

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 6, 1935

Will Press Bill For Government-Owned Radio Next Session.....	2
To Organize Radio Advertising Research Bureau.....	6
Extra Copy Dropped At N.Y. In S.F.-London News Photo Flash.....	6
New 100 Watt Daytime Station Recommended For Hartford.....	7
Claimed Broadcast Advertising Has Made Greatest Gain.....	8
W. D. Terrell Undergoes Appendicitis Operation.....	9
Some Time Before Television Will Crowd Radio, Say British.....	9
Hamilton Fish Withdraws Radio Censor Charges.....	10
Ad Renewals Tell Story, Say Networks At Newspaper Charges.....	11
Decisions Of The FCC Broadcast Division.....	12
Talk By O. H. Caldwell.....	12

No. 857

all right
MAAS
Spald

WILL PRESS BILL FOR GOVERNMENT-OWNED RADIO NEXT SESSION

Before leaving Washington, Representative Joseph P. Monaghan, Democrat, of Montana, said that he would actively insist upon the consideration of the Monaghan Bill which he introduced several months ago to create a Government broadcasting network to replace the present commercial system, when Congress convenes in January.

Representative Monaghan, who is from the same State as Senator Burton K. Wheeler, Czar of radio in the Senate, declared that the legislation which he hopes to have enacted will, "first, place the American people in control of the facilities which they alone own, namely, the air. It will deny to the Radio Trust the power of influencing and molding public opinion. It will protect the employment opportunities of many thousands now employed and will, in addition thereto, soon provide employment for the forty or fifty thousand printing-trades workers deprived of employment by the diversion of advertising from newspapers and magazines to radio. It will enable the independent newspapers of our country to derive that revenue which is essential to the continued maintenance of a free and independent press. It will permit of real education being carried into the homes of all of our people."

Representative Monaghan extended his remarks in the Congressional Record, in the preparation of which he was said to have had the assistance of Mike Flynn, American Federation of Labor legislative agent, and attacked the present setup of the broadcasting system saying, in part:

"As an illustration of the financial racketeering in radio on the part of big business, the General Electric Co. holds 2 of the 40 clear-channel licenses issued in this country to operate three high-powered stations. The Westinghouse Electric Manufacturing Co. also possess 3 of these 40 clear-channel licenses to operate four high-powered stations. Thus we have 5 of the 40 clear-channel licenses used for the operation of 7 high-powered radio stations owned by two of the most powerful members of the power Trust, namely, the General Electric Co. and the Westinghouse Electric Manufacturing Co. None of these seven high-powered stations are operated directly by either the General Electric Co. or the Westinghouse Electric Manufacturing Co. These stations are leased to the National Broadcasting Co. and a very fat rental for this governmental property is paid yearly by the National Broadcasting Co. to the General Electric and Westinghouse Electric Manufacturing Cos. In one particular instance, the National Broadcasting Co. has leased and released the facilities of one of these high-powered stations at a profit over and above the amount which it paid to Westinghouse Electric Manufacturing Co.

"The National Broadcasting Co. and the Columbia Broadcasting Co., the two networks which dominate the radio broadcasting field, show through their statistical figures that the average advertiser during the year 1934 spent on their networks more than \$150,000. This figure indicates that only those interests dominated by or affiliated with Wall Street could sponsor such an advertising campaign. This means that the local merchant, the man who has helped to build the community, is placed under a great handicap. Either he must accept the dictation of big business and handle only the products which big business wishes him to handle, and at the price which they insist he must handle them, or he finds himself in difficulty.

"Big business was not interested originally in radio as a source of profit alone. Testimony given by the President of the National Broadcasting Co. proves that radio broadcasting was originally conceived as a means of promoting the sale of those radio sets manufactured by the Radio Corporation of America, the General Electric Co. and the Westinghouse Electric Manufacturing Co., and secondly, to promote the use of the long-distance telephone lines held by the Bell Telephone Co. monopoly. The statement of Mr. Aylesworth is as follows:

"Among the broadcast experimenters - and that is precisely what they were in September 1926 - the American Telephone & Telegraph Co. operated Station WEAJ in New York City as an experimental station. Its prime interest was to learn how the radio telephone could be utilized in the furtherance of the Bell Telephone system's service to the Nation. Toll broadcasting resulted. Under the leadership of Mr. Owen D. Young, the organizations most concerned, namely, the Radio Corporation of America, General Electric Co. and the Westinghouse Electric, decided upon the formation of a Nation-wide broadcasting service to meet the immediate, as well as the future, requirements for programs of the highest standards. Thus came into being the National Broadcasting Co. organized in November 1926, primarily devoted to indirect sales promotion for the radio manufacturing industry. Its basic principle of operation was obvious - service to the radio manufacturing industry."

"The Chairman of the Board of Directors of the National Broadcasting Co. truly reflected his sincere and innermost feelings in connection with these stations when he stated:

"But the profit motive of industry - apparently there's the rub. As an industrial executive I admit a natural prejudice in favor of profitable enterprises and a disposition to defend the profit motive as against social or intellectual snobbery."

"The profit motive stands first and foremost. Apparently the thought of public interest, the opportunity for unselfish service to one's fellow man by helping him to develop and enrich his mind and heart finds no place in that scheme of life."

"The greatest problem before the people of America today is the question of employment at decent wages, and under decent working conditions. The Printing Trades Union of America, affiliated with the American Federation of Labor estimate that the diversion of advertising from newspapers and magazines to radio has already resulted in the loss of employment opportunities of some 40,000 to 50,000 union printing trades workers in this country."

"Much is heard of the right of free speech and of our opposition to censorship. The right of free speech is so inherent amongst our people that the Congress in enacting radio legislation has prohibited its own agency, the Federal Communications Commission, from censoring any licensee. Yet, while the Government itself is proscribed by congressional action from censoring that which goes on the air, big business, through its control of the Radio Trust, invokes and maintains a censorship of its own. No person, with the possible exception of the President of the United States and some few Members of the Congress, is privileged to use the facilities of radio broadcasting without first submitting to the station over which he is going to speak at least 24 hours in advance, a copy of that which he is to say, and, unless agreeable to the representatives of the Radio Trust, he is not privileged to deliver his remarks on the air. For example, Mr. Aylesworth testified before a governmental investigation commission that:

"The National Broadcasting Co. reserves the right to accept, or reject, any programs, and to broadcast only for those we choose to serve."

"If this is not tyranny, if this is not dictatorship on the part of the Radio Trust, may I inquire what it is?"

"A report made to the Congress last winter by the Federal Trade Commission contained reference to a broadcast which very unfavorably commented on the operation of public utilities. The talk was carried over the National Broadcasting Co.'s network, and J. B. Sheridan, director of the Missouri Utilities Committee, immediately wrote to Mr. Aylesworth about the broadcast because of the possible reactions it might cause in the minds of the listeners. Mr. Aylesworth's amazing reply was, to say the least, indicative of the tyrannical and arrogant display of power of members of the Radio Trust. According to the report, he stated:

"The speaker was permitted to make the speech in order to avoid the accusation that the National Broadcasting Co. was a monopoly."

"Moreover, he also stated that -

"This is just one of those things which is not very apt to occur again in the very near future."

"During the past few years there has developed a system of trafficking in governmental property, namely, 'trafficking in radio frequencies.' This system is well known to members of the Broadcast Division of the Federal Communications Commission, and, despite their knowledge and despite the fact that Members of Congress have protested against such a practice, it still continues. A notable illustration of this trafficking in radio frequencies is that of the license issued to the Westinghouse Electric Manufacturing Co. Station KYW, which was leased by Westinghouse to the National Broadcasting Co. This frequency was assigned originally to the State of Pennsylvania, which is in the Second Zone. However, the Radio Trust needed another station in Chicago, which is in the Fourth Zone, and it prevailed upon the old Federal Radio Commission to transfer this frequency to the Fourth Zone, and Station KYW was located in the city of Chicago.

"The Radio Trust having acquired subsequently, through purchase, another frequency having a Chicago station located on it, the Radio Trust was not seriously concerned, nor did it strongly interpose objection last year when the Commission decided to return this frequency to the State of Pennsylvania and the Second Zone where it is now located in the city of Philadelphia, probably because the Westinghouse interests already have a high-powered station at Pittsburgh.

