shares will be reserved for conversion of the notes.

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## NEW TYPE OF RADIO COMPASS DEMONSTRATED

A new type of radio compass of such high precision that its sponsors said it might revolutionize direction finding in the air and permit accurate control of aerial bomb dropping from long distances was demonstrated in San Francisco last week.

On the instrument board of an airplane the device operates something like the "visible tuning" feature of home radios. A green light shines from the board as long as the plane is heading directly toward the radio transmitting station to which the compass is tuned. If the plane varies as much as two degrees off the direct course, the light goes out.

Henry Woolf, former Army Air Corps officer, who invented the instrument, and Edison E. Mouton, former Department of Commerce aeronautics inspector, who demonstrated it, said the compass might be employed in military operations with more accuracy than any radio compass now in general use.

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## EDUCATION INSTITUTE TO MARK TENTH ANNIVERSARY

The Institute for Education by Radio, held annually at Ohio State University since 1930, reaches its tenth milestone in this year's conferences, set for May 1-3 at Columbus, Ohio.

Included among the attendants will be several representatives of the broadcasters and educational agencies who have attended all the sessions since 1930. They will be honored at a dinner the night of May 2, with Dr. John W. Studebaker, U. S. Commissioner of Education, Washington, D. C., presiding. Dr. W. W. Charters, Director of the Institute since its beginning, will conduct the ceremony. Dr. Charters heads Ohio State's Bureau of Educational Research.

As in the past, the Institute will be devoted chiefly to a consideration of the techniques of education by radio.

The opening session, on May 1, will be given over to a round-table on "The Place of Radio in a Democracy", by members of the faculty of the University of Chicago, conducted after the manner of that institutions's nationally-known broadcasts.

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## CUBAN RADIO IMPORTS SLUMP DURING 1938

Cuba imported 24,127 receiving sets during 1938 valued at \$550,203 compared with 40,732 sets valued at \$988,228 during 1937, according to a report to the Department of Commerce from the office of the American Commercial Attache at Habana.

Despite the decrease of 41 percent in volume and 45 percent in value, Dutch suppliers were able to increase their participation in the Cuban trade from 5.34 percent in volume and 3.44 percent in value during 1937 to 13.02 percent and 8.93 percent, respectively, during 1938. United States participation, on the other hand, decreased from 94.65 percent in volume and 96.55 percent in value in 1937 to 86.62 percent and 90.94 percent, respectively, in 1938, the report said.

Total imports of parts and accessories also decreased notably during 1938 and were valued at \$161,545 against \$218,022 during 1937. Imports of parts and accessories from the Netherlands increased slightly, while those imported from the United States decreased by about 28 percent, according to the report.

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 ::: TRADE NOTES :::  
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An ultra-high frequency radio transmitter and equipment for the transmission and reception of radio facsimile has been ordered from the RCA Manufacturing Company by Station WBNS, owned by the Columbus Dispatch.

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A Federal Court jury at Del Rio, Tex., last week returned a verdict in favor of Dr. Morris Fishbein, editor of The American Medical Association's Journal and a defendant in a \$250,000 libel suit brought by Dr. John R. Brinkley, former broadcaster. Will Morris, Jr., one of Brinkley's attorneys, said the case would be appealed to the Circuit Court at New Orleans. Dr. Brinkley alleged he was humiliated and damaged by an article written by Dr. Fishbein.

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The Federal Communications Commission has issued an invitation to representatives of the Civil Aeronautics Authority, other government departments, Aeronautical Radio, Inc., air carrier operators, private flying associations, and all other interested parties, to attend an informal conference to be held at the office of the Commission April 18th to discuss the proposed revision of the rules governing the aviation services.

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The Radio Corporation of America plans to have its dealers equipped with television antennas by April 15th to aid them in demonstrating receivers which will go on sale May 1st.

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Borough President James J. Lyons, of the Bronx urged the abolition of Station WNYC, New York, in a letter sent last week to the Board of Estimate. Mr. Lyons, who advocated selling the municipally owned station to private operators, charged that the Fusion administration was using it for "publicity" purposes and that financially the station was an "absolute waste and luxury".

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A series of 24 transcriptions of the "Americans All - Immigrants All" series, now having its premiere over 104 stations of the Columbia Broadcasting System, has been prepared by the U. S. Office of Education.

Commissioner Studebaker said that he had decided to record this series because teachers and school officials are looking for aids of this type which they can use in adapting the school curriculum to strengthen democracy - a fast-growing movement in education.

Many New York City schools are planning to use recordings as part of the instructional program. The New York City Board of Education recently authorized instruction to promote tolerance of racial and religious differences.

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With first advertising of the new television sets scheduled to appear on April 30th, preparatory to introduction of the devices on the following day, the question has arisen as to whether copy should be placed cooperatively with dealers or sponsored entirely by the manufacturer, according to the New York Times. Arguments against cooperative ads include the claim that in introducing a new product the brand name must be strongly emphasized at the beginning and that this is only possible through factory ads. In dealer copy, it was pointed out, the make of the set usually must share attention with the dealer's name. It is expected that initial television ads will be sponsored by the manufacturers.

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A television table model receiver equipped with an automobile background lighting control, "enabling the reproduction of the exact degree of brightness as transmitted at the original scene", has been developed by the Pilot Radio Corporation. The images are reproduced in black and white on a "direct viewing" screen nine inches square.

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A television kit, which, according to its sponsors, may be made into a television receiver was advertised in the New York Times last week by Bloomingdale's department store. The Andrea kit sells for \$79.50 with tubes listed at \$55.00.

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#### ZENITH DECLARES DIVIDEND OF \$1 A SHARE

The Directors of the Zenith Radio Corporation have declared a dividend of one dollar per share to stockholders of record on April 10th. The dividend will be paid April 24th.

Commander Eugene F. McDonald, Jr., President, announced at the Directors' meeting this week that the total figures for the fiscal year would show an increase of 50 percent in unit sales. In spite of the industry being considerably off in dollar volume, Zenith will again this year show an increase in dollar volume also, he said.

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## EIGHT DISPLAYS IN RCA "HALL OF TELEVISION"

Providing much greater scope, effectiveness and audience capacity in the presentation of television, new and revised plans for the Radio Corporation of America's exhibit at the New York World's Fair 1939 were announced recently by Ralph R. Beal, RCA Director of Research.

The new plans, upon which radio engineers and architects have been at work since early January, call for eight separate and distinct sections of a television exhibition and demonstration. These displays are: (1) Hall of Television; (2) Television Laboratory; (3) Radio Living Room of Tomorrow; (4) Radio Living Room of Today; (5) "Telemobile" Unit; (6) Television camera set-up and model television transmitter; (7) "flask" type television receiver (laboratory model); and (8) Television receiver (stock model) in a clear glass cabinet.

The RCA exhibit building is shaped like a huge radio tube attached to a base and the whole lying on its side. The base forms the front section of the building. The tube proper, or rear section, is where the television hall has been located. Approximately square in shape, the hall will accommodate, in addition to its equipment, more than 150 persons at a time. It will be luxuriously appointed, and will have special air-conditioning, lighting effects and acoustical treatment.

The equipment to be installed consists of thirteen of RCA's newest stock model television receivers and a projection-type receiver which is still in the laboratory stage of development. The projection receiver will be set up to focus on a 6 x 10 foot screen across one corner of the room. The stock model receivers will be arranged in three tiered semi-circular rows behind the projection unit. This arrangement will permit spectators to view the images on the stock receivers and compare them with the projected images on the screen.

The television laboratory, located at one side of the building and just in front of the hall entrances, is an exhibit which will vary in content from time to time during the Fair. Among the devices to be shown are apparatus for extracting rare metals used in vacuum tube manufacture, originals of several tubes which have been built during the development of the iconoscope and the kinescope, the huge Maloff tube, largest television receiving tube ever built (its viewing screen is 18 x 24 inches) and a cathode ray oscillograph set-up which is used for measurement purposes in receiver designing. These and many other devices will actually be demonstrated by attendants from the regular RCA television laboratories.

Directly across from the laboratory exhibit will be a regulation size television camera unit and a 12-foot model of the RCA-NBC television transmitter atop the Empire State Building in New York City.

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Ten hours of television programs daily will be picked up on the receivers in the RCA exhibit, starting at 11:00 A.M. and running continuously until 9:00 P.M. The programs will consist of presentations from the NBC studios in Radio City, broadcast via the Empire State Building transmitter; outside pickups by the "telemobile" unit on the RCA exhibit grounds, on the Fair grounds and in New York City, and motion pictures picked up locally by means of a special television film scanning device in the exhibit building.

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BROADCASTERS ON N.Y. NAVAL RECEPTION GROUP

Leaders in the radio industry are represented on Mayor LaGuardia's Naval Committee for the reception of the U. S. Fleet when it visits New York April 29 to May 17th during the first weeks of the World's Fair.

Among the radio representatives are:

Mr. M. H. Aylesworth, former President of the National Broadcasting Company, now with the Scripps-Howard Co.; Donald Flamm, Station WMCA, New York City; Gen. James G. Harbord, Chairman of the Board, Radio Corporation of America; Maj. Lenox R. Lohr, President, NBC; A. J. McCosker, Station WOR, Newark and New York; William S. Paley, President, Columbia Broadcasting System, and David Sarnoff, President, RCA, and Gerard Swope, President, General Electric Co.

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CBS PROFIT \$3,541,741 FOR 1938

The Columbia Broadcasting System, Inc., and its subsidiaries had a net profit of \$3,541,741, for 1938 after depreciation, interest, Federal income taxes and other charges, it was announced this week. This was equivalent to \$2.07 each on the 1,708,147 shares of combined Class A and Class B capital stock outstanding at the close of the year, excluding shares held in the treasury.

Net profit for 1937 was \$4,297,567, or \$2.52 each on 1,707,950 combined shares of stock.

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## SECOND SECTION OF FCC PROPOSED RULES ISSUED

The Federal Communications Commission today (Friday) issued the second and final part of the Committee report on proposed rules governing standard broadcast stations and standards of good engineering practice. Totalling more than 500 pages, and containing scores of charts and tables, part two of the report of the Committee, composed of Commissioners Norman S. Case, Chairman, T.A.M. Craven, Vice Chairman, and George Henry Payne, supplies evidence supporting the conclusions reached in the first section of the report which was issued on January 18, 1939.

Specifically, however, the report makes certain definite recommendations which were not contained in the first section. While a longer license period was advocated in part one of the report, part two makes a flat recommendation that the license period for standard broadcast stations be increased from the present six months to a period of one year. This, the report states, "will assist in stabilizing the broadcast industry without reducing the necessary control of the Commission over the licensees."

While the report incorporates many of the recommendations and suggestions made by the industry, it carries forward the Committee's earlier stand against super power. Devoting some 20 pages and an entire sub-section of the report to a discussion of this subject, the Committee states that it "deems it unwise to conclude that the existing data are sufficient to warrant a conclusion in favor of super power. . . . The several considerations governing the interest of the public in general broadcasting structure", says the report, "are too great to warrant taking speculative risks, unsupported by adequate data, even though it be true from a technical standpoint that 500 kw. power is one of the methods to improve service in rural areas".

The Committee's report also recommends extension of the broadcast band from 550 to 1600 kc. inclusive instead of from 550 to 1500 kc. inclusive, as at present. No new allocation of stations is proposed in the band 1500 to 1600, on which frequencies four special broadcast stations are now assigned. These stations are to be classed as regional channel stations, instead of special broadcast stations.

In making recommendations as to the regulation of the technical phase of broadcasting, the Committee states that, "Every effort has been made to make the proposed rules as flexible as possible as it is believed that by this means the fullest usage can be made of the broadcast facilities at the present time as well as providing for the future as the state of the art advances".

Other important changes in the rules, recommended by the Committee, are as follows:

1. Establish three classes of standard broadcast channels.
2. Establish four general classes of standard broadcast stations.
3. Increase power of stations where needed and where technically feasible.
4. Requirements for applicants.
5. Experimental authorizations.
6. Extend use of duplicate transmitters.

While the major part of the report deals with the existing situation in radio broadcasting and proposed procedure for improving service, and is of a somewhat technical nature, there are separate sections dealing with the social aspects and the economic aspects of the broadcasting industry.

Certain of the charts and tables contained in these sections of the report reveal an interesting picture of the operation of the industry. It is shown in one of these charts that more than half (52.45%) of all the time on the air used by radio stations is taken up in music. In second place, come talks and dialogues which occupy 11.41% of broadcasting stations' time on the air. An interesting sidelight on this wide use of music is revealed in a table which lists the revenue classification of stations by type of programs. Here it is shown that stations earning \$1,000,000 or over use musical programs in only 37% of their broadcasts, whereas the small commercial stations, earning up to \$15,000, broadcast musical programs 61% of their time on the air.

The section dealing with the economic aspects of broadcasting states that during the period from 1922 to 1937, more than 53 million radio sets were sold with a retail value of nearly 4 billion dollars. The present day investment by the broadcasting industry in stations and equipment is shown to be approximately 50 million dollars, plus an additional 9 million dollars in network plant equipment.

The report states that the broadcasting industry (networks and 629 stations) sold time in 1937 valued at nearly 118 million dollars; and during an average week in 1938 the industry employed 17,085 full-time employees, and 5,820 part-time employees.

The Committee's report on proposed rules governing standard broadcast stations and standards of good engineering practice is legislative, rather than judicial in character. Similar, however, to the procedure used in Examiners' reports, the Commission will grant opportunity to all interested parties to file exceptions, and will hear oral argument, before the report will be taken up by the Commission as a whole for final action.

The three-man FCC Committee indicated that the Government may take steps to protect newspapers from "unlimited" competition from radio stations.

They recommended at the same time that the FCC grant broadcasting licenses for one year instead of six months.

"It cannot safely be argued", the report stated, "that Congress always will permit radio licensees unlimited opportunity to secure all advertising business to the serious detriment of the economic structure of important and necessary services rendered to the public by unlicensed media."

The Commissioners added that extension of license periods from six months to a year would stabilize the broadcasting industry, which long has urged such a move to eliminate uncertainty over continuance of operations.

The Commissioners, emphasizing widespread economic effect of high-powered stations and feeling that the broadcasting industry is not yet able to harness the excessive powers which electrical science provides, said:

"It cannot be concluded safely that if radio competition with other media should be highly successful, the public interest would be served by permitting the economic annihilation of these other media.

"Consequently, it may be possible that influence might be exerted to stem an economic trend having adverse social effects. Such a movement has been attempted already but so far without success."

The Commissioners pointed out that newspapers "have a far greater capital investment and affect the employment of many thousands more people than radio.

"Labor displacement resulting from technological development is one of the social problems of the modern age and consequently this is a significant economic factor to be considered in the future of radio advertising business."

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VARIABLE ANTENNA AUTHORIZED IN FCC GRANT

Authority for Station KTKC, Visalia, Calif., to install a new transmitter and erect an antenna system which may be used as a conventional antenna during the day and a directional antenna at night on 890 kc. was granted by the Federal Communications Commission this week.

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## PLANS COMPLETED FOR RMA CONVENTION

Tentative plans for the annual gathering of the radio industry at Chicago next June, for the fifteenth annual RMA convention and the National Radio Parts Trade Show at the Stevens Hotel, have been completed, according to Bond Geddes, Executive Vice-President. The RMA convention will be held June 13-14, and the National Parts Show will occupy the Stevens Hotel Exhibition Hall, June 14-17. Already nearly all exhibit space for the parts show, sponsored jointly by RMA and the Sales Managers Clubs of Chicago and New York, has been reserved. A "radio special" train will again be run from New York.

An innovation this year will be the site of the annual radio industry banquet, the "RMA Cabaret-Dinner", for Association members and guests. This social event of the radio gathering, scheduled Wednesday evening, June 14, will be held in the Terrace Casino of the Morrison Hotel. The RMA convention meetings and the parts show, however, will be held in the Stevens Hotel. Chairman Paul V. Galvin and the RMA Convention Committee are arranging a program of cabaret entertainment at the Terrace Casino.

Another social event will be the annual radio industries golf tournament on Thursday, June 15, at the Calumet Country Club.

President A. S. Wells of RMA and the Convention Committee are arranging for many industry meetings during the annual June radio gathering. Also there will be meetings of the Sales Managers Clubs, the Radio Service Men of America, "The Representatives", and other organizations of the industry. All four RMA general divisions of set, tube, parts and amplifier manufacturers, will hold meetings.

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## WLW CARRIES CASE TO COURT OF APPEALS

The Crosley Corporation this week filed an appeal in the U. S. Court of Appeals for the District of Columbia from the District Court decision upholding the cancellation by the Federal Communications Commission of WLW's 500 kw. experimental license.

Actual losses in revenue as a result of the reduction in power and subsequent 10 percent cut in advertising rates were cited by Duke M. Patrick, WLW attorney, in a brief filed with the court.

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## RADIOTELEPHONY PLAN FOR GREAT LAKES APPROVED

The Federal Communications Commission this week announced approval of a temporary plan for improving the use of radiotelephony in safety communication on the Great Lakes. It is a temporary arrangement effective March 31, 1939, and automatically terminating March 31, 1940, which the Commission, with the cooperation of other interested Federal departments, has effected with the Department of Transport of Canada.

The new plan modifies the regional allocation of radio frequencies for voluntary use by ship and shore radiotelephone stations in the Great Lakes, according to Commissioner Thad H. Brown, Commissioner in charge of the Great Lakes and Inland Waters Survey. In commenting on the new arrangement, Commissioner Brown said:

"The plan is expected to facilitate the exchange of safety communication during the 1939 season of navigation on the Great Lakes, and thereby aid in a determination of the usefulness of radiotelephony in the promotion of safety of navigation. This matter is receiving careful attention and study in the Great Lakes and Inland Waters Survey."

For some years Canada and the United States have provided for standardized frequencies and definite operating procedure to be used in handling radiotelegraph safety and distress communications by ship stations and radio stations on shore. These frequencies and operating procedures are in agreement with the general radio regulations of the International Telecommunication Convention which are now in force on both the lakes and the high seas. Vessels either voluntarily equipped with radiotelegraph or compulsorily equipped in compliance with the United States Ship Act of 1912, have adequate provisions in the way of frequencies and operating procedures. For many years, for example, 410 kilocycles has been designated, by agreement with Canada, as a common safety and distress frequency for radiotelegraph stations in the maritime mobile service on the Great Lakes. Additional frequencies in the band 400-485 kilocycles have been provided to take care of other communications by radiotelegraph.