"To further illustrate the viciousness of this system, after acquiring a third high-powered station in Chicago, the National Broadcasting Co., which, as I have previously stated, had leased Station KYW from the Westinghouse Electric Manufacturing Co., the licensee turned around and subleased it to Mr. William Randolph Hearst's exclusively owned radio company, known as 'Hearst Radio, Inc.' To avoid a suit, because the lease which Hearst Radio, Inc. had with the National Broadcasting Co. at the time when the Commission ordered the frequency transferred back to the second zone, it is now necessary for the National Broadcasting Co. to sell, lease, or help Mr. Hearst's radio company locate another station in Chicago or elsewhere; otherwise a damage action may be instituted. This situation may also explain the cooperation and willingness on the part of the National Broadcasting Co. to further the interests of Hearst Radio, Inc. It may also explain Mr. Hearst's ability to purchase last year, the high-powered radio station located at Baltimore, known as WBAL, and licensed to the Baltimore Electric Light & Power Co. It may also explain Mr. Hearst's defense of the utility holding companies, a matter which is familiar to every Member of Congress.

"Now, after Station KYW was located in Philadelphia, and the Commission approved the continuance of the licensee in the name of the Westinghouse Electric Manufacturing Co., and gave cognizance to the re-lease by the licensee to the National Broadcasting Co., it further approved one of the most outrageous examples of the arrogance displayed by the Power and Radio Trust interests by permitting a sublease of the facilities of Station KYW by the National Broadcasting Co. to the owners and operators of the Columbia Broadcasting System's station in Philadelphia, namely, Isaac and Leon Levy, who are officers, directors, and big stockholders in the Columbia Broadcasting Co. and brothers-in-law of Mr. William S. Paley, president of the Columbia Broadcasting System. Here is another of many similar instances that not only illustrates what is meant by 'trafficking in radio licenses', but also illustrates the close interlocking connection which exists between, and identifies, these two networks.

"The studios of Station KYW, the National Broadcasting Co.'s network station in Philadelphia, and the studios of WCAU, the Columbia Broadcasting Co.'s Philadelphia outlet, are all housed in the same building, under the one roof, as it were, owned by the Levy Bros., whose connections with the Columbia Broadcasting System I have already mentioned. Naturally an attorney reserves the right to serve whatever clients he sees fit to identify himself with, but it is rather strange, almost bordering on suspicion, to point out to the Members of Congress the fact that one of the Levy brothers, Isaac D. Levy, has represented the RCA-Victor interests in the courts."

X X X X X X X X X X

9/6/35

TO ORGANIZE RADIO ADVERTISING RESEARCH BUREAU

The first meeting of the projected Radio Advertising Research Bureau will be held in New York Thursday, September 19th. As outlined by James W. Baldwin, Managing Director of the National Association of Broadcasters, the new Bureau will be built up through the joint cooperation of the Broadcasters, the National Association of Advertising Agencies and the Association of National Advertisers. A committee of five will represent each of the above named organizations.

The Broadcasters' committee will be composed of Arthur Church, Station KMBC, Kansas City, Chairman; J. O. Maland, WHO, Des Moines; Alfred J. McCosker, WOR, Newark; Edgar Kobak, National Broadcasting Co., and H. K. Boice, Columbia Broadcasting System.

X X X X X X X X X X

EXTRA COPY DROPPED AT N.Y. IN S.F.-LONDON NEWS PHOTO FLASH

Public interest both here and abroad in the most recent speed tests of Major Campbell's "Blue Bird" created an urgency of demand for photographs that has resulted in a new achievement in photoradio transmission. Radio has carried a news picture straight through from San Francisco to London, dropping off a copy in New York, in one operation.

With photograph agencies in London and New York demanding all possible speed, the operating room in New York City decided to try "splitting" the radio signals from San Francisco carrying news photographs. This was accomplished by routing the signals to two separate amplifiers, one operating a recorder here, and the other actuating a radio transmitter at Rocky Point, Long Island, in service with London. The results were entirely satisfactory, London receiving the photograph at the same instant that it was also produced in New York City by the same set of signals.

Engineers pointed out that, aside from the saving of time resulting from this achievement, London benefitted also by a picture as clear as the one received at New York, because of the elimination of "double screening" which would occur if New York had been obliged to transmit the received picture instead of automatically relaying impulses obtained from the original photograph.

X X X X X X X X X X

NEW 100 WATT DAYTIME STATION RECOMMENDED FOR HARTFORD

If the recommendation of Melvin H. Dalberg, Examiner for the Federal Communications Commission, is accepted, the Hartford Times at Hartford, Conn., will be permitted to construct a new 100 watt station operating on 1200 kc. during daytime hours. The Hartford Broadcasting Co. and the Worcester Broadcasting Co., both represented by John M. Littlepage and William A. Porter, each sought the same frequency. The Hartford Times was represented by Robert P. Butler and Frank D. Scott.

The conclusions of Examiner Dalberg were as follows:

"While all of the applicants involved appear to be qualified financially and technically to install and operate the stations proposed, it appears that the granting of the applications of the Hartford Broadcasting Company, Inc., or the Worcester Broadcasting Co., Inc., would be contrary to the policy and practices of the Engineering Department of the Federal Communications Commission with regard to the installation of directional antenna systems to avoid interference to and from existing stations in connection with the assignment and operation of local stations on so-called local frequencies.

"It is not believed to be feasible or practicable to utilize directional antennae on channels allocated for low-power 100-watt stations and this is particularly true with the frequency of 1200 kilocycles, which is involved herein. These channels are allocated for the use of stations with not more than 100 watts power and when directional antennae are used it appears that more than 100 watts are radiated in certain directions, thus preventing the allocation of other low-power stations over a larger and wider area than the present plan of allocation contemplates.

"Under the present plan of allocation, 100-watt stations may operate on the same signal at separations of 185 miles, whereas if the applications of the Hartford Broadcasting Co., Inc., and the Worcester Broadcasting Co., Inc., were granted, the nuisance radius of these stations would appear to extend to a much greater distance and possibly prevent the allocation of any other 100-watt station on this channel east of Detroit, Mich., without unduly restricting its service area.

"The applicant, The Hartford Times, Inc., appears to be well qualified from a financial, technical and legal standpoint to install and operate the proposed station, for which it seeks a construction permit. This applicant shows the possibility of a wide scope of public service and usefulness to its local community in the operation of its proposed station. There is no question involved as to quota and the granting of the application would seem to be in accordance with the public interest, convenience and necessity.

"It further appears that the application of The Hartford Times, Inc., may be granted for daytime operation without causing any interference or restricting the service area of existing stations. This situation would not be true were this application granted for nighttime service."

X X X X X X X X X X

CLAIMED BROADCAST ADVERTISING HAS MADE GREATEST GAIN

Radio advertising has made the greatest gains of any medium since the depression, according to James W. Baldwin, Managing Director of the National Association of Broadcasters. This, Mr. Baldwin declares, is indicated by the fact that broadcast advertising during July, the latest month reported, totaled \$5,848,004.

"Our current report makes available for radio as a whole, for the first time, information extending over a two-year period", Mr. Baldwin said. "This comparison for July shows radio far to have outstripped other media in recovery. This is all the more significant when one remembers that, except for a brief setback in 1932 and 1933, radio continued to grow rapidly throughout the depression.

"Of particular interest will be the growth of regional network and national non-network advertising during the period. Station managers also will note with gratification that the decline in national non-network volume in July was considerably less than what seems to be the usual seasonal decrease.

"The strength shown in local transcription business and the continued strong showing of studio programs in the national non-network field both present sales opportunities to the station sales department. The volume of broadcast advertising by national advertisers using station talent presentations in July of this year was 176.1% above that of the corresponding month of 1933.

"Those interested in local business will be interested to note that radio advertising by department stores showed a gain of 27.6% over July of last year, while department store newspaper lineage increased by only .4%.

"The automotive and housefurnishing fields have been joined in their recent rapid growth of volume by the food advertisers, while national non-network and regional network tobacco advertising continues its recent remarkable development. Since this latter seems concentrated at the moment, it would seem that additional stations can utilize this as a sales opportunity."

X X X X X X X X X X

W. D. TERRELL UNDERGOES APPENDICITIS OPERATION

W. D. Terrell, of the Federal Communications Commission, who is one of the two first Radio Inspectors appointed in the United States, underwent an operation for appendicitis recently. It was reported as highly successful and Mr. Terrell is now said to be well on the road to recovery.

X X X X X X X X

SOME TIME BEFORE TELEVISION WILL CROWD RADIO, SAY BRITISH

For numerous other reasons, as well as on account of the costliness of high definition receivers, the day when television in Great Britain will occupy a corresponding place to sound broadcasting is still some way ahead, the British Trade Journal & Export World warns. "People who may have been deferring the purchase of a new sound radio receiver with the idea that they will shortly be able to buy a combined sound and vision set at a price comparable with that which they would pay for a sound receiver are deluding themselves. Anxiety was expressed some time ago by prominent members of the British Radio Manufacturers' Association as to the effect on the public demand for radio receivers, and it was pointed out that for medium and long wave broadcasting, which will continue to constitute the bulk of the B.B.C. transmissions, the present type of receiver will still be required even when a high definition television service is in full operation.

"Although it is now known that the Alexandra Palace, London, has been definitely chosen as the site of the high definition television station for the London area, and that two different systems are to be given an opportunity of demonstrating their capabilities, it is important that the facts in regard to television should be clearly presented. Otherwise there is likely to be a good deal of disappointment; there is also danger that an imperfect realization of the true position may have an adverse effect on the manufacture and sale of sound-broadcasting receivers in the immediate future.

"The two systems to be tried at the Alexandra Palace will be the Baird, using 240 lines, 25 picture traversals and 25 complete frames per second, and the Marconi-E.M.I., with 405 lines, 25 pictures interlaced to give 50 frames each of $202\frac{1}{2}$ lines per second. Schemes for ultra-short wave high definition television services have been based on the belief that radiation on wavelengths below 8 m. have optical characteristics - that is to say, they are obstructed by dense matter and are not reflected from ionized layers in the upper atmosphere. There is, however, reason to doubt whether this assumption is fully justified. Experiments made by the Marchese Marconi in the Mediterranean first suggested that the range of ultra-short waves was a good deal greater than the limit of optical visibility. Now it seems that British Post Office engineers are picking up and resolving the

9/6/35

Berlin television transmission, and that these have even been received in Buenos Aires.

"The theory of propagation of radio waves would appear to be still in need of revision - whether another ionized layer above the Appleton is at work, or whether there is some other cause for the distant reception of ultra-short waves has yet to be ascertained. Whatever the reason may be, it is evidently necessary to discover its nature and the manner in which it may be expected to affect reception on ultra-short wavelengths before it will be safe to proceed with the erection of a number of transmitters using the same wavelength - a scheme which seemed quite practicable so long as something like optical visibility was regarded as representing the limiting range of each transmitter. For in television, and with ultra short wavelengths, very little interference is needed to ruin reception."

X X X X X X X X

HAMILTON FISH WITHDRAWS RADIO CENSOR CHARGES

A verbal brush between Representative Hamilton Fish, Jr., New York Republican, and a Denver radio station (KOA-NBC) ended peaceably last Tuesday with both sides terming the flareup "a misunderstanding."

Fish publicly retracted his accusation that the station was "denying freedom of speech" and had sought to "censor his anti-New Deal Labor day speech. A. W. Cratzey, Sales Manager of the station, said the matter was a closed incident.

Earlier Fish threatened to launch a congressional investigation into the radio industry when he said he was refused time by the station. Later Fish said he delivered his speech over the air as he prepared it and that it was identical with his later address to a Republican rally, except for interpolations on local politics.

Previously, officials of the station said they had offered to sell Representative Fish a place on their program, but other engagements interfered.

"I do not in any way wish to impugn the motive of the officials of the NBC in Denver, who offered me the opportunity to speak over their radio station at 7:30 o'clock this (last Tuesday) evening prior to a Labor Day outing at Elitch Gardens, but withdrew the offer on the ground that my prepared speech against the New Deal was controversial and would require an answer", Representative Fish said at that time.

X X X X X X X X X X

AD RENEWALS TELL STORY, SAY NETWORKS AT NEWSPAPER CHARGES

Networks answering charges made by the Bureau of Advertising of the American Newspaper Publishers' Association, in a survey entitled "Yardsticks on the Air", point out that there is an unusually high rate of "mortality" among broadcast advertisers with relation to the high renewal of radio advertising contacts.

Columbia claims that 80 percent of its present clientele is on a renewal basis; NBC is said to be about the same, if not higher.

Some of the highlights of the ANPA Bureau of Advertising survey follow:

"Of the 635 advertisers who bought time on the air for some period between 1929 and 1933, inclusive, 448 - or 70.6 per cent - had dropped the use of radio in 1934.

"The study is based on a 22-344k analysis of 79 leading programs, made by an independent research organization from October, 1934, to May of this year. The findings are projected against figures for radio set ownership in the United States, accurately fixed at 19,001,592, in January, 1935.

"The average number of radio homes in the areas to which the 79 programs were broadcast was found to be 12,489,886, and of this number from 13 per cent to 28 per cent were found to be vacant during the favorable evening hours of 7 P.M. to 10 P.M. The average number of sets turned on at any given time during these hours was found to be 4,546,318.

"The average number of listeners to any one station or chain was found to be 1,102,606 - representing 9.1 per cent, of the radio sets in the listening area, and 5.1 per cent of all the homes in the average listening area.*****Of the 79 programs analyzed, 54 - or more two-thirds - reached less than the average number of listeners per program; only 25 reached more than average. The largest number of listeners reached by any program was 3,760,400 - the lowest, 179,300.

"The average cost per broadcast among the 79 programs considered was \$8,052, of which 35.6 per cent, represented cost of talent. Compared with the number of listeners reached this would mean an average cost per million listeners of \$7,302.69.

"Analysis shows, however, that 47 of the 79 advertisers are paying an amount greater than this figure, while only 32 are supporting a cost smaller than average. For the first group of 47, the average cost per million listeners was \$19,860 with individual cost figures varying from \$10,990 to \$44,530."

X X X X X X X X

DECISIONS OF THE FCC BROADCAST DIVISION

Applications Granted

WRGA, Rome Broadcasting Corp., Rome, Ga., license to cover C.P. frequency 1500 kc., 100 w. night, 250 w. day, unlt. time; WDEY, Dr. Geo. W. Young, Minneapolis, Minn., license to cover CP, 1180 kc., 1 KW night, 5 KW day. ltd. time; KVSO, The Ardmoreite Publishing Co., Inc., Ardmore, Okla., license to cover CP, 1210 kc., 100 watts, daytime; WLEW, National Broadcasting Co., Portable-Mobile (New York City), CP to replace transmitter and increase power from 7.5 watts to 20 watts; W6XHF, KTAR Broadcasting Co., Inc., Portable-Mobile (Phoenix, Ariz.), license to cover CP (Exp. Gen. Exp.), frequencies 31100, 34600, 37600 and 40600 kc., 10 watts; W2XE, Atlantic Broadcasting Corp., near Wayne, N. J., modification of license to add frequencies 17760 and 21520 kcs.; WLXAL, World Wide Broadcasting Corp., Boston, Mass., Mod. of license (Exp. Exp. Relay Brdcastg.) to increase power from 5 KW to 10 KW.

Action On Cases Heard By Commissioner Brown

KGFJ, Ben S. McGlashan, Los Angeles, Cal., renewal of license granted, 1200 kc., 100 watts, unlimited time; KFWB, Warner Bros. Broadcasting Corp., Hollywood, Cal., granted renewal of license, 950 kc., 1 KW night, 2½ KW day, unlimited time; Same Station, same Co., Los Angeles, Cal., Granted CP to install new equipment and increase day power from 2½ to 5 KW, 950 kc., 1 KW night, unlimited time; KMPC, Beverly Hills Broadcasting Corp., Beverly Hills, Cal., granted renewal of license, 710 kc., 500 watts, Ltd. time; KRKD, Radio Broadcasters, Inc., Los Angeles, Cal., granted renewal of license, 1120 kc., 500 watts night, 1 KW day, share time with KFSG; also granted Mod. of CP to extend completion date, 1120 kc., 500 w. night, 2½ KW day, share time with KFSG; KRKD 2/3 time, KFSG, 1/3 time; KIEV, Cannon System, Ltd., Glendale, Cal., granted renewal of license, 850 kc., 100 watts, daytime; also granted Mod. of CP as modified, 850 kc., 250 watts, daytime. Commissioner Brown's recommendations were sustained in all of the above cases, Order effective Oct. 1, 1935.