Until now there has been no comparable agreement in the matter of frequencies and operating procedures for the use of radiotelephony in the Great Lakes region for safety and distress purposes. Because of this fact it has seldom been practicable for American and Canadian vessels to communicate by radiotelephony with each other, with commercial shore stations of the other country, or with U. S. Coast Guard units.

The action taken by the Commission was in response to a resolution sent to the Hon. C. D. Howe, Minister of Transport of Canada, and Commissioner Brown, by the American and Canadian vessel owners at the time of the joint meeting on January 9, 1939, at Montreal, Canada. The resolution pointed out the lack of a

common calling or distress frequency covering the lakes as a whole, which is available to both United States and Canadian vessels and shore stations. Only in this way, it was held, could there be assurance that a ship of either flag equipped with radio-telephone would be in a position to meet fundamental distress requirements. Furthermore, navigational information, it was claimed, could be readily interchanged which would serve as an important preventive of marine casualties and disasters.

In response to this resolution, informal discussions were held by representatives of the Department of Transport of Canada, Federal Communications Commission, U. S. Coast Guard, and interested radio station licensees and vessel owners.

The present plan, which is an outgrowth of these meetings, provides for the use of the frequency 2182 kilocycles by ships of both countries at all points in the Great Lakes area as a calling frequency to initiate communication and to transmit messages involving safety of life or property. To insure an effective use of this frequency for safety purposes, appropriate restrictions are placed upon its use and in no case shall any one exchange of communications on this frequency exceed five minutes' duration. Contact having been made on the frequency 2182 kilocycles, communication from ship station to shore station will be conducted on the frequency 2118 kilocycles, from shore station to ship station on 2514 kilocycles and from ship to ship on 2738 kilocycles.

The Commission has promulgated appropriate rules and regulations applicable to stations under the Commission's jurisdiction in order to carry out the provisions of the new plan. These rules and regulations provide for the issuance of necessary temporary instruments of authorization for all ship and shore radio-telephone licensees who voluntarily indicate their desire to employ the provisions of the plan. All installations or modifications of existing equipment will be wholly voluntary, and will afford an opportunity to the ship owner of demonstrating the practicability of radiotelephony for safety purposes on the Great Lakes.

It is reported that the U. S. Coast Guard will install 15 radiotelephone stations which will operate on the designated safety frequency 2182 kilocycles at 15 strategic points on the Great Lakes.

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A new Bahamas broadcasting station at Nassau was recently opened by his Excellency the Governor. William S. Paley, President of the Columbia Broadcasting System of America, was among those present. Working on the medium waveband under the call sign ZNS, with a power of 1 KW, the new transmitter superseded an old installation that is now to be modified for use on the short waves. It is intended that, ultimately, the two transmitters shall radiate simultaneously.

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## CBS ENGINEER DEMONSTRATES REVOLUTIONARY DEVICE

A system that may change the whole conception of modern radio studio design, making it possible for engineers to create over the home receiver the quality of musical tone heard in a concert hall, even though the performers play in a small "dead" studio, was demonstrated in New York this week.

Designed by Dr. Peter C. Goldmark, Television Research Engineer of the Columbia Broadcasting System, the device received its first demonstration before several hundred members and guests of the Institute of Radio Engineers at the CBS playhouse, the New York Times reported.

Dr. Goldmark explained in his lecture, which accompanied the demonstration, that the system was designed primarily for the benefit of home radios. The device is to be incorporated in the studio control room; nothing need be added to the home receiver, he said.

Picking up several programs from CBS studios at 485 Madison Avenue, studios of average size but much smaller than a full-size concert hall, Dr. Goldmark, his assistant, Paul S. Hendricks, and others, first let the assemblage hear a normal "high-quality" type of broadcast presentation. He then switched on the synthetic reverberation machine. As he turned a knob to increase this effect, singers, orchestra and speakers on the program seemed to step out on the stage. The sound seemed not to come from the loud speaker, but from the whole stage.

The reverberator is a maze of switches, coils, relays and vacuum tubes. Inside it is a wheel or disk twenty inches in diameter, revolving 400 times a minute. On the cylindrical outer edge of the disk is painted a phosphorescent material. When the wheel turns the light of a special lamp plays on this material. Actuated by pulsations of tone from the sound channel, the lamp's "light" throbs in exact relation to the music.

This "paints" an exact "picture" of the tone on the wheel's rim during each revolution. Two stationary photo-electric cells, placed one-third and two-thirds of the way around the disk from the exciter lamp, pick up the tone after it has been retarded varying amounts of time on the wheel's rim. This is fed back into the circuit through an amplifying channel. Each time the wheel rotates a new set of "reverberations" is introduced.

The resultant tonal delay simulates the time required for a sound to advance from an instrument or instruments on the stage, strike the walls of a large enclosure, and return to the ears of the listener or to a pick-up microphone for broadcasting.

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: : :  
: : : TRADE NOTES : : :  
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A small, low-cost Multi-Range Wave Trap which is said to set new high standards in protection of radio receivers against unwanted interference or inadequate reception of certain stations has just been announced by the RCA Manufacturing Company. The new unit has an average attenuation of 40 to 1 over the frequency range of 45-2100 kilocycles.

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A New York manufacturer of receiving sets for use both in automobiles and in homes, has entered into stipulations with the Federal Trade Commission to discontinue misleading representations in advertising. Pierce-Airo, Inc., 436 Lafayette St., New York City, manufacturing and selling DeWald and Motortone radio sets, agreed to cease the use in printed matter of the words "Pierce-Airo", either alone or in connection with an arrow, or of any other phonetic or correct spelling of the words "Pierce Arrow" so as to mislead purchasers of its sets into believing that they have been made by Pierce Arrow Motor Car Company, Buffalo, when this is not a fact. The respondent also agreed to cease misstating the number of functioning tubes in its sets.

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Because it is felt that it has achieved its objective, the Magic Key of RC<sup>A</sup> will soon be retired from the air by the Radio Corporation of America, and plans will be considered for a new type of program. The Magic Key, which has been heard continuously for three and a half years over one of the largest commercial NBC hookups, was designed as part of an institutional advertising campaign to familiarize the public with the relationship among the various companies making up the RCA family.

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A meeting of the RMA Board of Directors will be held April 26th at the Roosevelt Hotel in New York City. President A. S. Wells has arranged for the Directors' meeting just prior to the opening on the following Sunday, April 30, of the New York World's Fair, and the beginning of regular television programs in the New York area. At the same time, either on April 26th or the preceding day, a general conference of RMA members on export sales promotion will be held. The export conference, to consider competition in foreign markets, is being arranged by Chairman S. T. Thompson of the RMA Export Committee.

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One of the annual merit awards conferred by the National Institute of Immigrant Welfare will go to David Sarnoff, President of the Radio Corporation of America. The awards, given to citizens of foreign birth who have made outstanding contributions to American life in science, art, education and public affairs, will be given at the Institute's fourth dinner April 19, in the Biltmore Hotel, New York City

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4/7/39

South American reception of General Electric's short-wave W2XAD promises to be considerably improved by the use of a new antenna developed by Dr. E.F.W. Alexanderson, consulting engineer of the General Electric Company. Known as the new Alexanderson panel antenna, the equipment is expected practically to double signal strength by decreasing its vertical depth, thereby keeping the signal path nearer the earth's horizon. By concentrating the energy, the new antenna should also result in a noticeable reduction in fading of signal strength, according to General Electric engineers. Two 300-foot towers have been erected at South Schenectady, site of General Electric's radio transmitter laboratory, for use with the new system.

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A Philco television caravan is making a cross-country tour of the United States in what is said to be the first attempt to acquaint the country at large with both television receiving and broadcasting at first-hand. This travelling demonstration of television is made possible through the development by engineers of the Philco Radio & Television Corp. of a new portable television transmitter which stands less than six feet high, is completely mobile and requires only a plug-in to a nearby electric outlet for its operation either indoors or outdoors.

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Treasury collections in February 1939, of the Federal 5 percent excise tax on radio and phonograph apparatus increased 55 percent over February, 1938. The radio tax collections last February were \$404,201.56 against \$260,580.34 in February, 1938. Excise tax collections on mechanical refrigerators decreased, being \$416,887.88 last February against \$618,664.12 in February, 1938.

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President Roosevelt, delivering the opening address at the New York World's Fair of 1939 on April 30, will be the subject of the first program of the first regular high-definition television service in the United States, according to Lenox R. Lohr, President of the National Broadcasting Co. The World's Fair opening, which also will signal the launching of the new television industry in the United States, will be relayed from the fair grounds at Flushing Meadows by the NBC mobile television station. Both pictures and their associated sounds will be broadcast from the main NBC transmitter in the Empire State tower. The televised image of the President will be visible on receivers in the Metropolitan area within a radius of about fifty-five miles in all directions from the Empire State tower transmitter, according to NBC television officials.

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4/7/39

## BAIRD TO INSTALL TELEVISION IN N. Y. MOVIES

Negotiations are under way to equip two or three New York motion picture theatres with Baird television apparatus by May 15, according to Arthur A. Lee, Vice-President and General Manager of Gaumont-British Corporation of America, which owns a controlling interest in Baird Television. The television pictures, which will be projected on a twelve by fifteen foot screen, will be a feature of the regular motion-picture entertainment and will at first be limited to sports events, such as prize fights or baseball games, the New York Times reports.

Negotiations are also under way with one of the broadcasting networks for daily pick-ups transmitted either from films or actual studio presentations, providing thirty-minute television shows in the motion-picture theatres.

A staff of engineers will arrive in New York by May 1st to make installations which will necessitate only a slight sacrifice in the seating space. The television equipment may be installed more simply and even more cheaply than sound apparatus for talking pictures, according to Mr. Lee.

The Baird system uses a projector which must be near the screen, and will cause the removal of a few rows of front seats.

Television experiments in several London theatres owned by Gaumont have been successful, a light-weight championship prize fight and the recent telecasts of the Oxford-Cambridge boat races having encouraged the Gaumont officials to equip about half of their 300 London theatres with Baird television apparatus, Mr. Lee said.

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## LEGISLATION WOULD CUT TREES TO AID AUTO RADIOS

Electric power lines would be moved and trees on rural highways cut down to prevent interference with radio reception in automobiles, under the terms of a unique bill introduced in the South Carolina Legislature by Representative Herbert W. Smoak.

Power lines on rural highways, under the bill favoring automobile-radio, would be hereafter placed at such distance from the public highways as not to materially interfere with auto-radio reception. Power lines heretofore constructed would be moved, under a five year removal program, and trees cut down if authorized by owners.

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4/7/39

## CBS AND NBC BILLINGS INCREASE OVER 1938

This week - the first week in April, 1939 - shows a 16.5% gain in CBS volume over the same period a year ago, with Columbia clients increased from 44 to 47.

This sharp rise follows a March, 1939, volume of \$2,925,684, representing the second largest gross for any month in CBS history, topped only by the record \$3,034,317 set in March, 1938. By far the best month this year, CBS March billings top the month before by a full 15.1%. First quarter for 1939 adds up to \$8,141,283.

Showing an increase for the sixteenth successive month, gross expenditures by advertisers on the NBC networks hit an all-time high in March when they reach \$4,170,852. With a total of \$3,132,832, expenditures in March on the Red Network were the highest on a single network in the history of radio.

Expenditures on both networks were up 9.6 percent over the March, 1938, figure of \$3,806,831. Previous highs on the NBC networks were reported for October, 1938, with a total of \$3,773,964; November, 1938, when the total reached \$3,898,919, and January, 1939, with a total of \$4,033,900.

The first quarter total for both networks, an all-time high, was \$11,953,447, an increase of 7.7 percent over the total for the first three months in 1938.

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## NE; LIGHTWEIGHT RADIO FOR AIRCRAFT DEVELOPED

A remarkably lightweight and compact radio set, probably the lightest ever produced for aircraft, has been designed by Imperial Airways and is now being tested on their Empire routes, according to a report to the Department of Commerce from the office of the American Commercial Attache at London.

The set may possibly be carried as an auxiliary to the standard radio equipment on the Atlantic route this Summer. It may also be adopted for a similar purpose on the long-distance Empire service and for use in control launches. Although of small proportions and conveniently self-contained, the set incorporates all the features required to meet communication requirement on the Empire air routes, the report said.

The set combines long and short wave on the same transmitter and the change from each system of transmission is effected instantaneous by means of a single rotary switch. The wave range is between 5 and 1,000 meters, and is crystal controlled spot wave on any required frequency. The total weight of the set is 43 pounds, according to the report.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

APR 12 1939

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No. 1115

*[Handwritten signatures and initials]*

April 11, 1939.

MILLER AND GEDDES TO LAUNCH NAB-RMA CAMPAIGN

Neville Miller, President of the National Association of Broadcasters, and Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, will speak on the RCA Magic Key program over a country-wide NBC-WJZ network next Sunday, April 15th, at 2 P.M., E.S.T. They will explain to the radio audience the objectives of the National Association of Broadcasters and the Radio Manufacturers' Association's joint promotional campaign which begins Monday, April 17th. A. S. Wells, of Chicago, President of the Radio Manufacturers had intended to participate in Sunday's broadcast but will be prevented from doing so because of the fact that he will be in Florida at that time.

The all-radio national promotional campaign has drawn tremendous interest and support throughout the country. A. H. Gardner and Judge John W. Van Allen, Director and General Counsel respectively, of the Radio Manufacturers' Association, addressed a preliminary meeting in Buffalo. Mr. Geddes will speak at a gathering of Washington radio distributors and dealers in the National Capital Wednesday night.

The heads of the NAB and the RMA are both sending personal messages, via radio transcriptions, to all local broadcast stations, for the meetings of the broadcasters and local jobbers, dealers and servicemen. "Open house" will be held by many broadcasters during the week of April 17. There will be studio and lobby displays of a promotional nature. Dealers are to be provided also with window streamers, and special local events will be planned. A booklet for inclusion by manufacturers in all radio sets, and for distribution by dealers also is in preparation.

Booklets outlining the detailed program for the campaign have been sent to all broadcasters and manufacturers. Radio manufacturers are also sending copies of the booklet to their distributors, to complete the tie-in of the trade with the broadcasters in all communities. Special advertising, by broadcasters and manufacturers, also is being provided for through advertising departments and agencies of the radio interests. A special mailing to 55,000 radio dealers of campaign information is being prepared, for distribution through the joint "Radio Councils" of broadcasters and the trade in local communities.

Every element within the broad field of the radio industry is being "tied-in" with the campaign, the first effort in the history of the industry, of active cooperation between broadcasters, manufacturers, and the trade to "sell radio via radio".

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SENATE CONFIRMS THOMPSON; OATH OF OFFICE WAITS

The Senate on Saturday confirmed the nomination of Frederick I. Thompson, Alabama publisher, as a member of the Federal Communications Commission to succeed Judge Eugene O. Sykes. The nomination had been reported by the Senate Committee on Interstate Commerce without hearings.

As all nominations must lie over two executive sessions of the Senate after confirmation, Mr. Thompson will be unable to take the oath of office before the latter part of this week.

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ZENITH READY, TELEVISION NOT, SAYS McDONALD

Apprising Zenith dealers throughout the country of the attitude of the Zenith Radio Corporation towards television, Commdr. E. F. McDonald, Jr., President, has summed it up in the terse sentence: "Zenith is ready, but television is not." The communication, according to Commander McDonald, went to 60,000 Zenith dealers:

"Zenith has television sets", he said.

"Zenith's television transmitting station W9XZV is operating daily and is the only television transmitter licensed by the Federal Communications Commission in the whole Chicago area.

"Today Zenith's television receivers are loaned - - - not sold. Zenith is ready --- but television is not.

"Even Government television standards are not yet established.

"The Federal Communications Commission, in its annual report to Congress in January this year, stated: "However, it is generally agreed that television is not ready for standardization or commercial use by the general public."

"Zenith believes it is unfair to the public and knows it is unfair to the dealers to ask them to finance the television industry's experiments.

"Radio dealers have been penalized and punished by premature television publicity starting last Fall. Prospects were led to believe that television would cover the country overnight.

"Zenith will not break faith with its dealers.

"When Zenith believes television is ready for general use in the store and the home - - - Zenith will supply you with television receivers and not before."

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4/11/39

200 ATTEND FAREWELL DINNER FOR JUDGE SYKES

Tribute to Judge Eugene O. Sykes for his twelve years' service on the Federal Communications Commission and the Federal Radio Commission were paid Saturday night at a dinner attended by 200 radio and political personages at the Willard Hotel.

Neville Miller, President of the National Association of Broadcasters, which sponsored the dinner, was toastmaster. The dinner came just a few days after Judge Sykes had severed his connection with the Commission.

Speakers were Senators Pat Harrison, of Mississippi, native State of Judge Sykes, and Burton K. Wheeler, Chairman of the Senate Interstate Commerce Committee; Representatives Sam Rayburn, Majority Leader of the House, and Clarence F. Lea, Chairman of the House Committee on Interstate Commerce Committee; Chairman Frank R. McNinch, of the FCC, and Lambdin Kay, General Manager of Station WSB, Atlanta.

Senator Wheeler, in his address, noting the size of the attendance, remarked that it was unusual for so many persons to turn out for a farewell dinner.

"But if Mr. McNinch were to quit", he added jokingly, "you could fill a room twice this size."

Among those present at the dinner were:

Judge A. L. Ashby, NBC, New York; K. H. Berkeley, NBC, Washington; Thad H. Brown, FCC Commissioner; Harry C. Butcher, Columbia, Washington; Louis G. Caldwell, Radio Counselor; Martin Codel, Broadcasting Magazine; Senator Tom Connally, from Texas; Commdr. T.A.M. Craven, FCC Commissioner; Roland C. Davies, radio writer; William J. Dempsey, General Counsel, FCC; Donald Flamm, Station WMCA, New York; Bond Geddes, Executive Vice-President, RMA; Gerald C. Gross, FCC; F. P. Guthrie, R.C.A. Communications, Washington; William S. Hedges, NBC, New York; P. J. Hennessey, Jr., radio counsel; Lieut. E. K. Jett, FCC; Lynne Lamm, radio writer; John M. Littlepage, radio counselor, Thomas P. Littlepage, Sr. and Jr.; Alfred J. McCosker, Mutual Broadcasting System, New York; Duke Patrick, radio counsellor;

Also, Andrew Ring, FCC; Elliott Roosevelt; Frank M. Russell, NBC, Washington; Oswald F. Schuette, RCA; Frank D. Scott, radio counsel; Senator Ellison D. Smith, from South Carolina; Paul D. P. Spearman, radio counsel; Sol Taishoff, Broadcasting Magazine; Paul A. Walker, FCC Commissioner; A. D. Willard, Jr., Columbia Broadcasting System; Frederic A. Willis, Assistant to President, Columbia Broadcasting Company, New York.