X X X X X X X X X X

TALK BY O. H. CALDWELL

Orestes H. Caldwell, editor of Radio Today, and former Federal Radio Commissioner, in the second of two feature talks on conditioning radio receiving equipment for the forthcoming season's outstanding broadcast events, will be heard Monday, Sept. 9, over an NBC-WJZ network at 9:45 P.M. EST. Caldwell's talk will be titled "Tuning Up Your Radio Set for the Big Programs Ahead."

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 10, 1935

British Explain Causes Of Interference To Listeners.....	2
Cites Alleged Monopoly As Reason For Government Radio.....	3
Recommends New Oklahoma 100-Watter.....	5
English Would Restrict Auto Radios In Built-Up Sections.....	6
Medical Advertising Jeopardizes Two Chicago Licensees.....	6
Claims News Broadcasts Whet Readers' Appetite.....	7
Will Again Urge National Anthem S.W. Sign-Off.....	8
Pioneer Detroit Station To Have New \$500,000 Home.....	8
Additional Point-to Point Radiotelephone Requirements.....	9
Austrian Radio Cartel Probable.....	10
WOR Expanding Business Offices.....	10
German Radio Export Trade Declines But U.S. Increases.....	11
Radio Flashes Increase Spot News Newspaper Demand.....	11
NBC Programs To Be Staged At N.Y. Radio Show.....	12
New Radio Survey.....	12
Phila. Paper Shares Newscasts.....	12

No. 858

all right

g. J.

September 10, 1935

BRITISH EXPLAIN CAUSES OF INTERFERENCE TO LISTENERS

A feature of the annual wireless exhibition in London - Radiolympia 1935 - was the manner in which the British listeners were enlightened as to the causes of interference, a thing which is a source of grave concern to British broadcasters and manufacturers, especially in connection with their short-wave programs.

There was a special interference exhibit at Radiolympia at which representatives of the British Broadcasting Corporation, the Radio Manufacturers' Association, the British General Post Office and the Electrical Research Association were present to give advice to interested listeners. Here one could examine suppression devices designed for use on ordinary domestic appliances such as fans, vacuum cleaners, refrigerators, electrical sewing machines, etc., and also larger units designed for use on trolley buses, lifts, and industrial apparatus.

The British General Post Office exhibited a free cinematograph film depicting the problems of interference, which are liable to prejudice the success of wireless reception in many countries. Incidentally, the British Post Office receives about 40,000 reports each year with regard to interference caused to broadcast reception, all of which are duly investigated.

Discussing other features of Radiolympia, H. Bishop, Assistant Chief Engineer of the BBC, said:

"The all-wave receiver, which made its appearance at Olympia last year, now finds a place in many of the radio manufacturers' programs. There were, in fact, more than twenty stands at the Exhibition on which some type of receiver was shown for covering more than the normal broadcast bands and five or six of these receivers had specifications comparable with some of the foreign-made receivers which are known to be receiving the Empire Service very satisfactorily in various parts of the world.

"The British manufacturer has, in the past, been slow to take advantage of the opportunities offered by the Empire Service, but I was gratified to learn that some of the manufacturers have not only made plans to produce suitable receivers, but also to market them in Empire countries, and to make arrangements for servicing them. Indeed, one manufacturer has produced a receiver which is for export only.

"The price reductions which have been made in recent years have not been continued this year, but instead, most manufacturers provide more comprehensive performance at last year's price. For instance, at Radiolympia in 1934, there was only one

medium-price receiver having variable selectivity. This year there are at least a dozen. Receivers are almost exclusively of the superheterodyne type, with automatic volume control, and most of them have visual tuning indicators and large open scale tuning dials. One set of particular interest is a 10 valve superheterodyne with wave ranges from thirteen to thirty-eight metres and from thirty to seventy-eight metres as well as the usual broadcasting bands, with a specification which will, I am sure, earn for it a great future in the Empire."

"It was interesting to note that the crystal set has by no means passed into oblivion", a visitor to Radiolympia observed. "With the enormous increase in the power of transmitters during recent years the range of the crystal set has become correspondingly greater. Many people like to listen quietly with headphones in homes where there may be an invalid or a sleeping child. Some who have good valve sets even have a crystal set in reserve for occasions of this kind.

"Another exhibit of interest was a Radio Robot which replied to simple questions, and spoke like an incredibly old man suffering from laryngitis. It was a curious piece of mechanism, but it was difficult to imagine any special use for an automaton of this kind, although doubtless it would be valuable for answering inconvenient questions raised by 'members of the Opposition.'"

X X X X X X X X

CITES ALLEGED MONOPOLY AS REASON FOR GOVERNMENT RADIO

One of the reasons given by Representative Joseph P. Monaghan, Democrat, of Montana, for his intention to press his bill for Government radio ownership in the next session of Congress is what he declares to be a monopoly of commercial broadcasting exercised by the networks.

"When Congress was considering radio legislation in 1927, agents and engineers of the Power Trust and the Radio Trust were most eloquent and profound in their solicitations for the listeners in urban and rural sections", Representative Monaghan declared. "They contended the only solution to the problem was for Congress to set aside 40 of the 90 frequencies for use by high-powered stations.

"Having won their point, the Radio Trust immediately started to corner practically all of these 40 'high-powered' clear-channel frequencies, so that today, between exclusively owned, leased, and controlled stations (The Radio Trust refers to their contract-controlled stations as 'affiliates'), the Radio Trust has possession of more than 35 of these frequencies.

Having obtained possession of the heart of the radio industry, they next started a campaign for the right to boost the power of these stations from 5,000 watts, up to 50,000 watts, and I suppose it will not be very long until these 50,000-watt stations are boosted up to 500,000 watts as was recently authorized for a station in the Middle West. Naturally the higher the wattage, the more power is used - power supplied by the same interests that control and dominate the Radio Trust - power that is purchased at high rates by the advertiser on the assumption that he is getting a wider and more intensive coverage by purchasing time on the high-powered stations owned by the Radio Trust for the advertising of his products.

"As always, who is it in the final analysis that pays for this supposed high power? None other than the radio listener, the prospective purchaser of the advertiser's products for naturally if his advertising expenses are increased in order to help boost the consumption of electricity, then the advertiser has to add this increased radio advertising expense to his manufacturing costs, or reduce the salaries paid to his employees. The situation is comparable to a remark credited to the chief spokesman of the Radio Trust, Mr. Merlin H. Aylesworth, President of the National Broadcasting Co., former managing director of the propaganda institution of the Power Trust, which was called the 'National Electric Light Association', who said: 'Never mind the expenses, the public pays it.' This statement, made years ago by Mr. Aylesworth before a convention of the Power Trust interests held in Birmingham, Ala., remains today the slogan of the Radio Trust."

"During the past six months or so, in the city of Shreveport, La., the only two newspapers published there, as well as the only two full-time radio stations, are now owned and controlled by the same identical financial interests who have contracted with the Radio Trust for the broadcasting of its programs over their radio stations. This same condition exists in Wilmington, Del., Lancaster, Pa., York, Pa., and other cities throughout the country.

"What chance has the honest, unbiased, and independent press of the country when it is forced into competition with a newspaper which also controls a radio station and, therefore, can offer the advertiser a reduced combination rate for both mediums. An examination of the hearings held before the Senate Interstate Commerce Commission last January, on the confirmations of the present members of the Federal Communications Commission, will disclose the fact that the Chairman of the Broadcast Division, Eugene O. Sykes, went on record as being opposed to the ownership and control of radio stations by newspaper interests. Hardly a week has gone by since Chairman Sykes, under oath, made this statement, but additions have been made to the list of radio broadcasting stations now owned by large newspaper interests. Nothing is being done to prevent or lessen this far-reaching evil. It is high time that something is done by the Congress to correct this and the many other existing conditions which are being condoned and approved by the Federal Communications Commission."

"Some four months ago the Chairman of the Federal Communications Commission cited 21 member stations of the Radio Trust to appear before the Commission and show cause why their licenses should not be revoked in view of their having repeatedly broadcast a program which the American Medical Association and the Federal Trade Commission had publicly branded as injurious and harmful to the consumer. The hearings on all of these cases was set for June and then postponed until October.

"As all licenses expire in either July or August, we find the Commission citing 21 stations before them for what is termed 'violations of the law' and then the Commission issuing a renewal of the license even while the licensee is under charges. However, this was changed as the Commission did not wait for any hearing but entirely on its own motion whitewashed the entire matter and issued as their reason for this unusual action the fact that the stations had agreed not to broadcast this particular program again."

"The free and independent press of the United States seemingly is now aware of the great danger which is confronting it. Only last week, I understand, the California Publishers' Association, comprising 350 publications with newspapers, located in the various communities of California, other than in the cities of Los Angeles and San Francisco, after careful consideration of the effect which radio control has had on the free and independent newspapers of our country, in convention, have called upon the Congress 'to purge radio of commercial influence' and return to the people of America control of radio. It is my opinion and my belief that this action on the part of the California Newspaper Association soon will be followed by similar action on the part of the newspaper associations in every State of the United States. With such support in addition to the support of labor organizations, farm organizations, educational and cultural organizations, there is no doubt in my mind but that Congress will soon enact my bill for the government ownership of radio."

X X X X X X X X X X

RECOMMENDS NEW OKLAHOMA 100-WATTER

A favorable report has been made by the Examiner on the application of the Oklahoma Press Publishing Co., at Muskogee, Okla., for permission to erect a new station on 1500 kc. frequency, 100 watt power, unlimited time. This recommendation is made on the condition that the applicant installs a suitable antenna and on a site which complies with the recommendations of the Engineering Department of the Commission.

In the case of Station KIEM, Redwood Broadcasting Company, Inc., located at Eureka, Cal., Examiner Seward recommends that a C.P. be granted the applicant changing its frequency from 1210 kc., to 1450; its power from 100 to 500 watts.

X X X X X X X X

ENGLISH WOULD RESTRICT AUTO RADIOS IN BUILT-UP SECTIONS

A new problem may have to be faced by the British auto radios. Assistant Trade Commissioner Henry E. Stebbins in London has notified Washington that he understands the Ministry of Transport is considering the advisability of prohibiting the use of radio sets in automobiles in the built-up areas - that is those sections of the country where the 30-mile per hour speed limit is enforced. Although the Ministry has no intention of forbidding the use of car radios in general, it considers that the use of these sets in built-up areas adds unnecessarily to the risks of the road.

Radio manufacturers and other interests are now being given the opportunity to make suggestions and comments regarding this new restriction, and up to now no definite decision has been made on the part of the Ministry of Transport with respect to its ultimate enforcement.

X X X X X X X X X X

MEDICAL ADVERTISING JEOPARDIZES TWO CHICAGO LICENSEES

If the Federal Communications Commission renews the broadcasting licenses of the Oak Leaves Broadcasting Station, Inc. (WGES), Chicago, for 500 watts power, and WSBC, owned by a corporation managed by Gene T. Dyer, who is also an officer of the Oak Leaves Broadcasting Station, Inc., 100 watts power, it will be because these stations have discontinued the broadcast of a certain type of medical advertising and have given their assurance that there will be no repetition of these broadcasts. Under this stipulation, R. H. Hyde, Examiner for the Commission, has recommended that the licenses be renewed. Judge Ira E. Robinson, formerly a member of the old Radio Commission, appeared in behalf of the stations.

One of the medical advertisements under scrutiny of the Commission, and which has since been discontinued by the station, was that of "Dr. Schyman". According to evidence submitted to the Commission the type of advertising and traffic represented in the Schyman Herb broadcasts is disclosed by the fact that on December 20, 1934, Peter Schyman, two of his associates, Edward Becker and Helen Schymansky, and S.M.S. Laboratories, Inc., (which later became the Pur-Erb Laboratories) pleaded guilty in the District Court of the United States, Northern District of Illinois, Eastern Division, to violations of the Food and Drug Act of June 30, 1906, and as amended by the Act of August 23, 1912. In pleading guilty to the charges preferred in this case the defendants admitted that various claims which are essentially the same as those advanced in

advertising continuities broadcast over the facilities of WGES regarding alleged therapeutic and curative effects, were false and fraudulent.

On October 17, 1923, P. B. Schyman and certain of his companies through which he has operated were cited by the Post Office Department to show cause why a fraud order should not be issued, it being charged that Schyman and his associates were engaged in conducting a scheme for obtaining money through the mails by means of false and fraudulent pretenses, representations and promises, in violation of 39 U.S. Code 259 and 732. As a result of the proceedings instituted by the Solicitor of the Post Office Department, Schyman voluntarily entered into a stipulation to absolutely discontinue and abandon the sale of medical advice and preparations through the mails under his personal name or any other name or names.

These medical broadcasts were especially directed to the foreign population of Chicago; one night it would be accompanied by Lithuanian music and the Lithuanians appealed to, the next by German music with the broadcast directed to the Germans; the next night the Poles, and so on.

X X X X X X X X

CLAIMS NEWS BROADCASTS WHET READERS' APPETITE

A contest by Station WTMJ, owned by the Milwaukee Journal, is reported to have revealed the fact that the station's news broadcasts are creating more readers for the paper and causing old readers to follow the news more closely.

The primary reason for the contest was a desire on the part of the WTMJ management to increase the afternoon listening audience and to secure data to prove to advertisers the potential possibilities of using afternoon time, it is explained by Walter J. Damm, promotion manager of the Journal, and also executive director of WTMJ. Cash prizes were awarded each week for a series of three weeks to the listener who submitted the best sets of answers to 36 questions, six of which were broadcast each week-day afternoon. Contestants also were required to state which WTMJ program they liked best and to give their reasons why. Reasons given for preferring the news broadcasts, included the following:

"When I have not any time to read the Journal, I at least know the headlines."

"They are so well put on and make us so much more anxious for our Milwaukee Journal."

"I can get the highlights of the days happenings while I'm busy about the house."

The news broadcasts are not available for sponsorship although announcements preceding and following are available.

X X X X X X

9/10/35

WILL AGAIN URGE NATIONAL ANTHEM S.W. SIGN-OFF

When Representative Virginia E. Jenckes, of Indiana, speaks over the NBC-WEAF network at 5:45 P.M. EST Saturday, September 14th, she will again advocate that our short-wave stations sign off with the National Anthem as those of other countries do.

Representative Jenckes, who is the author of the American Flag Act now pending in Congress, will speak to the radio audience on the subject, "The American Flag Act and the American Constitution", but will digress in order to mention the closely related matter of the short-wave station sign-off. Mrs. Jenckes has already taken this up with Anning S. Prall, Chairman of the Federal Communications Commission and the General Electric short-wave station W2XAF, as a result, is now regularly signing off each night with the "Star Spangled Banner."

X X X X X X X X

PIONEER DETROIT STATION TO HAVE NEW \$500,000 HOME

Construction has begun on a building devoted exclusively to broadcasting directly across the street from the Detroit News building on Lafayette and Second Avenue, Detroit. It will be the home of WWJ, the Detroit News station.

Announcement of this project was made during the celebration of WWJ's fifteenth anniversary on August 20th by Jefferson B. Webb, Manager of WWJ. To cost in the neighborhood of \$500,000, WWJ's new home will be constructed of stone in a design which is strictly modern.

The first of the four floors will house a studio with a seating capacity of 500. The second floor will be devoted to business offices. Four more studios will be located on the third floor. Each of these will be treated acoustically just as the large studio on the first floor. They will be floated, that is, suspended so that earth jars and noises cannot be conducted to the microphones. The third floor will also have a sound effects room for use in the presentation of dramas. Here also will be found the main control room for all studios. The fourth floor will contain a visitors' balcony, a private audition room, rehearsal room, a library and the offices of the continuity department and members of the producing staff.

X X X X X X X X

9/10/35

ADDITIONAL POINT-TO-POINT RADIOTELEPHONE REQUIREMENTS

The Telephone Division of the Federal Communications Commission has ordered that every radiotelephone common carrier (except those operating exclusively in Alaska) which holds a point-to-point telephone station license shall file a supplementary statement with each application for renewal of license for the next license period only, showing:

- (a) The name of the organization operating the other end of each circuit designated in the license sought to be renewed and its relation to other communications operating or holding companies in the same country and any affiliation which it may have with any communications operating or holding companies or administrations in other countries.
- (b) The number of paid public messages, the average chargeable time and the revenue derived from such messages transmitted during the month of July, 1935, to each point specifically designated in the license sought to be renewed, showing (1) the number, the average chargeable time and the revenue of such messages originating in the United States, and (2) the number, the average chargeable time and the revenue of such messages originating outside of the United States and the names of the countries wherein such messages originate.
- (c) The name of each point of communication specifically designated in the license sought to be renewed to which no paid public messages have been transmitted during the license period, prior to the date of this Order.
- (d) (1) The name of each point of communication specifically designated in the license sought to be renewed, to which paid messages were transmitted at some time during the license period but to which no paid public message was transmitted during the month of July, 1935.
(2) The number of such paid messages transmitted together with the average chargeable time and the revenue derived from such paid messages.
- (e) The reason for not handling paid public messages at each point that may be listed under (c) or (d) above.
- (f) The reason for desiring to continue inactive points of communication in the license.