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4/11/39

## TWO TELEVISION STATIONS FOR CAPITAL PROPOSED

The Federal Communications Commission has received applications from the Allen B. DuMont Laboratories, Inc., at Passaic, N. J., for permission to construct two television stations in the National Capital. One of the permits calls for construction of a station in the National Press Building, Fourteenth and F Streets, N.W., and the other for a portable mobile station. The latter would be the scanning device for picking up the events and sending them to the main station in the Press Building.

The quest for the Press Building station asks for assignment of the frequencies 42,000-56,000 and 60,000-86,000 kilocycles, for both aural and visual service at 1,000 watts power. The application for the portable mobile station asks for assignment of 60,000-86,000 and 156,000-162,000 kilocycles at 50 watts power, both aural and visual.

The DuMont Laboratories have had an experimental license for some time and have been carrying on extensive work in their Passaic laboratories.

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## KURT LETS THE LADIES IN ON HIS EASTER PARTY

Kurt G. Sell, representative of the German Broadcasting Company and the German News Bureau of Berlin, in the United States and a popular member of the Capitol Press Galleries, was the host for a large Easter Party in Washington last Saturday night.

Famous for his stag affairs, Mr. Sell this time tried, as he laughingly put it, the "noble experiment" of inviting the ladies. Attesting to the success of the idea was the fact that though it happened to be held the same night as the dinner to Judge Sykes, Mr. Sell's guests, close to a hundred, when seated at supper completely filled the Garden Room of the Mayflower Hotel.

German delicacies prepared under the expert direction of Mr. Sell, himself an excellent cook, featured the supper, as did steins of beer imported from Germany especially for the occasion. Moving pictures were shown and later there was dancing to the music of a genuine Bavarian orchestra.

Mr. Sell leaves in about two weeks for a visit to his mother in Berlin. During that time his assistant, Fraulein Stumpke, formerly secretary to the German Ambassador, will carry on Mr. Sell's newspaper and radio work in Washington.

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4/11/39

BRITISH SPENT \$1,750,000 ON TELEVISION IN 1938

A disclosure that the British Broadcasting Corporation spent 352,846 Pounds (approximately \$1,750,000) on television last year was made in the House of Commons recently by Sir W. Womersley, Postmaster General.

The British cabinet officer, however, was unable to answer a question as to how many television receivers are in operation in Great Britain although television has been on a public entertainment scale for three years.

The following is extracted from the official report of the parliamentary debate:

"Mr. R. Morgan asked the Postmaster General the present approximate number of licenses in force in respect of television receivers; the approximate annual revenue therefrom; the annual cost of the television service since its introduction; and who has borne the difference between this cost and the revenue from television licenses."

Sir W. Womersley: "The reception of television is at present regarded as covered by the ordinary wireless receiving licenses and no special television license is required. I am informed by the British Broadcasting Corporation that the annual revenue costs of the television service, together with depreciation on capital expenditure, were: in 1936, £111,500; in 1937, 277,149; in 1938, 352,846.

"The proportion of the revenue from wireless license fees paid to the Corporation during these years was increased to take account of the estimated cost of the television service."

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MUTUAL MARCH BILLINGS UP 31.8%

An increase of 31.8 percent in time billings for the Mutual Broadcasting System for the month of March, 1939, was reported last week. March billings totalled \$306,976. Billings for March of 1938 were \$232,877.

Billings for the first quarter of 1939 totalled \$898,659, an increase of 15.8 percent over the first quarter of 1938. The first three months' billings of 1938 totalled \$776,021.

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## RADIO NOTABLES FIGURE IN HIGH SALARY LISTS

Persons prominent in the radio industry figured in the list of salaries of \$50,000 or more in 1937 made public last week by the House Ways and Means Committee. Included were:

American Telephone and Telegraph Company: W. S. Gifford, President, Director, \$209,650; C. M. Bracelen, Vice-President and General Counsel, \$73,958; C. P. Cooper, Vice President and Director, \$99,383; B. Gherardi, Short Hills, N. J., Vice President and Chief Engineer, \$73,958; F. B. Jewett, Short Hills, N. J., Vice President, \$64,166; A. W. Page, Huntington, L.I., Vice President and Director, \$65,366; K. W. Waterson, Summit, N. J., Vice President, \$50,565.

William S. Paley, Director and President, Columbia Broadcasting System, Inc., \$190,196; Edward Klauber, Director and Vice President, \$80,540; Maj. Edward Bowes, Executive Director, Edmar Enterprises, Inc., \$427,817; International Telephone and Telegraph Corporation: Sosthenes Behn, President \$66,240; Edwin F. Chinlund, Vice President (resigned) \$60,960; Phillips H. Lord, President and Treasurer, Phillips H. Lord, Inc., \$65,000;

A. J. McCosker, President, Bamberger Broadcasting Service, Newark, \$88,363; Paul V. Galvin, Evanston, President, Galvin Manufacturing Corporation (Motorola), \$60,420; Philco Radio and Television Corporation, Philadelphia; L. E. Bugg, Abingdon, President, \$62,538; S. M. Ramsdell, Churchville, Vice-President, \$54,611; David Sarnoff, President, Radio Corporation of America, \$83,333; James G. Harbord, Chairman of the Board, \$56,000.

Also, the National Radio Institute, Washington, D. C.: J. E. Smith, President, \$36,000, and E. R. Haas, Treasurer, \$36,000.

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## GERMANY CONSIDERS GUATEMALA EXHIBITION

The German Post Office Department has again brought up the question of exhibiting television apparatus in Guatemala during the current year, American Commercial Attache, at Guatemala, reports. It was reported last year that the German Legation had asked permission to bring in television apparatus for exhibition at the National Fair in November, but no action was taken in the matter. The present reports do not say yet that permission has been granted, but they state that the Director of the Post Office has been asked for information as to the electric current of the city, the laying of an underground cable, and the availability of technicians to assist with the installation. A German engineer has been designated to supervise the installation if it is decided to carry out the project.

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: : : TRADE NOTES : : :  
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A meeting of the RMA General Standards Committee will be held at 10:00 o'clock, Wednesday, April 19, at the Hotel New Yorker, New York City, to consider several important proposed standards which are pending. On the following day and also at the Hotel New Yorker there will be a meeting of the RMA Committee on Vacuum Tubes.

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Station WHK, Cleveland, joined the Mutual Facsimile Network on April 8th, increasing the number of participants to four. Station WGN, Chicago, WLW Cincinnati, and WOR, Newark, are the original members of this experimental facsimile hookup.

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The Federal Communications Commission has adopted a proposed modification of Ship Service Rules 285(c) and (d) and Coastal Service Rule 275 (c), in order to provide for the appropriate assignment of frequencies above 30,000 kilocycles, effective April 13, 1939, pursuant to revised Rule 229.

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The Federal Communications Commission has postponed to July 1, 1939, the effective date of the revised rules governing commercial radio operator licenses.

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Maj. E. H. Armstrong, of Columbia University, led a discussion on frequency modulation for radio, at a meeting of the Institute of Radio Engineers, in Washington this week. I. R. Weir, of General Electric Company, and G. W. Fyler, in the General Electric Radio Division, also spoke.

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In connection with an expansion program, the Columbia Broadcasting System, Inc., paid \$1,000 for all of the capital stock of the 49 East 52nd St. Corporation last month, according to an amendment to the company's registration statement filed with the Securities and Exchange Commission and made public this week at the New York Stock Exchange. The statement also revealed that Columbia lent \$10,000 to its newest subsidiary on March 9, "for corporate purposes".

The statement also reports that contract between the broadcasting company and Isaac D. Levy, a Director, entered into on Dec. 27, 1938, has been terminated. The contract was ended last month when Columbia repurchased from Mr. Levy ten shares of the American Record Corporation for \$112,500. Mr. Levy purchased, for others, the ten shares for \$70,000.

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## COLLIER'S CARRIES STORY ON ASCAP SERVICES

Under the title, "Pay the Piper", Collier's last week carried an article by Fred J. Ringel on the services performed by the American Society of Authors, Composers, and Publishers for the song writers. The article discusses the current controversy between the broadcasters and the music copyright owners and concludes that the only thing at issue is what constitutes a "fair" price for the music.

"Radio is afraid of ASCAP's present and potential power", Mr. Ringel writes. "ASCAP members write the smash hits that the public wants. Ninety per cent of radio songs are ASCAP tunes. A top feature like the Hit Parade consists almost entirely of ASCAP songs. In its nightmares radio sees ASCAP raising its price and refusing to renew the license until radio accedes to its terms. Radio is a "continuous-operation" industry, and could not afford to have such a strike last a day. For its show must go on, no matter at what price, even though its business heart may be torn with the sorrows of a Pagliacci!

"In the \$250 minimum statutory damages fixed by law, radio sees a Damoclean sword hanging over its head. Radio cites a classic example of a well-known singer who, before going on the air, heard of the band leader's birthday. She interrupted her program to sing a few bars from 'Happy Birthday to You'. Two old ladies, the composers and copyright owners of the 'Happy Birthday' song, demanded and received a small sum for the performing rights. But since this program went over ninety stations, the ladies could have claimed ninety times \$250. It is generally believed that each station in the hookup could be sued for copyright infringement.

"Radio wants the \$250 minimum damages abolished. The author and composer should be allowed to sue for any amount that the infringement may warrant. But few artists are worldly and affluent enough to hire legal aid on a par with the networks' large expert staffs.

"Radio has fearfully witnessed ASCAP's phenomenal transformation from a crusading force into what it terms 'big business'. And radio knows it has been the unwitting creator of this new power . . . which it now regards as a Frankenstein. For twenty years radio has used every legal means to crush the monster - and for twenty years it has lost practically every important battle.

"More than 1,000 composers, authors and publishers belong to ASCAP in the U.S. About 45,000 foreign composers are affiliated with it. ASCAP now controls the exclusive right to license the public performance for profit of some five million of the world's most popular musical compositions. For the performance rights to this tremendous repertory the users pay ASCAP some \$6,000,000 annually. (More than four million comes from

radio. Another million comes from the movie theaters - ASCAP's 10¢-per-seat-per-year share of the colossal \$1,560,000,000 paid by the movie audiences at the box office every year).

"Apportioning the Society's income among its members is far more than a matter of adding machines - it is a matter of heartening sentiment as well. Four times a year a committee of twelve songwriters meets in solemn conclave and appraise their colleagues. These are rated, first, in a Permanent Class A Honor Group, which includes such veterans as Raymond Hubbell ("Poor Butterfly"), Harry von Tilzer ("Wait Till the Sun Shines, Nellie) and Percy Wenrich("Put on Your Old Gray Bonnet"). These composers are no longer actively writing but as the creators of songs that still enjoy a widespread popularity they are entitled to a fair emolument for the continued use of their work.

"The estates of about ninety composer or author members are protected from need by their shares of the Society's income. No ASCAP songwriter has been on the relief rolls; the Society distributes about \$600 every day in relief and royalty advances.

"Top rating is Class AA. ASCAP pays composers in this group about \$14,000 a year. It's the goal of every young composer; and boasts of such Tin Pan Alley gods as Irving Berlin, Jerome Kern, Rudolf Friml, Sigmund Romberg, the estates of Victor Herbert, John Philip Sousa, and George Gershwin. Thereafter the ratings taper off through classes A, B, C and D. These ratings are 'subject to change', but rarely does a member who has enjoyed a high ranking find himself consigned to a lower group.

"Radio endorses a good deal of ASCAP's mission and claims that it wants to deal with it as equal partners in a 'business' that is vital to them both. It wants to pay a 'fair' price - and most of the present difficulties seem to hinge on who is to determine what is 'fair'."

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#### CONFIDENCE MAN POSES AS RADIO REPRESENTATIVE

Chicago police on Sunday arrested what the New York Times correspondent called "a de luxe confidence man" who had posed as a representative of some of the leading mid-Western radio manufacturers. His career was ended because of the suspicions of a Chicago theatre manager after hundred of complaints had been registered against him from many parts of the United States.

The alleged swindler is Ronald Brawer, 34 years old, of Jersey City, N. J. The strange trail of Brawer's alleged crimes covers the nation from Boston to Hollywood and from Seattle to Miami. It started, police say, when he became Pacific Sales Manager for the Philco Radio Company and stayed long enough to

learn radio production and broadcasting technique thoroughly. For the last year he is alleged to have been passing himself off as a factory representative of Philco, Howard, Zenith, Stewart-Warner, or any other radio maker whose name happened to come handy. One of his pet victims was said to be the radio broadcasting studios. He would make it appear that he would sign a \$100,000 contract for time on the air or agree to sponsor a fifty-two-week program, it is charged.

Then, in the flush of studio excitement over a big customer, he would let it be known that if any of the studio folk wanted a real radio at about a tenth of its actual value, he could fix that up, too, according to police, and then would accept \$6 to \$10 from half a dozen of the employees and vanish. Sometimes he gave bad checks when the studio demanded a deposit on the contract, it is alleged.

Once Brawer is alleged to have gone to the Union Pacific and chartered two trains to take Philco talent on a cross-country tour. Another time he is said to have ordered \$1,700 worth of hats "for Philco". Again he "bought" \$25,000 worth of toilet preparations from the Mennen Company and had the goods sent to Philco, it is alleged. He chartered a boat to Bermuda for a radio company, and he rented the Joseph Urban room of the Congress Hotel, in Chicago, and each time he sold radios to employees and pocketed the cash, it is alleged.

Complaints have poured into the police since the arrest. The Federal Bureau of Identification also has been investigating.

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#### SARNOFF LAUDS AMITY BETWEEN U.S. AND CANADA

Thankfulness that the United States and Canada do not have to regard the border radio station "as an instrument of nationalistic and hostile propaganda" was expressed by David Sarnoff, President of the Radio Corporation of America, last Saturday in felicitating the Canadian Broadcasting Corporation on the inauguration of service over its new 50,000-watt Station CBA.

"There are some nations in the world today", said Mr. Sarnoff, "where the installation of a powerful radio transmitter in a nearby country would not be welcome. It would be viewed with suspicion and distrust, as an instrument of nationalistic and hostile propaganda. Happily, no such spirit exists between the citizens of Canada and the United States."

Mr. Sarnoff, the only American participant in a dedicatory program heard over the nationwide networks of the Canadian Broadcasting Corporation, spoke from the National Broadcasting Company's studios at Radio City. His message was not heard in the United States. The Hon. C. D. Howe, Minister of Transport of the Federal Government; Mr. Leonard Brockington, Chairman of the CBC Board of Governors, and the premiers of Prince Edward Island, Nova Scotia and New Brunswick also spoke. The new Canadian station is located at Sackville, New Brunswick.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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THOMPSON TAKES OATH OF OFFICE; FCC IS QUIET

Frederick Ingate Thompson, Alabama publisher and for many years a Director of the Associated Press, took the oath of office as a member of the Federal Communications Commission Thursday afternoon as the FCC appeared to have settled down into an abnormal calm.

Filling the vacancy created by the resignation of Judge Eugene O. Sykes, Mr. Thompson is the first newspaper publisher to sit on the FCC. His appointment comes at a time when the Commission is confronted with an issue of whether or not to curb newspaper ownership of radio stations.

The ceremony took place in the office of Chairman Frank R. McNinch, who formally presented Mr. Thompson with his commission. He was sworn in by Miss Pansy Wiltshire, Assistant Personnel officer of the Commission.

Mr. Thompson had been in the Commission office several days prior to the ceremony familiarizing himself with its affairs, including the examination of records in a number of important cases. He will attend the first FCC meeting next Monday.

Meanwhile, with the special Television Committee of the FCC out of the city on a tour of television manufacturing plants and laboratories, the Commission appeared to have settled down, temporarily at least, with a truce declared on intra-Commission fighting.

The Congressional spotlight on radio appears to have shifted for the time being. Although there is little or no prospect of enactment of legislation to reorganize the FCC, there seemed to be still a chance that an inquiry may be ordered before Congress adjourns. Even this prospect has faded somewhat, however, during the last few weeks.

The main concern of the Commission at the moment is its appropriation for the next fiscal year. The House Appropriations Committee passed over the budgetary estimates early in the session when considering the Supply Bill for Independent Offices on the ground that a FCC reorganization was expected.

A resolution renewing the FCC's current appropriation for another fiscal year probably would be enacted by Congress, if no previous action is taken, just before expiration of the present fiscal year on June 30th.

This would mean, however, that the additional appropriations asked by Chairman McNinch for expansion of Commission activities, particularly in the publicity field, would be denied.

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#### TWO NEW STATIONS AUTHORIZED BY FCC

Construction permits for two new radio stations were granted this week by the Federal Communications Commission. The approved applications were by:

McComb Broadcasting Corp., McComb, Miss., for 1200 kc. with 100 watts power, daytime.

Clifton A. Tolboe, doing business as the Citizens Voice and Air Show, Provo, Utah, for 1210 kc. with 100-250 watts power, unlimited time.

The FCC also approved the transfer of Stations KHSL, Chico, Calif., and KVCV, Redding, Calif., from the Golden Empire Broadcasting Co. to Ray McClung, Horace E. Thomas, and Stanley E. Pratt, Jr.

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#### NEW LIST OF INTERNATIONAL STATIONS ISSUED

A revised world list of international broadcasting stations, up to date as of December 1, 1938, has just been issued by the Federal Communications Commission.

An excellent reference log for short-wave listeners, the list of stations covers 21 mimeographed pages. Stations are listed according to frequencies.

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The Italian Broadcasting Company has started broadcasting amateur hours from three of its transmitting stations: Turin, Milan and Rome. The object of these programs is two-fold: to create a new form of attractive program and in particular to bring to light such artistic material as would otherwise remain unknown. This idea, of course, is not new to other countries though it is being undertaken for the first time in Italy.