9/10/35

- (g) The number of paid messages received during the month of July, 1935, from each fixed point outside of the United States from which messages are received and the names of the countries from which such messages are sent.

X X X X X X X X

AUSTRIAN RADIO CARTEL PROBABLE

Negotiations among Austrian radio manufacturers are reported to have made considerable progress recently toward the establishment of a radio cartel in Austria. It is believed that the cartel may become effective by August 15, Gardner Richardson, Commercial Attache at Vienna reports.

It is proposed to confine production to certain types of apparatus and equipment, thus reducing production costs. No price increases are expected as a result of the new cartel, which will endeavor to stop price cutting and to fix production contingents for individual plants. A special endeavor of the new cartel will be the promotion of radio exports, which although increasing in quantity, have declined relatively from 30% of total sales 3 years ago to 10% of total sales this year.

X X X X X X X X X X

WOR EXPANDING BUSINESS OFFICES

In a new business office expansion move at WOR, the Bamberger Broadcasting Service has acquired the two complete floors at 1440 Broadway, comprising the twenty-fourth and twenty-fifth floors and a portion of the twenty-third.

A new reception room now being built is to be decorated completely in the modern manner and is being accoustically treated. The sales offices are being considerably expanded as are the offices of the Mutual Broadcasting System.

X X X X X X X X X X

9/10/35

GERMAN RADIO EXPORT TRADE DECLINES BUT U.S. INCREASES

Although the German radio industry has notably increased its sales in the domestic market, export business has been markedly curtailed, according to a report from Vice Consul C. T. Zawadski, Berlin. Foreign sales at the present time, it is pointed out, amount to less than 10 per cent of the industry's total turnover.

Commenting on these figures, the German trade press points out that in the same period that German export trade was declining, exports of American radio equipment registered a substantial increase. The United States advance and Germany's decline, it is admitted, came at a time when the German radio industry was favored by a strong domestic demand. Although stocks of sets in factory or trade hands began to pile up at an alarming extent during this period of domestic radio market prosperity, business in general was favorable.

While it is anticipated that domestic demand will continue to improve, it is anticipated in the trade that the advance will be much slower than it has been in the past two or three years. In view of this, it is pointed out, the industry will be more dependent on increased development of foreign markets.

X X X X X X X X

RADIO FLASHES INCREASE SPOT NEWS NEWSPAPER DEMAND

The Rogers-Post crash produced enormous circulation gains for every paper in the country. A quick check-up reveals increases in paper sales from twenty-five up to thirty-five per cent. The effect was felt by the largest to smallest dailies.

In checking with circulation managers, "Newsdom" finds that the majority credit the radio news flashes that preceded the extras as the force behind the skyrocketing circulation figures on that day.

"Many circulation experts point out that this unprecedented sale of papers would have been impossible if publishers did not have the news casts that literally drove the people to the newstands hungry for details and additional information on the catastrophe", Newsdom continues. "Thousands of 'extra' boys on the streets could not have produced anything near the figures attained.

"The Lindbergh kidnaping and the Hauptmann trial are other fine examples of the strong ally that newspapers have in radio. There are also hundreds of examples of local happenings not of national importance where the local radio station has been brought into play to the successful advantage of the newspaper."

X X X X X X X X

NBC PROGRAMS TO BE STAGED AT N.Y. RADIO SHOW

Some of the National Broadcasting Company's best known programs will be presented directly from the NBC's remote control studio at the National Electrical and Radio Exposition to be held in Grand Central Palace, New York City, from September 18 to 28.

The exposition will feature the latest developments in the field of electricity and radio and will show the place these inventions play and will continue to play in the future. Modern electric and radio wonders will be explained in the specially erected "Hall of Science".

X X X X X X X X X X

NEW RADIO SURVEY

An audit of one day's broadcasting is contained in a new type of study, showing a comprehensive record of the use of radios in one locality during an entire day, now being supplied to advertisers, agencies and broadcasting stations by Edwin G. Booz and Fry Service of Chicago.

This new type of radio checking service covers findings from a study that was made in Chicago and suburbs on Sunday, April 14, 1935, from 8 A.M. to midnight, and a similar check covering radio broadcasting on Tuesday, April 16, 1935.

The report reflects the relative popularity of different programs, stations and hours of the day in one particular area rather than an attempt to cover widely scattered areas in which conditions vary.

Information contained in the report was collected by personal interviews, rather than by telephone, and was based on the "check list" or "program roster" method of checking.

X X X X X X X X X X

PHILA. PAPER SHARES NEWSCASTS

The Philadelphia Daily News is now sharing with a local clothing retailer the WFIL News Bureau broadcast on which it obtained spot announcements by swapping newspaper advertising space with the station.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 13, 1935

British Television Delayed -- Result Still In Doubt.....	2
New Station Urged For San Diego.....	5
NAB Appoints Strong Program Awards Committee.....	6
British Appoint New Empire Program Director.....	6
Say Radio Act Is Constitutional.....	7
Daughter Of Frank Wisner To Be Married.....	7
Loudspeaker Covers Three Miles.....	7
When Amateurs Aren't Amateurs.....	8
WMAQ Ready For 50,000 Watt Debut.....	9
Exhibitors Increase At French Radio Show.....	9
W. U. Extends Wires.....	9
Pertinent Data On Daytime Programs.....	10
German Radio Trade Booms.....	10
Mutual And Yankee Aid Drug Clean-Up.....	11
Philco Issues World Radio Atlas.....	11
Decisions Of The FCC Broadcast Division Sept. 10.....	12

No. 859

Handwritten signature and scribbles at the bottom of the page.

BRITISH TELEVISION DELAYED -- RESULT STILL IN DOUBT

British television will probably not get started before March, which is considerably later than was originally intended, according to Andrew W. Cruse, of the U. S. Commerce Department, who recently returned from an extended trip abroad devoted to a study of the television situation. Also Mr. Cruse seems to be in considerable doubt as to what the results may be after the British get under way. This is based on a lengthy report which he has just received from Trade Commissioner Henry E. Stebbins in London.

Commenting upon this report, Mr. Cruse said:

"The report of Mr. Stebbins, Assistant Trade Commissioner, is to me most interesting. Here we have a picture of the stage being set for the inauguration of high definition Television in England. The atmosphere is becoming tense, 'The air is still filled with rumors', efforts are being made to calm the nerves of the radio manufacturers and the motion picture interests, both of which have been jittery over the possible effect on their business ever since the publication of the report of the Television Committee in January of this year. Only the actual presentation of the proposed Television programs from the Alexandra Palace transmitters of E.M.I. and Baird will clarify the situation and answer the questions now being asked regarding the future of Television for entertainment. I can only repeat what I have said before, and that is, that in my opinion, after having seen both the Baird and E.M.I. systems in operation, I feel that the entire future of British Television depends entirely upon the ability of the British Broadcasting Corporation to present programs which will be enthusiastically received by the public. Technically, both the transmitting and receiving equipment is adequately satisfactory to introduce this service at this time but the unknown factors are - program material and program presentation. Will the novelty of this new art be sustained after the novelty has worn off? We, in the United States, can learn many valuable lessons which may later save us many dollars by patiently watching this development of the British Television picture.

"Mr. Stebbins is very well qualified to observe Television developments for us in England. He accompanied me on all my visits to the various laboratories during my stay in connection with this subject. He knows the engineers who are doing the work, - he knows the manufacturers who are making the receiving equipment, - he knows the people at B.B.C. who will present the programs."

The report of Mr. Stebbins reads, in part, as follows:

"While the General Post Office is still considering the tenders of Baird Television Co., Ltd., and the Electrical and Musical Industries, Ltd., for the construction of the two stations to be erected at the Alexandra Palace, the air is still thick with rumors as to how far and how soon the public broadcast of television will progress. Each company directly interested in television is handling its affairs in its own particular way with little or no reference to each other. The two big companies, Baird and E.M.I., are working along entirely different lines with no thought of cooperation, while other firms, not now concerned with transmission, but only with reception, are treading water nervously until the broadcasts actually begin.

"The Radio Manufacturers' Association has, after a considerable amount of hedging, decided to permit a 'composite exhibit' of television at the forthcoming Radio Show to be held at Olympia. There will definitely be no demonstration of television reception by individual manufacturers, but the R.M.A. will itself conduct the 'composite exhibit illustrative of television.' Just what form this exhibit will take and of how much value to the public it will be is extremely doubtful and officials of the R.M.A. are unwilling to commit themselves in advance to any expression of opinion.

"Of the two companies which are to commence television transmission for the British Broadcasting Corporation, the Baird Company continues to lead in publicity, although recently there have been unmistakable signs of a falling off either in the interest of the press or the enthusiasm of the company's executives. Whereas up to 3 or 4 weeks ago, it would take nothing less than the declaration of a World War to keep television off the front page of the Gaumont-British-Baird owned Sunday Referee, in recent weeks the subject has been relegated to the inside pages, if, indeed, it appeared even there. One move on the part of Baird which was considered at first to be adroit was the arrangement for Captain H.G.D. West, Baird's technical director, to make a speech at the Annual Convention of the Cinematograph Exhibitors' Association. The motion picture exhibitors, traditionally in a state of nerves over difficulties real or imaginary, had worked themselves into a regular breakdown at the prospect of competition from television in the home. To combat this, and in an attempt to down this idea once and for all, Captain West went to Cardiff to calm the exhibitors.*****

"Discussing the commercial aspects of television in the cinema, Captain West wound up his speech by saying: 'I have to say that good television pictures in one form or another will be shown in London cinemas before the end of the year. They will show results of fair entertainment value, and should attract the public from this point of view rather than from the point of novelty, or from the fact that television is a matter of the moment. I think I am right in saying that within two years from now several London cinemas will be taking regular television

items in their programs....I am convinced that even if programs for the home were made really attractive the average member of a family will still want to go out to his local cinema or theatre and laugh and cry and enjoy himself in common with many hundreds of others. One cannot get away from the fact of mass psychology and its unconscious attraction. Television in the cinema is in its experimental form now, but it is gradually developing to become a feature in the program presentation. The cinema need have no fear of television in the home were made really attractive the average member of a family will still want to go out to his local cinema or theatre and laugh and cry and enjoy himself in common with many hundreds of others. One cannot get away from the fact of mass psychology and its unconscious attraction. Television in the cinema is in its experimental form now, but it is gradually developing to become a feature in the program presentation. The cinema need have no fear of television in the home as regards reducing box-office receipts.....'

"The Daily Telegraph was the only London morning paper which reported this speech and that only in 10 lines, but the Sunday Referee in headlines stretching across the whole front page announced to its readers: 'First Cinema to Instal Television.' The article went on to say that equipment was now being installed in the Dominion Theatre, London, under conditions of 'great secrecy' by the Baird Company.

"In the meantime, Baird Television, Ltd. held its annual meeting. The task of the Chairman, Sir Harry Greer, was a difficult one, for the debit balance of £49,800 shown by the profit and loss account had been transferred to the general development account, following the procedure of previous years. This general development account now amounts to the colossal sum of £367,000. Moreover, the auditors stated that under present conditions they were unable to form an opinion as to the value to the company of this expenditure. To explain how the shareholders can hope to obtain a return on their money was the Chairman's difficult task. In lieu of any actual profits the following prospects were held out: revenue from the B.B.C. for the transmitting apparatus to be erected at Alexandra Palace, and subsequently revenue from further orders for provincial and foreign stations, revenue from royalties on patents and technique and profits from manufacture and sale of receiving sets.

"The Electrical and Musical Industries have not been so active in their publicity. In fact they next to Baird seem most reticent in informing the public of their activities. This is doubtless due in large measure to the fact that the company manufactures radio sets and enjoys a prosperous business from them. But another reason is that the officials of the company genuinely believe that they have a television system far better than any now in existence and they are content to await the opportunity to demonstrate it side by side with their competitors when the time is ripe.*****

"The same general attitude is reflected in conversations with officials of E. K. Cole, Ltd., one of the largest radio manufacturers in the country. This company has a large but not a controlling interest in Scophony, Ltd., which, although one of the firms considered by the Television Committee to erect a transmitting station, was finally turned down in favor of Baird and E.M.I. Since then Scophony has devoted its major efforts in research and development in receiving sets and E.K. Cole, Ltd., realizing the value of having a hold in the new industry, bought up almost half of the shares of scophony. Technically, the Scophony system is based on optico-mechanical (mirror drum) methods, quite different from the cathode ray principal employed by both Baird and E.M.I. in their receiving sets. In spite of Baird's contention to the contrary, it is E.K.Cole's opinion that Scophony is developing the only method for direct large-screen television for cinema theatres. The directors of E. K. Cole, Ltd. have taken the attitude that with a profitable radio business making more money each year, the company can afford to have a finger in the television pie without having to resort to elaborate and expensive publicity methods by which to sell television to the public. It is the opinion of the chairman and other executives of the company that television is 'making its first bow out of the laboratory into the commercial arena' and that some years must elapse before television can become the medium of national or international education and entertainment which sound broadcasting has already achieved.

"The fact that two systems are to be used at the Alexandra Palace has given rise to considerable doubt as to whether receiving sets can be made capable of receiving both systems. Each of the companies entrusted with the establishment of the stations claim that such sets can be manufactured. The two standards - Baird's 240 lines and E.M.I.'s 405 lines - are bound to complicate a receiving set and thus make it more expensive. Should the complications involved in two standards continue it may be well that the cost of receiving sets will remain so high that the general public if it is to witness television at all, will have to do so in the cinema. This leads to still further problems because under the B.B.C.'s monopoly of television, the Postmaster General's permission will have to be obtained before anyone but the B.B.C. may transmit television programs to the cinemas."

X X X X X X X X

NEW STATION URGED FOR SAN DIEGO

Issuance of a construction permit to the Pacific Acceptance Corp., San Diego, Cal., to erect a new broadcasting station in that city for operation on 1200 kc. with 100 watts power, daytime only, was recommended to the Federal Communications Commission September 9 by Examiner P. W. Seward.

San Diego already has two stations, KFSD and KGB, operating with power of 1 KW each. Examiner Seward held, however, that a need exists for additional local service. Among other things, he cited the temporary residence of 60,000 Navy men.

Simultaneously, Examiner Seward recommended that the Pasadena Presbyterian Church, Pasadena, Cal., be allowed to increase its power from 50 to 100 watts, day and night, sharing time with KFXM, San Bernardino, Cal.

Denial of an application by KGGC, San Francisco, to change its hours of operation from limited to unlimited was recommended by Examiner Melvin H. Dalberg.

X X X X X X X X

NAB APPOINTS STRONG PROGRAM AWARDS COMMITTEE

Big names in the industry are included in the committee appointed by Leo Fitzpatrick, of WJR, Detroit, President of the National Association of Broadcasters, to cooperate with the Radio Manufacturers' Association on the Radio Industry Foundation of Program Awards. Its personnel is as follows:

Chairman, Lambdin Kay, WSB, Atlanta; Members: M. H. Aylesworth, President of the National Broadcasting Company; Burrige Butler, WLS, Chicago; William S. Paley, President of the Columbia Broadcasting System, and Mr. Fitzpatrick.

As announced sometime ago by Leslie F. Muter, President of the Radio Manufacturers' Association, the Manufacturers Committee on Awards is: Powel Crosley, Jr., of Cincinnati, Chairman; Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation, of Chicago; George Scoville, President of the Stromberg-Carlson Company, Rochester, N. Y., and N. P. Bloom, President of the Adler Manufacturing Co., Louisville, Ky.

X X X X X X X X

BRITISH APPOINT NEW EMPIRE PROGRAM DIRECTOR

J. B. Clark, who has been Empire Program Director of the British Broadcasting Corporation since the inception of the Empire Broadcasting Service in 1932, has been appointed Empire Service Director.

Mr. Clark in his new capacity will be responsible to the new Controller of Programs, C. G. Graves, who will shortly succeed Col. Alan Dawnay. Mr. Graves has been the Director of Empire and Foreign Services of the BBC since 1932.