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G.E. ANNOUNCES FIVE TELEVISION RECEIVER MODELS

Five television receiver models, ranging from a picture receiver with sound converter to consoles combining television and all-wave radio, have been announced for Spring production by the General Electric Radio and Television Division, Bridgeport, Conn. For more than a year, General Electric has been designing television receivers, testing them, and building them on a production line at Bridgeport, but the sets covered by the present announcement are the first which will be offered for sale to the public, according to E. H. Vogel, Manager of the Division.

Smallest set in the new line is the HM-171, which is a table-type picture receiver with sound converter. It can be used to receive television pictures without sound, or can be used in conjunction with special types of radio receivers which will be made available later. The table model employs a five-inch picture tube, included in the complement of 17 tubes. Front controls include brightness, contrast, focus, and tuning, and rear controls include horizontal and vertical size, hold, centering, and distribution. The set stands  $14\frac{1}{2}$  inches high and is approximately 20 inches wide and 19 inches deep.

Model HM-185 is a console-type television receiver for both sight and sound, employing a five-inch picture tube. It has 18 tubes in all, has average high-fidelity audio, and is 38 inches high, 23 inches wide, and approximately 18 inches deep. Controls are similar to those on the smaller set with the addition of volume and tone control.

Model HM-225 is a console-type television receiver for sight and sound employing 22 tubes, including a 9-inch picture tube. It has two chassis, video-sound and power, and high fidelity audio. This model is slightly larger than the HM-185, and controls are similar.

The two remaining console models, the HM-226 and the HM-275, combine all-wave radio and television receiver features. The former employs 29 tubes and the latter 30 tubes, including a 12-inch picture tube. Each has a video-sound, power, and radio chassis.

Approximate price range of the new television receivers is from \$250 to \$1000.

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## WALKER ADDED TO TELEVISION COMMITTEE OF FCC

Commissioner Paul Walker this week was added to the Special Television Committee of the Federal Communications Commission which is now on tour of television plants and laboratories in the East.

Other members of the Committee are: T.A.M. Craven, Norman S. Case, and Thad H. Brown.

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## N.Y. ASSEMBLY PASSES RADIO LIBEL BILL

The New York Assembly passed and sent to the Senate this week the Moffat bill extending protection, under the libel and slander laws, to radio broadcasting stations.

The bill provides that no libel or slander action may be maintained against a reporter, announcer, commentator, speaker, editor, broadcaster or proprietor of a radio broadcasting system for the broadcasting of "a fair and true report, oral or written, of any judicial, legislative or other public and official proceedings, or for any title or headnote to such a report which is a fair and true title or headnote thereto."

The purpose of the bill, according to its sponsors, is to extend to radio stations the same privileges enjoyed by newspapers.

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## RADIO SALES MOUNT DURING MARCH

Dealers reports of radio set sales during March pushed the Radio Retailing barometer to 119, or 6 points higher than it stood in the previous month,--February, and 19 per cent above the same month of 1938.

The market increase in unit sales was matched in many territories by an increase in dollar sales volume as well, showing that more of the higher priced table models and some consoles are being sold.

But dealers in some of the larger cities still report that the increase in unit sales is due largely to moving of the small or midget sets without a corresponding boost in dollar volume.

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RESOLUTION ASKS GALLERY PRIVILEGES FOR RADIO

A resolution extending gallery privileges to radio on an equal basis with the press was introduced in the House of Representatives this week by Representative John Dempsey, (D.), of New Mexico. The resolution is similar to one introduced on the floor of the Senate by Senators Gillette (D.), of Iowa, and Barbour (R.), of New Jersey, extending Press Gallery privileges to radio at that end of the Capitol.

Both resolutions resulted from an application by Fulton Lewis, Jr., of the Mutual Broadcasting System.

Mr. Dempsey is the father of William J. Dempsey, General Counsel of the Federal Communications Commission.

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GERMANY EXPANDS ETHER HOLDINGS WITH TERRITORY

The latest changes in the map of Europe have altered considerably Germany's position in the "ether", according to World Radio. The Reich has become the owner of another seven transmitters for broadcasting in the medium and long wavebands, with a total aerial power of 308.5 KW, making a total of 41 stations, and 1,426 KW.

"The Czecho-Slovak program organization will continue independently of the R.R.G., but the German Post Office has taken over the entire Post and Telegraph Administration and with it the broadcasting transmitters", the B.B.C. periodical states. "The Czecho-Slovak short-wave broadcasting stations also pass into the hands of the German Post Office, but their power, and that of the Zeesen short-wave stations, are not included in the totals mentioned.

"Germany acquires no fewer than three new exclusive wavelengths, two of which are in the 300-400 metre band, and one in the 400-500 metre band. This gives Germany a total of fifteen exclusive waves, compared with Britain's present five.

"A glance at the map will show that, with her fifteen exclusive waves, most of them in the 300-500 metre band, Germany has vastly improved her ether position. The stations taken over are: Prague, Melnik, Banska-Bystrica, Presov, Moravska-Ostrava, Brno, Bratislava, and, of course, Klaipeda (Memel).

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SUMMER RADIO COURSE OFFERED BY N.Y.U.

A Summer course in radio station operations will be offered from July 5 to August 12 at New York University's "Radio Workshop".

On the teaching staff is Douglas Coulter, Assistant Program Director of CBS; Robert S. Emerson, Assistant in Production for CBS; Earle Lewis McGill, Casting Director for CBS; Max Wylie, Director of Scripts and Continuity, CBS; and Philip Cohen, Production Director of the Radio Division of the U.S. Office of Education.

Courses include "The American System of Broadcasting", Radio Script Writing, and Principles and Problems of Radio Speech, Radio Production.

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"STEREOSCOPIC" TELEVISION SUGGESTED BY BRITISHER

A London correspondent of World-Radio suggests that television transmission be given the depth of the old-fashioned stereoscope with which every American parlor was equipped a generation ago.

The editor of the BBC organ points out that the suggestion involves the use of a second transmitter, "in itself a considerable obstacle".

"As one who views with interest all progressive developments in the world of radio, I now look forward to the time, perhaps in the not-so-distant future, when we shall have stereoscopic television as an outstanding reality", the correspondent wrote.

"Any one who has viewed stereo photographs cannot fail to appreciate the difference from the 'flat' picture as seen in an ordinary single photograph. So, presumably, we shall require, on the transmission side, two separate channels for the vision waves, and one for sound - a double camera, each half of which will control the vision waves respectively.

"At the visual end, arrangements would be made to receive the two vision waves simultaneously, either by means of an entirely separate assembly of components or, preferably, on one vision receiver specially designed to receive the two waves, enabling two pictures to be received side by side by means of two cathode-ray tubes with suitable adjustable reflectors to bring the left and right pictures at the correct distance, apart for the requisite adjustment necessary for stereoscopic viewing.

"We may even look further ahead, to see the two pictures produced on one cathode-ray tube possessing a double array of electrodes.

"Fantastic - or isn't it?

"The actual size of the respective pictures would be on the small side, but this would be overcome by magnifying eye-pieces producing the illusion of viewing the scene projected as seen by the camera operator - in other words, a 'front stall seat.'

"By reflective or refractive means, the cabinet housing the stereo receiver would be fitted (where necessary according to the particular household demand) with two or more eye-piece assemblies.

"As British television leads the world, let us see to it that we do not lose that pre-eminence."

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#### S-W STATIONS SEEK TO IMPROVE U.S. SERVICE

Reports of reception in foreign countries of programs transmitted by international broadcast stations in the United States indicate no material improvement in reception during the last year", the FCC stated in its annual report. "This supports other evidence to the effect that the use of both increased station power and directional antennas is necessary to provide reliable broadcast service to certain foreign areas", it added. "Certain licensees have manifested an interest in better coverage as evidenced by the fact that several were increasing station power and erecting or improving directional antenna systems at the close of the fiscal year. The extent of the improvement in service which would result cannot be accurately predicted and it will necessarily take considerable time to collect information based upon actual observations.

"Increases in station power result in a stronger signal and a better signal to noise ration, thus improving reception through interference. With the use of conventional antenna systems the signals are radiated equally in all directions, and when the purpose is to reach a particular foreign area with a broadcast much of the energy radiated serves no useful purpose. The use of directional antennas concentrates the energy in the desired direction within the confines of certain horizontal and vertical angles determined by the design and adjustment of the system, thus materially improving the signal intensity in the country to be served."

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The fifth annual statistical number of "Electrical and Radio World Trade News" is now nearing completion and will be sent to all subscribers when issued by the U. S. Bureau of Foreign and Domestic Commerce. It contains statistical tabulations of electrical appliances and radio sales for the year 1938 - statistics of the electric power industry in the United States - statistics of the electric power industry in foreign countries - details of the radio broadcasting industry - statistics showing U.S. exports of electrical and radio goods for 1939 and prior years. Single copies may be purchased for ten cents each.

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Variety reports the rumor that Roy S. Durstine, who resigned this week as President of Batten, Barton, Durstine & Osborne, may become Vice-President in Charge of Sales of the Columbia Broadcasting System.

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Leaders in the radio industry will participate in the "World of Tomorrow" dinner at the Hotel Waldorf Astoria on April 20th to celebrate the opening of the World's Fair. Among those who have agreed to participate are: Maj. Gen. James G. Harbord, Chairman of the Board of the RCA; Alfred J. McCosker, President of the Bamberger Broadcasting Corp.; and Lenox R. Lohr, President of the National Broadcasting Company.

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It is estimated that for each licensed radio in India there are two unlicensed ones, many of which are home made. The Posts and Telegraphs Department has been very busy in Bombay, Calcutta and elsewhere trying to run down the "pirates" by means of "detector vans", which cruise the city constantly. They locate the radio and then go in to inspect the license, or take the name and address, checking them against the records. Four persons were convicted in Cawnpore recently for possessing unlicensed sets, and it is stated that the campaign has had some effect, particularly psychologically.

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CBS SIGNS \$6,313,829 BUSINESS IN 30 DAYS

With a total of \$6,313,829 in gross business (new contracts: \$4,058,433; renewals: \$2,255,396) signed by the Columbia Broadcasting System within the past 30 days, CBS clients are completely reversing the seasonal radio trend in their arrangements for this Summer, and year-round schedules.

"The number and volume of these contracts closed by Columbia during the last month indicate a striking upturn in radio advertising of all lines of industry", CBS stated. "Foods, tobaccos, fuels, drugs -- all are represented in these increased investments, including 14 new and 5 renewal contracts, as of April 12th."

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TRAMMELL PREDICTS SUMMER ADVERTISING INCREASE

Indicative of a definite increase in Summer advertising, according to Niles Trammell, Executive Vice President, the National Broadcasting Company during the past few weeks has participated in eight time sales, effective this Spring and Summer. It also indicates, Mr. Trammell said, that 1939 will be NBC's most successful year.

Last week the NBC announced three gross revenue records, with March, 1939, expenditures on the NBC networks hitting an all-time high of \$4,170,852; the Red network in March establishing a high mark for any single network of \$3,132,832, and the first-quarter figures for both networks soaring to \$11,953,447. With \$1,038,020 in March, the Blue network registered its high mark since October, when NBC began issuance of separate figures for the two networks. The billings for March, 1939, showed an increase for the sixteenth successive month, the percentage change over March, 1938, being -9.6.

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CBS INCREASES TIME DEVOTED TO PUBLIC AFFAIRS

Broad expansion of its programs on public affairs and education to keep pace with world news and listener-preferences was made by the Columbia Broadcasting System in the first quarter of 1939, as compared with the same period in 1938, a survey of network programs has revealed, the Columbia Broadcasting System states. The increases in time and number of programs were noted in the fields of education, religion, news, agriculture, labor and sports. Statistics compiled show that under the general heading of education, which includes serious music, adult education, children's programs, international affairs, national and political affairs and drama, CBS broadcast 731 programs during January, February and March, 1939 as compared with 645 programs during the same period of 1938.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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April 18, 1939.

## TELEVISION COMMITTEE SEEKS ADDITIONAL INFORMATION

Upon its return to Washington after visiting Eastern television laboratories, the Television Committee of the Federal Communications Commission announced that it intends to proceed forthwith to secure additional pertinent information concerning all of the aspects of this question from other television leaders in other sections of the country. It may be necessary, in the judgment of the Committee, to hold public hearings before submitting its final report to the Commission.

"The Television Committee is of the opinion that undoubtedly the technical development of television has progressed remarkably during the past year, and that all concerned in its development are now at a fork in the road with respect to the next phase of providing television as a practical service to the public", the report states. "The Committee ascertained that there are two divergent schools of thought as to which method should be followed at this particular stage of development in initiating television as a service to the public. One group asserts the view that from a technical standpoint as represented by the standards proposed by the Radio Manufacturers' Association, television is now ready for public participation through the purchase of receivers. Another group maintains the view that the proposed standards are not sufficiently flexible to permit certain future technical improvements without unduly jeopardizing the initial investment of the public in receivers."

Significant of the importance which the Commission attaches to the recent developments in television is the fact that Commissioners George Henry Payne and Paul A. Walker joined the Committee during the week of the tour in the East and participated with them in the various inspections and conferences. The other members of the Television Committee are Commissioners T.A.M. Craven, Chairman, Thad H. Brown and Norman S. Case.

"The Commission has hitherto kept abreast of the development of television but until recently has not found it necessary to take any action tending to affect the details of the technical development of the art", the Committee report continues. "However, by reason of the action of the Radio Manufacturers' Association in proposing that the Commission approve certain technical standards pertaining to the operation of radio television transmitters which may be licensed by the Commission in the future, it has been necessary for the Commission to secure additional information in order to be fully assured that the interest of the public is safeguarded. The Television Committee was appointed by the Commission to make such an investigation and report.

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"The Committee has deemed its duty to be, in accordance with the continuing policy of the Commission, to encourage American inventive genius and private enterprise to further its remarkable efforts toward the accomplishment of the necessary improvements in the technical quality of television, and at the same time to consider the interest of the public. The Committee hopes that private enterprise and inventive genius may be able to develop a practical system of television which will permit the early inauguration of this service to the public, but which, at the same time, will permit considerable future improvements in quality without too rapid an obsolescence of receivers which may be purchased by the public."

The Committee visited and conferred with the Farnsworth Television Company and the Philadelphia Storage Battery Company in Philadelphia. In New York the Committee conferred with representatives and inspected the developments of the National Television Corporation, and conferred with representatives of the International Television Radio Corporation as well as with Major Armstrong, an inventor. In addition, in New York the Committee conferred with representatives of the General Electric Company, witnessed demonstrations and conferred with officials of the Radio Corporation of America, the Bell Telephone Laboratories, the Columbia Broadcasting System and the DuMont Laboratories.

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#### ADHERENCE TO COPYRIGHT CONVENTION RECOMMENDED

The Senate Committee on Foreign Affairs has reported favorably without amendment United States adherence to the International Convention of the Copyright Union as revised and signed at Rome on June 2, 1928. Ratification by the Senate automatically will bring under the copyright laws of the United States a large quantity of musical compositions which heretofore have not enjoyed copyright protection in this country.

The State Department has been endeavoring to obtain ratification of the Convention for a number of years as a part of its foreign trade relations program, but heretofore the Senate has refused to ratify until amendments to the Federal Copyright Law are passed which would bring the copyright law into conformity with the provisions of the International Convention.

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## LISTENERS ONLY CENSORS, INDUSTRY HEADS ASSERT

Opening the NAB-RMA good-will promotion campaign, Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, and Neville Miller, President of the National Association of Broadcasters, on Sunday declared in a nation-wide broadcast that listeners are the only radio censors in the United States.

The colloquy was carried over an NBC-WJZ network and marked the beginning of a campaign that will be conducted on the networks, independent stations, and among dealers for the next several weeks.

An announcer in New York introduced the two industry heads - the first time they had been on the air jointly as representatives of the two major divisions of the radio industry. A part of the program follows:

ANNOUNCER: (from New York) "Ladies and gentlemen, do you like to listen to your radio? We think you do. In fact, we know you like to listen! In fact, you want to listen so much you own forty million, eight hundred thousand radio sets as of January 1st last - more than half of all the radio receivers in the world, owned and used by American radio listeners!

"And because you want to listen, not only have you created a giant new industry giving employment to hundreds of thousands of people, but you have also made possible the development of a mighty social force in America: The American System of Broadcasting."

BOND GEDDES: "Judging from recent events abroad, Mr. Miller, other nations do not enjoy the blessings of radio as we enjoy them in America."

NEVILLE MILLER: "The chief distinction of American radio is that its programs come without cost and without censorship. American radio is free to bring us the news of the day as it happens; free to bring us both sides of public questions; free to present candidates for public office, the 'outs' as well as the 'ins'."

BOND GEDDES: "I doubt if any other system has been so competitively devised, which forces radio stations to compete at all times for the favorable ear of the listener."

NEVILLE MILLER: "Competition is the heart of American radio. If a station fails to please its listeners, it naturally will lose those listeners, and ultimately its economic support to carry on. Such competition has given America the finest radio service in the world."

BOND GEDDES: "But the finest thing about it, to me, Mr. Miller, is the fact that no one can compel us to listen and no one can prevent us from dialing off. . . ."

NEVILLE MILLER: "In other words, Mr. Geddes, the American thumb is good for something else besides hitchhiking. . . ."

BOND GEDDES: "Right. . . . we are our own radio censors in the United States."

NEVILLE MILLER: "And that, Mr. Geddes, is what we mean by the American System of Broadcasting."

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### FCC ORDERS INQUIRY OF MULTIPLE PRESS SERVICES

The Federal Communications Commission this week ordered an investigation of Multiple Press Services as conducted by Mackay Radio and Telegraph Company, Radiomarine Corporation of America, Tropical Radio Telegraph Company, and Globe Wireless, Ltd.

The Commission plans to investigate the practice of these companies in engaging in business in the dual capacity of news dispensers and communication companies without showing in their tariffs the charges made for the communication service as separated from the charges made for the news services. This practice involves the use of point-to-point radio stations, licensed for public communication service, to transmit news bulletins, which are purchased from a press association, to subscribers only.

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### ELLIOTT ROOSEVELT QUILTS HEARST RADIO, INC.

Elliott Roosevelt, son of the President, last week announced his retirement as President of Hearst Radio, Inc. Young Roosevelt, made president of the once widespread Hearst radio interests in 1936, asked the Board of Directors that his resignation be made effective at once. He felt "under the circumstances" that he could be "of little further service to the organization." He also resigned as a Director.

He has devoted almost all of his time in recent months to the Texas network, of 23 stations, which he started September 15, 1938, as President. Remaining stations owned by William Randolph Hearst, the newspaper publisher, are WCAE, Pittsburgh; WBAL, Baltimore; WISN, Milwaukee, and KYA, San Francisco.

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## BILL WOULD BAR UNAUTHORIZED RECORDINGS

Representative Schulte (D.), of Indiana, on Monday introduced a bill to amend the Communications Act so as to prohibit "any person, without the consent in writing of the performer or performers of said music or other program material" to either reproduce or sell recordings of such programs.

All records produced in violation of the law, the bill provides, could be seized under direction of the Attorney General and be destroyed.

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## SELDES TO STUDY BBC TELEVISION; CBS HIRES MUNRO

Gilbert Selde, CBS Director of Television Programs, leaves for London April 21st, to study current developments of the British Broadcasting Corporation with Donald Hunter Munro, Television Production Manager for BBC. He will return to New York May 12th with Mr. Munro, who will serve CBS in an advisory capacity for a month in connection with the System's completion of arrangements for experimental television. Present plans call for commencement of regular test telecasts by Columbia some time in June. Installation details are now being completed at CBS's transmitter tower atop the Chrysler Building.

Mr. Munro joined the BBC in 1926 as an announcer at the Aberdeen station, came to London in 1929 as Productions Assistant, and was intimately concerned with developments in multi-studio presentation involving the use of the then new dramatic-control panel. As the operator of an advanced type of control panel, Mr. Munro was responsible for coordinating the "Round the Empire" broadcast of 1932, in which King George V gave the first of his memorable series of Christmas messages to the world.

When Gerald Cock was appointed Director of Television in 1935, he chose Mr. Munro as Productions Manager. The appointment brought with it an entirely new set of problems, as no precedent existed for the organization of a high-definition television service. Since the start of the service in the Autumn of 1936, Mr. Munro has been responsible for studio organization and general routine, and he has produced more than a hundred television programs.

Leonard H. Hole, Director of Program Service Department at CBS, became Manager of Television Operations this week. He will directly assist Mr. Selde and will handle administrative and coordinative problems involved in actual television operations. Francis C. Barton, Jr. has been appointed as Mr. Hole's successor in the Program Service Department. He has been serving as Assistant Director for a year.

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## STUDENTS CITE VALUE OF RADIO TO CLASSROOM

Listening and learning by radio as a modern improvement over the three R's is urged in American schools by students of Westminster College, Fulton, Mo., as shown in the results of a survey released by Dr. Franc Lewis McCluer, President of the college.

Three out of four students saw possibilities for the use of radio in the classroom, the survey showed.

Westminster College, a men's school of limited enrollment, circulated the questionnaire to determine student views as to the value of radio, not only in the classroom but as an educational medium for general use. The majority of students proved to be regular listeners.

Radio could be used most profitably in history, music and political science, the students thought, one student pointing out that "history is being broadcast in the speeches of the Hitlers, Chamberlains and Roosevelts of the day". One comment was that such speeches should be heard in the classroom and then discussed under guidance of teachers.

Several students pointed out that broadcasts of speeches in foreign languages would aid language classes.

One student thought that television would enable the study of "real life activities in the classroom".

Other comments on the question -- "Do you believe the radio can be used advantageously in the classroom?" -- were:

"World authorities can be brought to students at nominal expense";

"To keep up with world affairs and politics and intelligent dramatization of great literary works";

"To further development of appreciation of fine things in life such as good music, plays, etc.";

"In modern study of world movements and government, it can bring the person directly to the scene."

A great majority of answers stated that radio excels in bulletin reporting, but that newspapers excel in completeness and permanent record. The questionnaires recorded news reporting as radio's greatest value, with musical entertainment, dramatic entertainment, propaganda and sports reporting following in that order.

The survey found that of radio programs the Charlie McCarthy show "contributes most to a wholesome national sense of humor", although Jack Benny was found to be the most popular male radio star. Dorothy Lamour led as the most popular feminine star.

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## FIRST CLASS GETS DIPLOMAS VIA TELEVISION

Unique graduation exercises, in which the graduates received their diplomas by television, were held at the Massachusetts Television Institute, Boston, last Saturday night, when the Institute graduated its first class of television engineers.

Standing in front of the television camera which the young men have been studying, President Porter H. Evans of the Institute presented diplomas to ten young men - while in an auditorium in another part of the Institute building the audience, composed of relatives and friends of the graduates, saw and heard the presentation over a television receiving set.

The "image" was about 9" x 12", sharp and clear. The set over which it was received had much the appearance of the cabinet in which a modern radio receiving set is housed.

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## RADIO CELEBS AT GRIDIRON

Among those identified with the radio industry who attended the Gridiron Dinner in Washington last Saturday night were:

M. H. Aylesworth, World Telegram, N.Y., former President of the NBC; Gene Buck, President, American Society of Composers, New York; Edward Klauber, Vice-President, Columbia Broadcasting System, New York City; Frank Mason, Vice-President, NBC, New York City; Edgar Morris, Zenith Distributor, Washington; Richard C. Patterson, Jr., Assistant Secretary of Commerce, former Vice-President of NBC; Louis Ruppel, in Charge of Press Relations of CBS, New York City; David Sarnoff, President, RCA, New York City; F. I. Thompson, new Federal Communications Commissioner; W. H. White Jr., Senator from Maine on on Senate Interstate Commerce Committee; and Frank Wozencraft, RCA counsel, New York City.

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## CHRISTY SAYS TELEVISION WILL AID ART

Howard Chandler Christy, the artist, is enthusiastic about what television may do toward popularizing art. In Washington for the Gridiron Club dinner Saturday, he said:

"Wonderful things are going to happen to art. As things are now, fine music is the best understood of all arts in this country. But there's no reason why television shouldn't mean as much to painting as radio has to music."

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## RADIO CENSUS HELD AID TO NATIONAL DEFENSE

Accurate figures on the number of radio receiving sets in use is vital, not only for the purpose of regulating the industry, but also from the viewpoint of national defense and other emergencies, according to the Federal Communications Commission.

The Commission is trying strenuously to have the Census Bureau include this item in its 1940 census-taking operations. The Bureau has tentatively contended that radio is just another gadget, like electric refrigerators in the home, and it doesn't take these into account in its decennial censuses. However, 10 years ago neither of these two were outstanding items in the homes of many, but some information was collected on radio.

The Communications Commission indicates it is going to make an effort to gain this information, and has called on the Budget Bureau to aid in impressing the Census Bureau with the importance of such a census. The FCC also has warned that if the Census Bureau doesn't do something about it, the Budget Bureau is going to be faced with a special request for funds to obtain the information. This might be much more expensive than having the census takers collect it while finding out how many people there are in the United States, it is said.

Officials at the Census Bureau say the radio request is on a list with about 40 others seeking data to be taken next year. Among these is a request to determine how many homes are wired for electricity. Some, or all, may have to be eliminated, because of the limitation of funds, it is said. The census officials are hoping the radio problem will be taken care of by legislation for a special census on housing next year. At the Census Bureau, officials say, a decision on the FCC's request cannot be given until after the adjournment of Congress.

In pressing its claim for consideration of its request, the FCC wrote the Census Bureau that the data are of national significance from many viewpoints and cited such emergencies as disasters involving disruption of communication. It was contended also that such data will aid in administering the Communications Act. These matters, the Commission said, are believed to set radio receivers apart as social instrument, distinguishing them thereby from the category of ordinary household electrical appliances.

The Commission said it desired to emphasize that the information sought is important from a Federal licensing standpoint, and the request involves no commercial consideration. The sociological import of the use of radio receivers, it added, can hardly be overestimated.

The Commission declared that in dealing with the problem of licensing, it is necessary, among other things, to know the areas where the greatest amount of broadcast listening occurs and to draw comparisons between listening areas. In situations involving national defense, it is important to know the percentage of population which may be reached in given areas through radio.

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 ::: TRADE NOTES :::  
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The Federal Communications Commission on April 10th granted two applications by the United Press for portable relay press radio stations. The assigned frequencies will permit the U.P. to operate radio sending and receiving service from remote points anywhere in the U.S.

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A dozen special programs have been scheduled by the Columbia Broadcasting System in cooperation with the campaign of the National Association of Broadcasters to acquaint the people with radio's service, methods, and aims. CBS thereby lends its coast-to-coast voice to the entire broadcasting industry, which now, for the first time, has decided to speak for itself. Executives of both CBS and NAB hope to demonstrate clearly the part radio plays in the life of the nation.

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The Portland (Ore.) Oregonian and the Portland Journal, which dropped their radio comment columns July 3, 1938, restored the columns recently following "an insistent demand by the public" for more information than was given in the program logs. The Spartanburg (S.C.) Herald and Journal recently resumed publication of local and major network radio programs, discontinued eight years ago.

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David Sarnoff, President of RCA and Chairman of the Board of NBC; Lenox R. Lohr, President of NBC, and Grover Whalen, President of the New York World's Fair, will speak during dedication ceremonies at the RCA exhibit building at the Fair and will be heard on Thursday, April 20, from 12:30 to 1:00 P.M., EST, over the NBC-Red Network. At the same time, the speeches and dedication ceremonies will be televised and seen by viewers in the RCA Building in Radio City.

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An Asheville, N.C. distributor of a correspondence course for radio operators, has entered into a stipulation with the Federal Trade Commission to cease using the name "Association Western Union Employees" in his advertising literature when such literature is neither published nor sponsored by such an association. Walter H. Candler, distributor of this course, who is in business under the name Candler System Company, publishes "Telegraph World" and circulates it widely, according to the stipulation.

In his stipulation, Candler also agrees to cease overstating and misrepresenting the demands and opportunities for employment in the radio communication field, and to discontinue representing that Candler training provides world-wide travel, adventure and good pay, and that an employment service is available to Candler graduates without cost.

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## TELEVISION ON "BORDERLINE", CRAVEN SAYS

The belief that television is "somewhere on the borderline" between the first and second phases of its development, and that it must enter the third and final stage of a business than can support itself before it becomes a medium of wide public use and entertainment, was expressed in New York Saturday by Commander T.A.M. Craven, Chairman of the Television Committee of the Federal Communications Commission, according to the New York Times. He declined to speculate on how soon television entertainment may be expected to pass definitely into the final stage.

It would be unfair to say at this time, Commander Craven continued, whether the proposed RMA standards for television, or other technical standards, have been favored by a majority of the engineers and concerns visited so far.

He and the other Commissioners agreed it was "absolutely imperative" that the new medium be launched under definite standards, which would make it possible for a television set owner to take his receiver into any part of the country without encountering technical factors making the set inoperative without alterations.

Commander Craven said the FCC Committee regarded television as a "very formidable problem". Asked when the FCC would favor the industry's "going commercial", he indicated that such day might be far in the future.

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## CROSLEY TELEVISION WORKSHOP CLUB ORGANIZED

The first meeting of the newly formed Crosley Television Workshop Club was held last week in the new television studios of the Crosley Corporation, situated on the 48th floor of the Carew Tower, high above downtown Cincinnati. Open to members of the staff of WLW and WSAI, the Club was organized for the purpose of acquainting artists and office members with the mechanics, limitations and production problems of television.

James D. Shouse, Vice-President of the Crosley Corporation in Charge of Broadcasting, said: "We have on our staff several men who have had considerable experience both on the stage and in Hollywood. To point out to these men the possibilities of television and how they can best utilize their past experiences, is the purpose of the Crosley Television Workshop Club. Furthermore, nearly all employees of WLW and WSAI have shown a keen interest in this latest radio art, and we believe this curiosity should be satisfied so that everyone can contribute to a more successful operation of television."

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## PHILCO ANNOUNCES TELEVISION LINE; WARNS BROADCASTERS

Television reception, as exemplified by the progress made in laboratories such as Philco's has reached a high level of efficiency, according to Sayre M. Ramsdell, Vice-President of Philco Radio & Television Corporation. Reception, however, is not the chief problem confronting television as an industry, Mr. Ramsdell added.

"That problem", he said, "is largely in the hands of those concerned with television broadcasting. Television, from the point of view of reception and receivers, is ready to assume its role as the giant industry it should become. However, the problems of broadcasting television have been slower in solution and the progress in the broadcasting end has fallen behind that attained in reception."

Mr. Ramsdell announced that a new line of television receivers would be introduced at the national convention of Philco Radio & Television Corp. to be held at French Lick Springs, Ind., from May 15 through 19.

"These receivers", he explains, "will be entirely new in performance, appearance and developments. They will represent a marked advance in television, embodying improvements as yet unannounced. Television receivers will be sold to the public through radio dealers, whose experience and facilities, from both a merchandising and technical standpoint, make them an ideal medium on a nationwide basis. Television receivers can be sold on such a nationwide basis, but, as yet, television broadcasting cannot follow them and is limited to a handful of metropolitan centers. Television as an industry must wait for the broadcasters."

Companies involved in the development of television receivers, Mr. Ramsdell believes, should be prepared and willing to lend the broadcasting end all the aid possible in overcoming the present obstacles.

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## WOZENCRAFT, SHUNS TELEVISION, TALKS OF SCOUT WORK

First among the things of importance to the men and women of America today, Frank Wilson Wozencraft, lawyer, of New York and Dallas, Tex., lists the "building of character and citizenship in the youngsters of the land", the Washington Post reported Sunday.

General Solicitor for the Radio Corporation of America, Mr. Wozencraft has nothing to say about television - because "nobody comes to the Gridiron to talk business - but he will talk about his hobby - Boy Scout work", the Post said.

"This Boy Scout movement is probably the most democratic one in America", he says. "The boys do for themselves under the leaders of volunteers who are genuinely interested in them. It has meant much to the country, and will mean more. It is growing."

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

*Handwritten notes:*  
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Call

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No. 1118

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## CHAIN-MONOPOLY INQUIRY ENDS; REPORT INDEFINITE

Culminating hearings that extended over six months, the chain-monopoly investigation of the Federal Communications Commission was concluded this week although it was explained that the Special Committee may recall any witnesses it wishes to amplify previous testimony.

Just how soon a report may be expected from the Committee is conjectural, but an FCC spokesman expressed the belief that it will be ready before Congress adjourns.

The Commission is now engaged in frequent conferences on the telephone report, which has been lying idle for more than a year. This report to Congress, which will displace the "proposed report" drafted by Commissioner Paul A. Walker following a prolonged investigation, is expected to be released within a few weeks.

The major reform that is expected to come from the chain-monopoly investigation is stricter regulation of the networks by the Commission, especially over management contracts between the chains and affiliated stations.

Louis Caldwell, counsel for the Mutual Broadcasting System, threw a bombshell into the last hours of the inquiry when he demanded that the FCC issue an order to restrain NBC and CBS from extending present station contracts until December 31, 1940.

The move met strenuous objection from John J. Burns, representing the Columbia Broadcasting System. Commissioner Walker said the Commission would take the motion under advisement, as it would also the motion of Mr. Burns to strike that of Mr. Caldwell out of the record as irrelevant.

Mr. Caldwell declared the evidence introduced in the last few days indicated that the large networks were attempting now to secure new contracts with affiliated stations and to extend present contracts until 1946. According to Mr. Caldwell, these acts would nullify the whole work of the investigation.

The contracts, Mr. Caldwell insisted, have a number of questionable features that have been the subject of scrutiny by the Commission's staff and of complaint and objection by independent broadcast stations and other parties. Those he named were the exclusive contracts by which an affiliate station is forbidden to receive programs from any other national network.

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Another feature, he explained, is network auction time varying down from 100 percent, and long-term contracts, particularly those proposing to extend the relationship between the networks and the stations over a period of five years.

A proposal for governmental licensing of radio network systems under the same conditions by which radio stations are now licensed was made before the Committee by Elliott Roosevelt, second son of President Roosevelt.

It was Mr. Roosevelt's third appearance before the Committee.

Before he testified, the Committee heard Fred Weber, General Manager of the Mutual Broadcasting System, tell of practices of the large national networks which, the witness said, prevented development of another network to meet demands by the stations themselves and the public in various sections.

Broadcasting stations, Mr. Roosevelt testified, are actually not in control of their time when it is being used by regional and national networks. He cited recent instances where stations had been taken to task by the FCC because of certain programs alleged to be not in the public interest. He said in such cases the stations had no prior information concerning the material to be broadcast, and merely had turned their facilities over to the networks under their contracts.

He said the only remedy for such a situation would be to have networks licensed. He said they should be brought under the same FCC scrutiny as that to which the individual stations are now subjected. He added that he believed this would remove many of the complaints within the industry and before the Commission.

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#### RULES COMMITTEE VOTES FOR RADIO GALLERY

The Rules Committee approved Thursday a resolution to set aside space in the House galleries for use of radio news reporters, who would be supervised by a Standing Committee of such reporters, subject to control of the Speaker. They would be given facilities separate from those of the regular press galleries.

The resolution must be acted on by the House. A similar resolution is pending in the Senate.

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## NEW RULES ON S-W, TELEVISION ADOPTED BY FCC

The Federal Communications Commission on Wednesday issued the new regulations governing relay, international, television, facsimile, high frequency, non-commercial educational and developmental broadcast stations. The new rules, which are effective immediately, make several minor changes in the various classes of stations. The rules governing international broadcast stations are not included as the final policy in regard to these stations has not been determined by the Commission.

Of principal general interest are the modifications in the rules governing facsimile broadcast and high frequency stations. Under the Havana allocation three low frequencies, previously used for facsimile broadcasting, are dropped. This deficiency is remedied through the addition of several frequencies from 25,000 to 116,000 kilocycles. The frequencies now available appear adequate to take care of the present demand and full technical development of this service.

While the high frequency stations are continued on an experimental basis, with the present restrictions as to commercial operation, several additional frequencies are made available both for amplitude and frequency modulation. Frequency modulation is recognized on an equal basis with amplitude modulation and occupies approximately the same total frequency band.

Under the new regulations licensees of relay stations are required to specify the regular broadcast station with which the relay station operates. All relay stations under the new rule must be definitely associated with a specific standard broadcast station or network system. The relay broadcast stations operating on frequencies from 30,000 to 41,000 kilocycles have been removed from the experimental classification and new frequencies have been provided from 130,000 to 138,000 to be operated either with frequency or with amplitude modulation. This is the first time that frequency modulation has been specifically recognized for relay stations for which service it appears to offer special results both as to lightness of transmitting equipment and reduction of reception noise.

The name of the "experimental" broadcast stations has been changed to "developmental" broadcast stations. The purpose of the change is to avoid confusion between this particular class of station and many other stations operating on the experimental basis which are often referred to as "Experimental" stations.

No changes of significance have been made in the rules governing television stations. However, the regulations pertaining to the operation of non-commercial educational broadcast stations have been specifically defined under the new rules.

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## ATTORNEYS ARGUE WLW CASE IN COURT

Government attorneys told the U. S. Court of Appeals in Washington Wednesday that the Federal Communications Commission has authority to cancel arbitrarily any radio station's experimental operating permit.

Directly involved was an appeal of the Crosley-owned station WLW at Cincinnati, O., from a Commission order last February 8 which cancelled an experimental operating permit and reduced the station's daytime broadcasting power from 500 to 50 kilowatts.

General Counsel William J. Dempsey of the Communications Commission argued that issuance or cancellation of experimental permits lay exclusively within the jurisdiction of the Commission and therefore no appeal was possible.

Duke M. Patrick, WLW attorney, argued that the order was "improper and illegal" and therefore appealable. The court reserved judgment.

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## BBC DEVELOPS NEW SENSITIVE MICROPHONE

The desirability of using in outside broadcasts and in studios to which audiences are admitted microphones at once highly sensitive and inconspicuous has resulted in the designing by the British Broadcasting Corporation's Research Department of a new type of instrument that is now being put to increasing use in British programs. Known as the Type "B" BBC-Marconi ribbon microphone, it represents the result of two years' work by the research engineers, and has proved so successful that many broadcasting organizations overseas - in South Africa, South America, India, and in the Colonies, for example - have adopted it for local use.

In effect, the microphone is a refinement of the British type of ribbon microphone evolved by the Research Department five years ago and which is now standard in BBC studios.

Though representing a decided advance in the technique of microphone design - chiefly because of its bi-directional properties and the simpler balance technique that it made possible - the original ribbon-type instrument - known as Type "A" - was not altogether ideal for broadcasts from outside sources, owing to its size.

Of a conveniently round shape, the instrument ultimately designed to offset that disadvantage is less than half the size of the Type "A", and has the same sensitivity and identical, if not better, all-round performance.

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OUTLAW STATION STOPPED IN MINNESOTA

In the first prosecution of its kind in the Federal Courts in Minnesota, Thomas Carpender, St. Paul, Minnesota, pleaded guilty to an indictment charging the operation of an unlicensed radio station in violation of Sections 301 and 318 of the Communications Act of 1934, as amended. The court deferred imposition of a sentence and placed the defendant on probation for a period of two years.

Inspectors of the Federal Communications Commission have evidence indicating that there are other unlicensed radio stations operating in the St. Paul area and further prosecutions are expected to follow.

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U. S. SURVEY SHOWS EXTENT OF RADIO BUSINESS

The Bureau of Foreign and Domestic Commerce this week presented a statistical picture of the radio industry in the United States and abroad in the fifth annual statistical number of the "Electrical and Radio World Trade News", edited under the direction of John H. Payne, Chief of the Electrical Division.

Tables and topics covered in the radio section of the bulletin are:

Basic Statistics of Radio in the United States; Radio Sales in the United States 1929-1938; Radio Business at a Glance - 1938; Homes with Radios and Percent Saturation by States, Jan. 1, 1939; Radio Ownership by Geographic Divisions; Joint Committee on Radio Research - Rural Survey Findings as of Jan. 1, 1938; Radio Advertising in Leading American Markets - 1937; National Network Broadcast Advertising by Kinds of Sponsoring Business - 1938; Foreign Radio Statistics - 1938 (Estimated); Revenue, Expense and Other Income Items of Stations by Class and Time Designation, 1937.

Also, Proportion of Total Net Sales and Income Going to Different Classes of Stations, 1937; Average Net Sales of Stations - 1937; Investment, Depreciation and Replacement Value of Broadcasting Properties by Power Classes - 1937; Average Net Sales by Size of Community - 1937; Geographical Distribution of Broadcasting Station Net Sales; Percentage of Operating Expense Represented by Various Items on Different Classes of Stations - 1937; Analysis of Network Revenues - 1937; Ratio of Net Income to Net Sales for Various Classes of Stations - 1937; Percentage of Time Sales by Type of Origin for Various Classes of Stations in Communities of Different Sizes - 1937; Proportion of Time Sales by Type of Origin on Various Classes of Stations; Radio Broadcasting Receipts; Division of Broadcasting Receipts Among Stations and Networks; Functional Employment and Payroll Data of Stations; Percentage of Weekly Payrolls by Functional Divisions; Division of Commercial Network Time by Program Types - Evening Programs.

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## RCA TELEVISION DEBUT HAILED BY SARNOFF

In a salute to television as the birth of a new industry for "the world of tomorrow", the dedication of the RCA building at the New York World's Fair was telecast Thursday across the metropolitan area, the New York Times reported. David Sarnoff, President of the RCA, spoke before a microphone in the garden behind the building as a hundred or more guests seated at the latest television receivers at Radio City saw him clearly as he broadcast.

Introduced by Lenox R. Lohr, President of the National Broadcasting Company, who was also seen on the 8 by 9 inch screens, Mr. Sarnoff said, "Now we add radio sight to sound.

"It is with a feeling of humbleness that I come to this moment of announcing the birth in this country of a new art so important in its implications that it is bound to affect all society", he continued. "It is an art which shines like a torch in a troubled world. It is a creative force which we must learn to utilize for the benefit of all mankind. This miracle of engineering skill which one day will bring the world to the home, also brings a new American industry to serve man's material welfare. Television will become an important factor in American economic life."

After a brief introduction by Graham McNamee, veteran announcer, who sat at a camera in Radio City, the scene was switched to Flushing, where Announcer George Hicks presided at the microphone alongside the radio "eye".

As the camera moved down the Avenue of Patriots, spectators in New York eight miles away saw the perisphere and trylon and other landmarks of the Fair. They saw hundreds of workmen lined up along the curb at lunch hour watching the radio camera men at work. The laborers in white overalls added contrast and stood out distinctly in the crowd. A bugle blew, and the Stars and Stripes were seen to climb the mast opening the dedicatory ceremonies.

Every detail was distinct, even the fleecy texture of the clouds. Then the camera was taken to the garden to telecast Mr. Lohr and Mr. Sarnoff. At the conclusion of their brief talks various guests were introduced to the unseen audience.

Among those who spoke in celebration of the "new milestone of progress" were Maj. Gen. James G. Harbord, Chairman of the Board of the RCA; E. J. Nally, First President of the RCA; Maj. Gladstone Murray, Director of Radio in Canada; Edwin S. Friendly, Business Manager of The Sun; Neville Miller, President of the National Association of Broadcasters, and Dr. Vladimir K. Zworykin, inventor of the iconoscope or radio "eye" around which the television system is built. Dr. Zworykin, in his few sentences hinted that new wonders are still being developed in the laboratory.



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The announcer then "returned" the audience to New York, where a boxing match between Jack Pembridge, Golden Gloves champion in the 118 pound class, and Pat Dunne, Police Athletic League star, was televised from a roped arena in the studio. Max Baer, former heavyweight champion, refereed, and Bill Stern served as a commentator for the three-round battle, the judges favoring Pembridge.

Lined up in the corridors on the sixty-second floor of the RCA Building were the new television receivers, which dealers were invited to inspect for the first time. The sets will be on the market May 1, when NBC begins a telecast schedule.

Regular studio presentations will adhere to a previously announced minimum of two hours a week over the NBC station W2XBS. In addition, NBC plans to be on the air with one or more outdoor news events a week designed specifically for home viewing.

The first NBC telecast in the service, marking the beginning of American television broadcasting, will be made Sunday, April 30. On that day, beginning at 12:30 P.M., EDST, NBC will present a three and one-half hour program, which will include the opening parade at the World's Fair grounds and addressed by President Roosevelt and others at the Federal Government Building, formally opening the Fair. The remainder of the program will consist of films to be transmitted from Radio City.

Regular evening programs, built according to a policy developed by the NBC television staff over nearly three years of experimental telecasting, will fall on Wednesday and Friday of each week, beginning May 3. The announced hour is from 8 to 9 P.M., EDST. Outdoor pick-ups of scheduled news events will be made on Wednesday, Thursday or Friday afternoon, according to Thomas H. Hutchinson, Manager of NBC's Television Program Division. Mr. Hutchinson added that it might be found possible to telecast more than one of these programs a week.

The prices of the television sets range from \$199.50 for a 4 by 5-inch telepicture attachment for existing broadcast receivers to \$1,000 for the largest console equipped with thirty-six tubes and presenting a picture a trifle larger than 7 x 10 inches.

Telecasting was done from the aerial atop the Empire State Building at which point the relayed ultra-short waves from the Fair were intercepted and sprayed across a fifty-mile radius by the main transmitter in the skyscraper.

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## NETS' SALES BOOM DESPITE APPROACH OF SUMMER

The major networks report increasingly new business for the late Spring, despite the approach of Summer, when commercial programs customarily drop off, and are far ahead of their marks for last year.

Roy C. Witmer, NBC Vice-President in Charge of Sales, announced that business signed by the broadcasting company since January 1 totals \$11,519,041. This includes \$2,952,170 in new business booked on NBC by sponsors formerly on rival networks and represents an increase of \$5,067,361 or 78.5 percent over a comparable period in 1938, the year in which NBC set the all-time high in the history of broadcast advertising for network billings.

CBS has signed new and renewal contracts for Summer and the balance of 1939-40, totaling \$6,313,829 gross. Four programs will start on CBS next month and another will be renewed, representing additional business totaling \$35,675 in weekly gross. A year ago new and renewal business effective that month added up to only \$18,611. In other words, CBS reports 91.7% more new and renewal business for May, 1939, than for May, 1938.

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## SHORT-WAVE "TEMPLE OF TRUTH" IS PLANNED

A short-wave station atop one of the picturesque Shenandoah mountains in Virginia, which would flash messages of peace to war-conscious Europe, will be erected shortly if the Federal Communications Commission consents.

Mrs. Louis H. McGuire, wealthy Washington woman, has purchased a million dollar estate on Skyline Drive and states she will build a huge "Temple of Truth" with an adjacent powerful short-wave station on the 2,350-foot Granite Mountain.

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The Commission this week denied an application of the Pillar of Fire, religious sect, of Zarephath, N. J., for a construction permit to erect an international short-wave station for the purpose of extending its influence over European countries.

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Recent developments in the field of radio devices may contribute toward a solution of the problem of marine collision prevention, according to the U. S. Lighthouse Service Bulletin. They are the terrain clearance indicator or absolute radio altimeter recently developed for aircraft and the "Klystron" ultra-high frequency generator developed at Stanford University.

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: : : TRADE NOTES : : :  
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Columbia Broadcasting System reported net profit for the 13 weeks ended April 2 was \$1,151,526, equal to 67 cents a share on combined class "A" and "B" stocks, compared with \$1,494,980, or 87 cents a share on "A" and "B" stocks in the same 1938 period.

William S. Paley, President, told stockholders at the annual meeting that sales figures for the second quarter will be above the like 1938 period and that six months' profit will be at least as large as the comparable period last year.

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The Times-Star (Cincinnati, Ohio) says a new low-priced automobile to be manufactured by the Crosley Corp. will be a "one-seater, three-passenger vehicle with a wheelbase of about 6 feet, powered with a two-cylinder, four-cycle, air-cooled engine" that will provide 50 to 60 miles per gallon of gasoline. The car likely will be manufactured at Crosley's Richmond, Ind., plant. Crosley officials said the car would be unveiled at the Indianapolis Speedway, April 28th.

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General James G. Harbord of the Radio Corporation of America on Feb. 9 made gifts of 500 shares of RCA common stock, 100 shares of RCA \$5 cumulative preferred, Class B, and 500 shares of RCA 3½ percent convertible first preferred stock, according to a report of "insiders" transactions made public this week by the Securities and Exchange Commission. The holdings of these securities by General Harbord, who was described as a Director of RCA, were reduced by the reported gifts to 653 shares of common, none of the \$5 preferred, and 847 shares of convertible first preferred, according to the report.

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Senator Burton K. Wheeler, (D.), of Montana, is one of four persons who will discuss "Radio and the Public Interest" on Lyman Bryson's People's Platform over Columbia network Sunday, April 23rd, from 7 to 7:30 P.M., EST.

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A survey of pupils in the four upper grades of Eggertsville (N.Y.) elementary school showed the average pupil listens to radio programs three hours a day, seven days a week. If given a choice, however, he would rather go to the movies, play, go to school, eat, do homework, go downtown, or - talk to his parents - than listen to the radio.

"Of course", the survey report added, "these preferences are to a large extent due to the fact that he can listen to the radio when not doing these other things."

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Beginning Friday, the Hamburg and Cologne radio stations of Germany will broadcast National Socialist interpretations of the day's news in English twice a day instead of once as heretofore. The broadcasts of fifteen minutes will start at 8:15 and 10:15 P.M. The short-wave station DJA also will broadcast daily in English at the same hours.

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Leonard H. Hole, formerly Director of CBS Program Service Department, this week began his new duties as Manager of Columbia's television operations. Francis C. Barton, Jr., who was Mr. Hole's assistant, will take over program service supervision.

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The Washington Post last week carried an interview with Gustavus P. Lohr, father of Lenox R. Lohr, President of the National Broadcasting Company, as one of a series of stories on men and women who keep working after 70. Mr. Lohr, who was celebrating his eighty-second birthday, at a desk in the offices of Johnson & Wimsatt, lumber dealers, where he has been for 52 years, said he kept working to "keep out of mischief".

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#### U. S. PROGRAM WINS WOMEN'S RADIO AWARD

An educational program sponsored by the U. S. Office of Education over the CBS network was selected as the most original and informative radio program of the year Wednesday by the Women's National Radio Committee in New York. It was the first time a Government program had been selected by the Committee, which comprises more than a score of national women's organizations.

The program so honored is "Americans All - Immigrants All" and is carried on CBS as a sustaining feature Sundays from 2 to 2:30 P.M.

Formation of an auxiliary organization to supplement the work of the Women's National Radio Committee was announced by Mme. Yolanda Mero-Irion, founder and president, who presided at the luncheon at the Hotel St. Regis, New York when the results of the outstanding radio offerings of the year were announced. She said this supplementary organization, known as Radio Listeners, was formed to combat the assumption that women's organizations are a "high-brow, biased group" having a different viewpoint on radio programs than the general public. She announced that the new organization invited men to join, that no dues were required and that any interested listeners might join by communicating with the Committee headquarters in New York.

Speakers heard on the broadcast program were Neville Miller, President of the National Association of Broadcasters; David Sarnoff; Frank E. Mason, H. V. Kaltenborn, news commentator; Alfred J. McCosker, Chairman of the Board of the Mutual Broadcasting System, and Raymond Leslie Buell, President of the Foreign Policy Association. The theme of the luncheon was "The Use of Radio In Promoting Goodwill".

Two new classifications were included in the citations this year, for the program which best serves democratic ideals and for the best quiz program. America's Town Meeting of the Air was cited as the leading program in the former classification, and NBC's "Information Please" in the latter.

Serial Programs were not included in the ballots, but NBC's program, "One Man's Family", received so many votes that the Committee accorded it "special recognition". Another program specially honored was the "Salute of Nations" series in which different countries saluted the New York World's Fair of 1939. The Committee extended congratulations to Dr. John Young, Director of Radio for the Fair, and to all the networks that carried the weekly programs.

Following is a tabulation of the citations as announced:

Programs Best Serving Democratic Ideals: America's Town Meeting of the Air (NBC); Americans All - Immigrants All (CBS).

Variety Programs: Good News of 1939 (NBC); Chase and Sanborn Hour (NBC)

Light Music: Firestone Symphony Orchestra (NBC); Cities Service Concert (NBC); American Album of Familiar Music (NBC).

Quiz Program: Information Please (NBC)

Adult Education Programs: The World is Yours (NBC); What Price America (CBS); Americans at Work (CBS).

Serious Music (Sponsored): Ford Sunday Evening Hour (CBS); Standard Oil broadcasts of West Coast symphonies (NBC).

Serious Music (Sustaining): NBC Symphony Orchestra; New York Philharmonic (CBS); Metropolitan Opera broadcasts (NBC); Sinfonietta (MBS).

Dramatic Programs: Campbell Playhouse (CBS); Woodbury Playhouse (NBC); NBC Great Plays (NBC); Lux Radio Theatre (CBS);

Children's Entertainment Programs: Musical Plays by Irene Wicker (NBC); Let's Pretend (CBS).

Children's Educational Programs: NBC Music Appreciation Hour (NBC); American School of the Air (CBS)

News Commentators: H. V. Kaltenborn (CBS); Paul Sullivan, mid-west networks.

Advertising Best Presented: Jell-O (NBC); Tender Leaf Tea (NBC).

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#### BILL BANNING RADIO LIQUOR ADS APPROVED

The Senate Interstate Commerce Committee recommended to the Senate on Thursday that radio advertising of alcoholic beverages be prohibited. The Committee approved without amendment a proposal by Senator Johnson of Colorado which would make such advertisement a crime and subject violators to revocation of their alcohol licenses. At recent public hearings the measure was supported by the Fed. Alcohol Administration and opposed by liquor and radio interests.

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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APR 25 1939

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April 25, 1939.

## 14,000 TELEVISION SETS OPERATING IN LONDON

Among the first authentic reports on the number of television receivers in use in London is one published in the April issue of "Radio and Electrical Marketing", copies of which have just reached this country.

The periodical reports that more than 14,000 sets have been sold during the three years that the British Broadcasting Corporation has been transmitting television programs to the public. The population of London, according to the World Almanac for 1938, is 8,201,818.

The article surveying the results of the television experiments to date follows:

"The effect of the R.M.A. cooperative television drive has been excellent', said Mr. D. K. Wolfe Murray, B.B.C. Television Public Relations Officer, at the discussion which would up the series of R.M.A. lectures at the Essex Hall, London, W.C.2, on March 23.

"The results have produced an increased demand for television; an immense amount of interest has been stirred up, and television generally has been put on the map far more successfully than it has ever been before.

"We are conservative in our estimate when we say there are at the moment 14,000 sets installed in the service area. That makes a potential audience of 28,000 to 30,000 individuals - which means that we have a pretty large public.'

"Seventy-five per cent of the television questionnaires had been returned. Experts are satisfied with a 33-1/3 per cent return from such questionnaires.

"I think', said Mr. Wolfe Murray, 'it speaks volumes for the interest in television to have a response of 75 per cent.'

"To get down to further effects of the drive', said Mr. Wolfe Murray, 'it seems to me that the results have depended almost entirely on the initial spade work done by the local dealers.

"The men who are pioneering television are the men who are going to reap the trade. Television is a personal business, and there is advertisement in the words of a satisfied client. He is the one who is going to help television purchases, and he is going to obtain your customers for you.'

"In the discussion that followed, many points on all aspects of television, from programs to technicalities, were raised by the dealers present and answered by Messrs. Wolfe Murray, Ryan and Bevan (of the B.B.C.), and H. J. Barton-Chapple."

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#### RADIO PRESS GALLERY SET UP IN THE HOUSE

Following the adoption of a resolution reported by the House Rules Committee for the establishment of a radio press gallery in the House, limited quarters were set aside in the public gallery adjacent to the press gallery this week.

The quarters consist of a bench and writing desk. No radio equipment is allowed in the gallery. Limited working quarters are to be furnished later, it was said.

The press gallery itself and the lounge rooms are still limited to newspaper correspondents.

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#### BRITAIN TO TAKE OVER BBC, PAPER REPORTS

The British government will take over the British Broadcasting Corporation June 7, the Daily Mail reported last week.

This would mean the BBC would become a government news service and to some extent a propaganda machine under government control. It was understood broadcast news bulletins would be supervised and recruiting appeals would be made for all the military services.

A clause in the BBC charter authorized government seizure "if and whenever in the opinion of the Postmaster General an emergency shall have arisen in which it is expedient for the public service that His Majesty's government shall have control over transmission of messages."

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By the end of 1937, the registered radio receiving sets in Belgium totalled more than a million for the first time. As of December, 1937, there were 1,018,108 sets registered or 123 radios for every 1,000 inhabitants. The increase during 1937 was outstanding, amounting to 129,940 or approximately 15 per cent on the total at the end of 1936.

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ASCAP WINS SUPREME COURT RULINGS; BLACK DISSENTS

The American Society of Authors, Composers and Publishers won preliminary litigation skirmishes in the U. S. Supreme Court last week when the majority of the Court upheld their contention in two contests to upset State laws aimed at ASCAP.

Justice Reed delivered the opinions of the Court in ASCAP suits against State officials of Florida and Washington. Justice Black delivered a scathing dissent in the latter case.

ASCAP had sued the State officials in both cases in an effort to enjoin them from enforcement of the laws enacted in 1937 relating to copyright music operations. The State officials had moved to dismiss the petitions on the ground that ASCAP failed to show the \$3,000 jurisdictional amount necessary to give Federal Court jurisdiction.

In the Florida case, the lower court had determined that it had jurisdiction and had granted a preliminary injunction, whereas the lower court in Washington had dismissed the suit on the ground that the jurisdiction amount was not shown.

The Supreme Court affirmed the Florida action and returned the case to the lower court for taking evidence. It reversed the Washington court.

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RADIO PAGES HAVE GOOD FOLLOWING, FORTUNE FINDS

Despite the trend for curtailment or elimination of radio pages in newspapers, the public still finds them interesting, Fortune magazine has determined by one of its nation-wide surveys.

In its April issue, Fortune sets forth the results of a questionnaire which asked: "Do you read the columns in the newspapers about the radio stars and programs?"

Thirty-one and seven-tenths percent of those replying answered "yes", 33.5 percent answered "occasionally", while 34.8 percent said "no".

"The answers given to the questions above show that the radio pages have probably a greater following, and a greater influence, than they may be commonly credited with", Fortune comments. "Almost a third of the nation reads them faithfully, and another third sporadically. This is probably nearly as good a batting average as the time-honored institutions of the women's and sport pages, whose appeals are mostly confined to one sex."

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## A.P. MEMBERS URGE SALE OF NEWS TO RADIO

Members of the Associated Press, meeting in New York City this week, adopted a resolution asking the Board of Directors to consider a change in the Press Association regulations to permit the sale of A.P. news to commercial sponsors for radio broadcasting.

Such news already is sold by competing press associations, but the A.P. so far has resisted all proposals of its members to let down the bars.

The resolution reads:

"Whereas, during the past few months a substantial number of State meetings, following a full discussion by members of radio broadcasting, have requested the Board of Directors again to consider the question of the use of Associated Press news in sponsored programs, and

"Whereas, an increasing number of member papers have been compelled to purchase the news of competing agencies for such sponsored programs, and that an impairment of State circuits and loss of membership and territorial representation in the news reports is threatened, therefore

"Be It Resolved, That the Board of Directors be urged to give consideration to the problems presented, and that interested members be afforded a full opportunity to appear before the Board and present such recommendations and suggestions as they may see fit to offer."

The resolution came after authorization of a change in The Associated Press's certificate of incorporation saying that one of its objects was to be the supplying of news not only to members newspapers but to "others entitled to the use thereof".

Television was shown for the first time to the Associated Press Association when the National Broadcasting Company presented a special telecast over Station W2XBS to members gathered at the Waldorf Astoria.

The program, televised in the film and live talent studios at Radio City and picked up in the new offices of the Associated Press at Rockefeller Center, was received on specially installed antennas at the Waldorf Astoria. A battery of new RCA receivers reproduced images and sound for more than 300 editors and publishers in the foyer of the Grand Ballroom.

The NBC mobile television unit, the only one of its kind in the United States, enabled cameramen to show the operations of the Associated Press news room. A story was followed as it came over A.P. wires from Europe, over the various desks to teletype machines that dispatched it to member newspapers throughout

the country. The television tour also included the sending of a wire photo and ended with a view of a teletype sending out the story of the television demonstration. Onlookers at the Waldorf Astoria were given a complementary word picture by announcer George Hicks.

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FCC COUNSEL CHALLENGES COURT'S AUTHORITY

The United States Court of Appeals of the District of Columbia is usurping the functions of the administrative branch of the Government, the Federal Communications Commission charged Saturday in a petition for a rehearing on its decision in the case of the Pottsville Broadcasting Company.

In remanding the case to the Commission for reconsideration, the Court, it was said, in effect prohibited the Commission from considering any further evidence than that already in the record. In so doing William J. Dempsey, General Counsel, contended in his plea for a rehearing, the Court was telling the Commission how to administer its affairs, which, he held was outside of the jurisdiction of the Court.

Furthermore, it was indicated that in the event the Court insists on its original decision, the Commission will take the matter to the United States Supreme Court for a decision. As a matter of fact, it requests the Court, in the event it denies the Commission's petition, to enter judgment and stay the execution pending application to the highest court for a writ of certiorari.

Since the original decision in the Pottsville case another station in the same place filed an application for a construction permit, and the Commission is ready to make decision but held it up pending the Court's decision in the current case. The Court, however, according to Commission counsel, held that the applications of the two stations could not be considered on a comparative basis but that the future action of the Commission in the Pottsville case must be confined to the record of the Commission's original proceedings.

The Commission said that it did not believe that the Court's decision of April 3 last gave due weight to primary responsibility of the Commission under the Communications Act of 1934 to execute the statute in the interests of the public and will necessarily lead to results which subordinate the interests of the public to private interests of particular applications before the Commission. The Commission added that it felt constrained to file the petition because it believed that the Court has invaded a field which the Supreme Court of the United States has held is not the province of the District Court of Appeals.

It is the contention of Commission counsel that when the local court decides a case on appeal from the Communications Commission the proceeding is terminated, and although the Commission is required to respect and follow the Court's judgment in the exercise of its administrative functions, the Commission still has the same duties to perform under the statute as it had prior to the time an appeal is taken. Obviously, it was pointed out, the Court cannot be invested with the judicial power of the United States and also be authorized to exercise the executive power of the United States since the exercise of both executive and judicial power of the United States cannot under the Constitution be lodged in the hands of a single person or agency.

The Court is told that it is not a Commission or a superior executive agency, and the Commission is not a Court. In fact, it was added, the power of the local court over the Commissioners is, if anything, less than its power over other parties before it because it cannot compel the Commissioners to act in their official capacity as members of the executive department or Government in any way which would be tantamount to the Court exercising an executive power.

It is logical inference from the decision of the Court early this month, the Commission said, that the Commission may at all times be controlled by the Court in the performance of the Commission's functions under the Communications Act of 1934 to the same extent as an Appellate Federal Court may control the performance of a lower court of its judicial functions. The procedure to be followed by the Commission in arriving at its determination in a case was not and is not subject to court control, either before or after the appeal, it was asserted, adding that it is still an administrative and not a judicial function.

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#### COLUMBIA ADDS COURSE IN NEWS BROADCASTING

Reflecting expansion of the field of journalism to include public opinion research and radio news broadcasting, the Graduate School of Journalism of Columbia University has made two new faculty appointments for the academic year 1939-40 with the approval of the University Trustees, it was announced last week by Dean Carl W. Ackerman.

Elmo Roper, head of the firm which does the research work for the Fortune public opinion survey, was named Assistant Professor in Charge of Research Projects. Paul W. White, Director of the Department of Public Affairs of Columbia Broadcasting System, who becomes Assistant Professor, will give a course in newsbroadcasting.

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## RCA TELLS WHAT TELEVISION MEANS TO NATION

On the eve of its inauguration of television as a public service, the Radio Corporation of America explained in a full-page advertisement in Editor & Publisher "What Television Will Mean to the Nation". The statement follows:

"April 30, 1939, is the date which formally marks the beginning of a new industry - television. It is the hope of RCA that this new business as it develops, will mean new opportunities for many . . . that it may match in its advance the swift growth of sound broadcasting.

"RCA television at this time will be available only in the New York metropolitan area. The restriction is largely due to limitations inherent in the art itself. Television waves have some of the properties of light. As a rule, such waves will not follow the earth's curvature. Thus they are rarely effective beyond the horizon of their transmitter.

"Because of the character of the waves, television programs, even when sent from the NBC mast 1240 feet above the street on the Empire State Building in New York, will ordinarily cover an area scarcely more than forty miles in all directions from that building.

"At present, television networks are impracticable. Television pictures can be sent from station to station only through special cables or elaborate relay systems still to be developed on a service basis.

"The accomplishments of RCA in television have been notable. Television has been brought out of the laboratory, and made a practical service. Yet, although television is exciting, thrilling - even spectacular, the television broadcasting now being undertaken by RCA and NBC actually represents a pioneering effort.

"How soon television will be available to the country generally is uncertain. Predictions about future television accomplishments are at best only guesses. The men who have so patiently brought television to its present stage of development agree that while it is the most alluring of the electronic arts, it is also the most elusive.

"Television broadcasts from NBC television studios will be sent out initially for an hour at a time, twice a week. In addition, there will be numerous pick-ups of news events, sports, interviews with visiting celebrities, and similar material.

"Material for television programs is almost limitless. They can be sent from the studio, or picked up elsewhere. Almost any scene can be televised, if it is accessible to mobile equipment. NBC operates a mobile unit comprising two ten-ton trucks to pick up and transmit television pictures and sound.

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"Present licenses for television do not permit commercial sponsors. Naturally there can be no sponsored television programs as long as this rule holds. When sponsors are allowed, advertisers will want to have a large audience developed before spending money for shows. Meanwhile NBC will produce unsponsored programs. This is an effort similar to NBC's program operation which provides more than half the broadcasts on the Red and Blue networks.

"To provide for the reception of television programs, RCA Laboratories have developed several receiving sets which are now on the market. These instruments, built by RCA Victor, include three models for reception of television pictures and sound, as well as regular radio programs. There is also an attachment for present radio sets. This latter provides for seeing television pictures, while the sound is heard through the radio itself. The pictures seen on the Kinescopes of these various models will differ not in quality but only in size.

"In initiating the first regular American television programs at this time RCA believes that it is contributing to the growth of a lusty infant whose future is likely to be brilliant, but whose coming of age will take place at a time no man can predice exactly."

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#### NEC TO TRANSCRIBE VOICES OF F.D.R. AND OTHERS

The National Emergency Council, which has assumed the role of a clearing house for governmental radio publicity, is engaged in making transcriptions of talks by President Roosevelt, and Cabinet members, which will be distributed among radio stations over the country.

Under the title of "United States Government Reports", the series will open May 9th with a 15-minute recording of the President's views on "the state of the Nation". The series will run each Tuesday through July 17th on approximately 150 stations, averaging about three to a State.

Lowell Mellett, Executive Director of the NEC and former Executive Editor of the Scripps-Howard Newspaper Alliance, will participate in the broadcasts as interviewer. The recordings of members of the Cabinet will follow in the order of their seniority.

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: : : TRADE NOTES : : :  
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A new type of high fidelity "twin power" loudspeaker, originally designed to meet the exacting requirements of the New York and San Francisco Fairs for a sound reproducer of unsurpassed efficiency, has been announced for general use by the RCA Manufacturing Company,

Fifty-two of the "Twin Power" loudspeakers are in service at the Golden Gate Exposition, where they are used for providing background music, sound effects and announcements on the main grounds. Forty-five of them have been installed on the World's Fair grounds in New York for the same purposes. Twelve are in the famed Perisphere, where they will provide the music and sound effects for the "World of Tomorrow" theme show.

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Earl Sowers, until recently Managing Director of Radio Station WRNL, in Richmond, Va., and former Managing Editor of the Richmond News-Leader, died in Tampa, Florida, Sunday of a heart attack.

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A study of the complex and growing body of law governing the entire field of radio broadcasting, the two-volume "Law of Radio Broadcasting" by A. Walter Socolow of the New York Bar and the Federal Communications Commission Bar, has just been published by Baker, Voorhis & Company, New York. The book surveys such controversial subjects as Federal administration of broadcasting stations, Federal regulation of broadcast advertising, the relation between advertisers and agencies, appropriation of ideas, rights of program content and the omnipresent copyright problems.

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Station WJR, Detroit, for the quarter to March 31 reports a net profit of \$131,729, equal to \$1.01 each on 130,000 shares of common stock, compared with a net profit of \$108,797, or 84 cents a share in 1937.

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The American Television Corporation, maker of television receiving sets, has appointed Deutsch & Shea Advertising Agency, Inc., to handle its account. Trade-paper advertising is scheduled for home receivers to retail at \$160 and up.

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In a study of "unfinished business" in America, International Business Machine Corporation reports that one out of five families lacks a radio.

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## FUTURE FOR YOUTH IN TELEVISION, SAYS SHOUSE

Young people considering a career might do well to think about television, which, from all indications, will soon be an actuality, according to James D. Shouse, Vice-President of the Crosley Corporation, Cincinnati. Because of the very nature of television, new vistas will be opened to talented young people. Cameramen, lighting experts, make-up artists, stage designers, script readers, writers, musicians, actors and vocalists will all have a definite place in this new field of entertainment.

"Although our application for a license to broadcast television has not yet been acted upon by the Federal Communications Commission, and though we are not yet actively engaged in the production of television programs, we are on the lookout for persons with an aptitude for visual broadcasting", Mr. Shouse said. "We will naturally have to feel our way; hence we are constantly searching for young people who can be called upon if and when their services are required."

Naturally, experience in radio, the theatre or the motion pictures will be a valuable asset to anyone interested in television production. Nevertheless, an entirely new type of technician will be required. A combination of radio, the theatre and motion pictures, television presents unlimited possibilities for imaginatively and creatively inclined young people. Since television is an infant industry without established precedents, those new in television have a rare opportunity of growing up with it.

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## CBS NOT TO PURCHASE WORLD BROADCASTING SYSTEM

Failure to reach agreements with Electrical Research Products, Incorporated, on, among other things, sound recording licenses has resulted in termination by the Columbia Broadcasting System of negotiations on purchase of the World Broadcasting System, it was announced this week by William S. Paley, Columbia President.

The American Record Corporation will install its own studios and high quality recording and processing equipment not only for Columbia, Brunswick and Vocalion records but also for a complete transcription and general recording service.

Mr. Paley said that study is being given to the precise form the American Record Corporation transcription activities will take. It is expected that plans and policies will be announced within the next few months.

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## CBS TO ASK ADVICE OF TELEVISION AUDIENCES BY PHONE

A project to solicit the criticism and advice of its television audience beginning with early broadcasts, now tentatively scheduled for June, was announced last week by the Columbia Broadcasting System.

The plan borrows a chapter from television program experience of the British Broadcasting Corporation. Gilbert Seldes, Director of CBS Television Programs, during an early program from CBS' new transmitter in the Chrysler tower, plans to take a seat beside a telephone in front of the cameras in the studios in Grand Central station, and invite those viewing the program to telephone him their criticisms and suggestions regarding the program they have just viewed. The audience itself will hear the telephone ring, see Mr Seldes answer it, and then see and hear him as he answers questions and replies to suggestions of members of the audience.

Gerald Cock, BBC's Director of Television, who originated the idea, found that it met with wide acclaim when he used it in Great Britain. He said that BBC had received a large number of constructive criticisms as a result of the policy, and has been able, as a result, to advance its program technique faster than would otherwise have been possible.

Gilbert Seldes, CBS Director of Television Programs, who sails for England this week to study BBC television technique, has been asked the following question hundreds of times -

"What will television programs consist of?"

It is difficult to predict anything about programs, Mr. Seldes says, because television covers part of the field of each of the arts with which it will be allied - motion pictures, radio, newsreels, stage, animated cartoons and many others. Being able to pluck its material directly from life, television programs will be as varied as life itself.

"Since we are going to do a job without precedent", Mr. Seldes says, "we will have endless opportunities for both improvement and error."

Television programs even in the beginning will be divided into several distinct classes. he claims. Drama will be only one of perhaps a dozen elements.

"Television will work hand-in-hand with other forms of art from which it is basically different", Mr. Seldes points out. "It differs chiefly from stage or radio in having a special immediacy for the audience. Television goes directly into the listener's home and, more than that, into his living room."

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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WHAT HAS HAPPENED TO FCC "GLASS BOWL"?, HOUSE ASKED

Despite the fact that Chairman Frank R. McNinch stated that he would conduct the affairs of the Federal Communications Commission as if they were in a gold fish bowl when he took office, they are still conducted in strict secrecy to the detriment of the public, Representative Connery (D.), of Massachusetts, charged on the House floor on Wednesday.

"It is my understanding", he said, "that more secrecy surrounds their actions, except to the privileged few, than ever before; that more executive sessions have been held and less accomplished than ever before; that access to public records is virtually denied to everyone other than those who represent the radio monopolists.

"One might well say that hypocrisy again prevails when one considers the Chairman's public utterances and compares such utterances with what is actually happening."

Representative Connery said the question had been asked, "Why is it that the Chairman of the Commission seems so friendly to the monopolist networks?" He stated that he had no personal knowledge of any relationship of the sort but he recounted a newspaper report regarding the case of Station WPTF, of Durham, N. C.

Renewing his demand for a Congressional investigation of the FCC and the radio industry, Representative Connery said:

"Mr. Speaker, permit me to say that a congressional investigation of the Federal Communications Commission and the radio monopoly will show that the Communications Act of 1934 is openly, flagrantly, and continually violated without any action or restraint on the part of the Federal Communications Commission. The law specifically requires the Commission to find that the licensee or grantee shall serve public interest, convenience, and necessity. Naturally those network officials residing in New York City, with no knowledge or interest in what constitutes public interest, convenience, and necessity in thousands of our communities throughout the United States, cannot know, let alone serve, as the Congress intended public interest, convenience, and necessity.

"Mr. Speaker, many Members of the House seemingly overlook the interest which the American listening public has in the proper regulation of radio broadcasting. It is my understanding that official records reveal that Mr. John Q. Public has invested more than \$2,000,000,000 in radio receiving sets while the total investment of radio broadcasters in 629 stations is less than \$50,000,000.

"With this investment of \$50,000,000 plus possession of these invaluable grants from the Government, for which they pay nothing to the Government, their reported net profits last year, after paying all taxes, were some \$18,000,000.

"Surely, Mr. Speaker, with the radio monopoly about to unload upon an unsuspecting public television sets the value of which at this time, according to the newspapers, competent radio engineers question, is it not about time that the Congress, acting in the public interest, insisted upon a congressional investigation of the entire radio subject?"

Citing "abuses" of the Communications Act, Representative Connery said:

"A few years ago some of the advertising element prevailed upon the Commission to issue a new form of license or grant for the use of so-called booster stations. A booster station is a grant in another community to a grantee already owning a radio station. A booster station is nothing but a series of wires and an amplifier transmitting the radio broadcasts from the mother station. The booster station provides practically no employment for those in the community wherein it is located. It does, however, succeed in diverting the advertising of that community from the local newspapers to these alleged radio stations.

"The cost of operation of these booster stations is practically nil, and yet they serve the purpose of destroying the opportunities for expansion of newspapers owned by those who have invested their all in trying to properly represent and to reflect the views of their community.

"In addition, these booster stations eliminate possibilities of employment in the publication of the newspapers with whom they most unfairly compete locally."

Representative Michener (R.), of Michigan, interrupted to express the hope that the proposed investigation "will develop why Boake Carter was taken off the air".

"Of course", said Mr. Connery, "I say frankly that I do not believe in censorship, but I do believe that a broadcaster given the privilege and the sole privilege of operating in a particular district should not himself be permitted to have his own views and editorial policies expressed over his station either by himself or through somebody subservient to him. I believe that is what the gentleman is hitting at.

"It will interest the Members of the House to know that an important radio network recently so conducted its news and editorial policies, during a city election, that a very important Democratic newspaper, the Boston Post, editorially referred to the tactics used by these radio stations as the 'hatchet men of the air'.

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"Yet no action has been taken by the Federal Communications Commission, despite sworn charges that the stations referred to had contravened the law.

"Incidentally, I want to say in answer to the question asked earlier by the gentleman from Michigan (Mr. Michener) in case I do not have an opportunity to reply to him later, what I was really hitting at was that the Federal Communications Commission, to all intents and purposes, evidently is controlled by the big monopolistic owners of these radio chains. That is your answer right there. These conditions would not exist if that were not so.

"I say with all sincerity, Mr Speaker, that the sooner we investigate this radio problem the less corruption we will be confronted with later, because corruption having existed in this agency, I understand, since the early days of the control of radio by the Department of Commerce, it has grown like Banquo's ghost.

"Records on file at the Federal Communications Commission will show that one of the dominant networks has, in its report to the Federal Communications Commission, openly charged off an average of \$300,000 as an expenditure it made in acquiring the grants which they possess, or a total of about two and one-half millions of dollars.

"Yet the Government receives nothing in the form of license fees for these invaluable franchises or grants from which a few had been enriched to the tune of many millions of dollars."

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WE MUST HAVE MISSED THIS ONE!

A report of a party that the newspaper boys must have missed was related to the House in a somewhat vague way Wednesday during Representative Connery's diatribe on radio.

Mild-manner Representative Massingale (D.), of Oklahoma, recounted the "rumor" of "a recent entertainment that took place in some 'hot spot' in New York City, where members of the Federal Communications Commission were present."

"They got into a drunken brawl", said Mr. Massingale, "and in the brawl some woman was hurt - her arm twisted. I do not know whether it was the licensees who were giving the entertainment or whether it was members of the Federal Communications Commission, or who it was."

Representative Connery, in answer to a question, said he had heard the report but had not verified it.

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## TELEVISION GROUP TO SEE WESTERN MANUFACTURERS

Continuing its efforts to obtain all the facts on television, the Special Television Committee of the Federal Communications Commission will confer with representatives of Mid-Western and Western radio manufacturers early next week and the following week.

Among the companies who will participate are: the Zenith Radio Corporation, of Chicago; the Crosley Corporation, Cincinnati; the Majestic Radio and Television Corporation, Chicago; the Don Lee Company, of Los Angeles; and the Wald Corporation.

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## RADIO OCCUPIES PUBLISHERS AT N.Y. CONVENTION

Radio as a business competitor occupied the attention of the American Newspaper Publishers' Association in convention at New York City this week.

James G. Stahlman, President of the ANPA, called on the publishers to extend public services in order to outstrip their rivals. At the same time he urged a strengthening of the understanding between the press, the motion picture industry, and the radio.

Earlier the ANPA was told that newspapers publishing radio programs free are giving away annually about \$4,500,000 worth of advertising to their chief competitors.

The statement was made at the session, devoted to the problems of the smaller dailies, by J. M. Bunting of the Bloomington (Ill.) Panatagraph. John L. Stewart of the Washington (Pa.) Reporter, who was chairman of the meeting, prepared the way for Mr. Bunting's attack. He said it "must be obvious to all of us that we cannot preserve press freedom unless we preserve our own economic independence", and later said:

"I think all of us have come to recognize in late years the intrinsic value of news as a commodity in distinction to that of its public service. The radio and the weekly news magazines have capitalized on it, not only at our expense, but have shown us means and methods of using news commercially to the 'nth' degree."

Mr. Bunting, who led the fight at last year's convention on free publication of radio programs, reported that publishers who had refused to publish programs without charge had effected economies without loss of circulation. He said he had written the thirty-three publishers reported in an ANPA questionnaire that they had abandoned free radio programs.

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"Believe it or not, their experience made us look like pikers", said Mr. Bunting. "Not a single circulation loss was reported and circulation increases ran from 7 percent to 36 per cent since radio programs had been discontinued."

Paul Bellamy of the Cleveland Plain Dealer presented the report of the Committee on Cooperation of Press, Bar and Radio, of which he is Chairman. The report said that "in the opinion of the Committee there is not much chance, in the present state of mind of both press and bar, to bring about a greater degree of cooperation than is defined in the Baker report, as amended."

Atherton W. Hobler, President of Benton & Bowles, Inc., advertising, in answering the question, "What is the matter with newspaper advertising?" which he said had been put to him often in the last year, declared:

"While I have dared to mention the subject of radio, I do not want to leave it without clearing up another point. I was told that in a recent meeting of newspaper publishers the statement was made that the advertising agencies prefer to use radio because they make a much higher percentage of profit on their radio billing than they do on newspapers; that they also make a higher percentage of profit on magazine advertising than they do on newspaper advertising. Unbelievably high profit figures were quoted.

"I cannot understand such wishful thinking on the part of any publisher, for the statements as reported to me are without fact or foundation. If there is any incentive on the part of agencies to use one medium as contrasted to another because of the profit they make (and I do not believe there is) radio would not be used by many agencies.

"The facts of the matter are that radio has increased the cost of operating an advertising agency and tends greatly to reduce the net profit of the agency business. I know of no first ranking agency that has been able to eliminate any of its copy, art, research, contact or overhead cost because of radio.

"On the other hand, expensive departments handling radio have had to be added on top of these departments. Each year the majority of agencies belong to the four A's report in detail their operating costs and percentage of profit to their total billing. Since the advent of radio profits have been decreasing. There are, of course, other factors that have contributed to the decrease - high corporate income taxes, social security, old-age pensions, etc."

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SENATE AGREES TO ADMIT RADIO MEN TO GALLERY

After some discussion, which revealed that members of the wire press association actually have had no right to the Senate press gallery, the Senate this week adopted a resolution which permits the Rules Committee to admit radio news reporters on the same basis as newspaper men.

Senator Gillette (D.), of Iowa, disclosed that the press associations have been admitted to the gallery "by sufferance" as the former Senate rules did not specify wire news reporters.

"Who suffers", interposed Majority Leader Barkley, "the members of the Senate?"

The amended resolution, Senator Gillette explained, placed the same limitation on the gathering of news for radio agencies as are now on reporters for newspapers and extends to them the same privileges.

The House previously had established a separate gallery for radio news gatherers.

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FORECASTS ON TELEVISION TRADE VARY WIDELY

That industry estimates on the probable number of television sets that will be sold to the public during 1939 vary widely is brought out by Radio & Television Today in its current issue:

"No question posed in radio has caused more discussion or resulted in a wider variety of answers", the article states.

"Answers have ranged all the way from 10,000 receivers - up to 75,000 and 100,000 receivers. Middle-of-the-roaders strike a figure somewhere around 28,000 to 40,000. Those who have inspected English television, think that 10,000 receivers can be absorbed by the New York area to supply restaurants, bars, hotels and stores, alone - with many more going into homes and apartments. Others who see the installation problem, say the limit is not the number of willing purchasers nor even the production lines of the factories, but is set by the difficulty of training service men to make antenna installations which will give satisfaction."

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 ::: TRADE NOTES :::  
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Dr. Frank B. Jewett, Vice-President of the American Telephone & Telegraph Co., was elected President of the National Academy of Sciences, the "senate of American science", at its annual meeting in Washington this week.

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The preview showing and christening of the new Crosley automobile at the Indianapolis Motor Speedway was described in a broadcast over the NBC-Blue Network on Friday. The preview was held two days prior to presentation of the car to the public at the New York World's Fair. Powel Crosley, Jr., head of the firm manufacturing the new vehicle, attended.

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A full-page advertisement in the New York Times on Friday by the Du Mont Laboratories, Inc., New York, is one of the first to offer television receivers for sale. The advertisement is headed "Television gives its 'coming out party' Sunday" and urges the public to see the Du Mont television receivers.

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R.C.A. Communications, Inc., was keeping in close touch with Major Vladimir Kokkinaki, noted Soviet pilot, in his Moscow-to-New York flight this week-end. RCA expected to keep in constant communication with the flier.

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The NBC Blue Network took a surge upward during the first three months of 1929 as compared with the same period last year, a breakdown of figures for Red and Blue, issued last week, shows. The total of business signed on both networks since January 1 was \$11,519,041, an increase of \$5,067,361 or 78.5 per cent over a comparable period in 1938. Of the total \$3,537,602 was signed on the Blue, an increase of \$2,251,895 or 175% over the first three months in 1938.

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Eddie Sobol, longtime associate of Max Gordon, noted Broadway producer, and himself director of several New York hits, has been added to the television production staff of the National Broadcasting Company.

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Belmont Radio Corporation reports for 1938: Net income, \$298,212, equal to 99 cents each on 300,000 capital shares, against \$280,232, or 93 cents a share, in 1937.

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From short-wave radio equipment installed in a special studio built in one of the baggage cars on the Union Pacific exhibition train, programs will be relayed for rebroadcasting by 16 major long-wave stations in cities from coast to coast as the train travels along on its transcontinental tour from Los Angeles, reaching Boston May 5 and terminating in Kansas City on May 15.

This is believed to be the most extensive series of broadcasts ever attempted from a moving train. The equipment, installed by General Electric engineers, consists of a 50-watt transmitter, operating on a wave length of 2012 kilocycles, or about 150 meters. The station has the call letters WOEK, and its operation on this trip will be in charge of Robert Lingle, G-E engineer from Schenectady, N. Y.

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American Bosch Corporation reports for the March quarter: Profit of \$64,811, compared with net loss last year of \$134,501; net sales totaled \$1,105,163, compared with \$957,470.

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#### PALEY LAUDS FCC CHAIN-MONOPOLY INVESTIGATION

William S. Paley, President of the Columbia Broadcasting System, took occasion to commend the FCC chain-monopoly investigation in a recent report to CBS stockholders, a reprint of which was distributed this week in a pamphlet titled "Twelve Months".

"An unusual opportunity developed during 1938 for Columbia to present at public hearings before the Federal Communications Commission a complete picture of its policies and operations as a broadcasting network", he said. "The Commission undertook an investigation of the whole radio industry which it is still conducting. This investigation concerned practically every important feature of the business. Columbia welcomed the opportunity to present the facts as to its corporate history, its financial operations, its contractual relations with affiliates, its program and other operating policies.

"This is the first comprehensive presentation of modern radio chain broadcasting service which has ever been put on public record. It is our belief that this record of testimony and exhibits will do much to inform, enlighten and interest people in this business. It is also our belief that Columbia's presentation showed that we operate with a high sense of public responsibility; that this method of operation represents the soundest way in which the current high standards of sustaining and sponsored programs can be maintained and improved, and that the diversified programs available to the American people as a result of our operations are impressively extensive."

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## TELEVISION RAISES DEALER PROBLEM, SAYS EDITOR

The debut of television in metropolitan areas raises serious problems for the radio dealers in televisionless areas, according to O. H. Caldwell, former Federal Radio Commissioner and now editor of Radio and Television Today.

"'Experimental television service to the public' - as defined by RMA - begins in the New York area this month. Its coming brings two distinct sets of problems to the radio trade - one set for dealers in television areas; another lot of problems for the larger part of the trade beyond television transmissions.

"Most radio dealers inside the limited television areas see in television a stimulating new business opportunity for expanding sales of larger units, under the glamour of intense public interest. Yet even here, a note of caution is sounded in Radio Today's survey of the plans of metropolitan merchandisers.

"But to the three-quarters of our radio dealers who will be without television broadcasting for some time to come, television talk in the newspapers and popular magazines, is bringing an immediate hazard to radio-set sales. People will want to 'wait'. Then it will be the dealer's job to urge such buyers not to hold off getting a radio, but to enjoy the good things that are on the present broadcast channels. To show the customer that a good radio is still as good an investment in home entertainment as it ever was.

"It will require skill and convincing argument to point out the limitations of television transmission. In televisionless Omaha one dealer has even bought a television set for his salesroom to clinch this point. When customers start talking about 'waiting for television', he leads them to this dark and silent television set. 'There you see, we have a set - but try it for yourself', says the salesman. 'Well, if that's all it will do', concludes the customer after a minute's fiddling with dials, 'I guess you'd better show me a nice radio console.' That incident sounds the keynote: In areas without television, radio sales must still go on!

"Yet, even radio dealers and distributors in televisionless territories will want to inform themselves all about the new art. Eventually, these problems of television service will be their also. But how soon, nobody knows.

"Radio Today believes that television eventually will be a nationwide service, and that, as in the case of present broadcasting, the way will be found to make television economically sound for all involved - television broadcasters, manufacturers, distributors and dealers."

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## PRESS PLEASED WITH NEW RCA RADIO RECEIVER

The National Press Club's current "Gold Fish Bowl", news bulletin sheet, carried the following:

"That new PCA-Victor 15-tube console radio in our lounge bears the explanatory brass plate: 'Presented to the National Press Club of Washington in appreciation of its contribution to the success of the first all-electronic television demonstration in the District of Columbia, January 27th to Feb. 2nd, 1939, by the Radio Corporation of America, March 27, 1939.'

"To insure foreign reception, RCA had its own staff of experts come down from Camden and put an elaborate spider-web antenna on the roof. At the same time it reconditioned the old radio, which has been transferred to compete with other sound in the ladies' dining room. All this welcome radiovizing was under the direction of a new National Press Club member, Robert L. Pritchard, local RCA public relationist."

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## A. T. &amp; T. OPENS EXHIBIT AT WORLD'S FAIR

Led by Walter S. Gifford, President of the American Telephone & Telegraph Company, officials of the organization Thursday conducted several hundred guests on a tour of the telephone exhibit in the World of Tomorrow at the World's Fair in New York.

Entering the large rotunda of the streamlined building adjacent to the Trylon-Perisphere Theme Center, the New York Times reported, the visitors were greeted by a large face outlined in gold on the wall and identified as Voder or synthetic speech-maker. While a young man on the platform asked various questions, a young lady at the keyboard of the artificial voice created the electrical currents that gave the answers as if from a human throat. This actor, popularly known as Pedro the Voder, will perform at intervals daily at the Fair.

The visitors then were invited to participate in the hearing test. In modernistic, booth-like compartments accommodating six or seven at a time, they got an opportunity to rate the efficiency of their ears by means of musical tones varying in pitch.

The next show in order as the visitor walks around the building is the long distance demonstration, which, according to the enthusiasm displayed for it at the informal inspection, is to be a popular exhibit at the Fair. A huge map of the United States is dotted with 3,500 tinted electric bulbs each representing a city or town. Through this system it is planned that daily 150 visitors will be invited to make free telephone calls to any part of the country.

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