X X X X X X X X

SAY RADIO ACT IS CONSTITUTIONAL

Legal authorities in the Capital apparently were somewhat puzzled by a report that a sub-committee of the Lawyers Vigilance Committee, formed to investigate the legal aspects of the New Deal legislation, was, among other things, preparing a report on the Federal Communications Commission. Inasmuch as the work of the committee apparently has to do with the constitutionality of the New Deal acts, the opinion was expressed that the Federal Communications Act as a whole was believed to be constitutional since it was simply an extension of the old Radio Act and part of the Interstate Commerce Commission Act, both of which have been upheld by the courts.

It was said that while several of the provisions of the FCC Act might not hold water constitutionally, that for the most part it was believed the Act was sound.

X X X X X X X X

DAUGHTER OF FRANK WISNER TO BE MARRIED

Miss Margaret Wisner, daughter of George Franklin Wisner, Chief of the Press Division of the Federal Communications Commission, and Mrs. Wisner, will be married Saturday afternoon, September 21, to Gordon Smith Parker, prominent patent attorney, of Washington.

Miss Wisner comes from an old and historically famous family of Maryland. Mr. Parker, who is in the United States Patent Office, is a graduate of the Virginia Military Institute, and National University.

The wedding will take place at Grace Episcopal Church, at Woodside, Md., a suburb of Washington.

X X X X X X X X X

LOUDSPEAKER COVERS THREE MILES

The old-fashioned political gathering that gave way to the address from a broadcasting studio may reappear on a larger scale if a loudspeaker developed in Germany proves practical.

The loudspeaker is capable of carrying either a radio program or an address nearly three and three-fourths miles (6 kilometers), according to a Trade Commissioner's report to the Department of Commerce.

9/13/35

Its inventor, Eugen Beyer, who has a small factory in Berlin, asserts it will cover a minimum distance of six-tenths of a mile (1 kilometer) under any condition. The maximum coverage is promised under good broadcasting conditions.

Compressed air, developed by a motor inside the loudspeaker, is the secret of the long range. The loudspeaker itself is larger than the average cabinet radio receiver, being 6 x 4 feet. Although it amplifies some 100 times, it uses but a small amount of electricity and can be operated from an ordinary light socket.

X X X X X X X X

WHEN AMATEURS AREN'T AMATEURS

With the wet-dry issue somewhat in the background nowadays, the Women's Christian Temperance Union has turned its gun on radio programs. The opening blast was fired at the W.C.T.U. convention in Atlantic City late in August by Mme. Yolanda Mero-Irion, of New York Advisory Chairman of the Women's National Radio Committee.

The so-called amateur hour, which has spread itself rapidly over the dial in recent months, was the center of Mme. Mero-Irion's attack.

"Twenty per cent are really amateurs", she said, "fifty per cent are professional amateurs, and the remaining thirty per cent are former vaudeville performers unable to obtain work in their own field, forced to act as amateurs to solve the vital grocery problem."

These amateurs, on the stage and on the air, now number 5,000, she said, with no signs of a let-up.

Mme. Mero-Irion also attacked radio advertisers who urge children listeners to beg their mothers to buy their breakfast foods and producers who persuade precocious children to sing the sophisticated songs of Broadway over the air.

X X X X X X X X

WMAQ READY FOR 50,000 WATT DEBUT

According to word received from Chicago from Niles Trammell, Vice-President of the National Broadcasting Company, everything is all set for the dedication of the new 50,000 watt transmitter of Station WMAQ, Sunday, September 15, from 10 P.M. to 1 A.M. C.D.S.T.

Mr. Trammell reports that the increased power will enable the station to serve the radio audience in the Chicago area better than ever before. He extends a cordial invitation to everyone to listen to WMAQ's dedication broadcast Sunday night.

X X X X X X X X

EXHIBITORS INCREASE AT FRENCH RADIO SHOW

The participants in the 12th International Radio Show at Paris will number 220, a decided increase over last year's 200 exhibitors. For the first time, the Government radio service will participate in the show, and a special "salon d'honneur" is to be reserved for its exhibit. The general propaganda section - as distinct from the purely commercial and industrial exhibits - will be, according to those organizing the show, larger and more attractive than ever before.

An interesting innovation is the special conference hall which is to be placed at the disposal of exhibitors who may wish to assemble their agents, in order to explain and demonstrate their new models, Assistant Trade Commissioner Lestrade Brown, Paris, advises.

X X X X X X X X

W. U. EXTENDS WIRES

Western Union Telegraph Company on September 10 was granted authority by the Telegraph Division of the Federal Communications Commission to enlarge its service temporarily between Shreveport and Homer, in Louisiana.

The order permits Western Union to supplement its permanent service between the two points for a period of 160 days by leasing from the Southern Bell Telephone & Telegraph Company, a telegraph circuit at a charge not to exceed \$96 a month. The distance is 60 miles.

X X X X X X X X

9/13/35

PERTINENT DATA ON DAYTIME PROGRAMS

The heralded study of daytime broadcasting by the Market Research Corporation at the instance of the National Broadcasting Company has been completed and some highly interesting facts have been published in a handsome brochure by NBC, ("Sales Begin When Programs Begin"). Some of these are:

On the average week-day (Monday through Friday) at 11 A.M., for instance, there are more than 16,000,000 radio homes with persons present and awake.

The greatest dip in potential daytime listening audience occurs in the early afternoon, climbing again to above the 11 A.M. peak at 6 P.M.

In the early morning the audience is less because of the variance in time zones, but in the eastern time zone alone at 8 A.M., the average available homes is 9,000,000.

The survey gives an analysis of the potential radio audience for every half-hour of the day and night from coast to coast. The total varies from 75 to 90.4 per cent of all radio families in the country.

The breakdown shows the number of adults and the number of boys and girls awake in radio homes at any half-hour.

Representing one of the most extensive surveys of its kind ever conducted, the data was collected by personal interviews and telephone calls in April, 1934. So voluminous was the information gathered that six months were required to analyze it.

X X X X X X X

GERMAN RADIO TRADE BOOMS

The number of registered radio receiving sets in Germany increased by 1,200,000, or 22 per cent, during the year from August, 1934, to July, 1935, according to the German Institute for Business Research.

Because of government stimulation, broadcasting was improved through modernization of existing transmitters and construction of new stations. The present demand is for a new type of low-priced receiver (Volksempfänger). The number of sets per 100 homes is 36 as compared with 21 in 1931.

X X X X X X X X

MUTUAL AND YANKEE AID DRUG CLEAN-UP

The Mutual Broadcasting System and the Yankee Network of New England recently announced they had joined The Proprietary Association as associate members so that this broadcasting group could take advantage of the Association's Advisory Committee on Advertising. This marks the first time that radio networks have affiliated themselves with an organization that is pledged to bring proprietary and cosmetic advertising into line with reasonable requirements of therapeutic accuracy and good taste.

The Proprietary Association is composed of manufacturers of 80% of the packaged drug products being marketed in America today. The inauguration by the Association a year ago of an advertising Preview Committee was said to be the first effort on the part of an industry to voluntarily control the advertising of its members.

The following statement was issued by executives of the Mutual and Yankee Networks:

"We have observed the work that has been done by the Proprietary Association's Advisory Committee on Advertising in its efforts to improve advertising standards in the packaged medicine field and we believe this organization has already had a far-reaching influence in curbing unwarranted claims and generally improving the tone of advertising.

"We appreciate our responsibility to the radio audience and we are definitely in favor of advertising control that is reasonable and fair to the radio listener and the advertiser."

X X X X X X X X X

PHILCO ISSUES WORLD RADIO ATLAS

For the benefit of the all-wave listeners, Philco has issued a radio atlas of the world, a 36-page book (size 7 x 10 inches) containing information of considerable value. The atlas contains double-page maps of the world and the continents in five colors; photographs and stories of foreign radio artists and stations; a complete, up-to-date log of radio stations including the principal stations of the world; and many other interesting features.

The atlas is priced at 50¢ but for the time being is being distributed free through Philco dealers.

X X X X X X X X X

DECISIONS OF THE FCC BROADCAST DIVISION SEPT. 10

Applications Granted - WFBR, The Baltimore Radio Show, Inc., Baltimore, Md., C.P. to install a 250 watt auxiliary transmitter; New, Roy L. Albertson, Buffalo, N. Y., The Commission, upon its own motion, reconsidered and granted CP heretofore set for hearing, for a new station to operate on 1370 kc., 100 watts night, 250 watts day, share WSVS; WMBR, Florida Broadcasting Co., Jacksonville, Fla., C.P. in hearing docket, amended, and granted authority to move transmitter locally, install new eqpt. and increase daytime power to 250 watts; WAGF, Dothan Broadcasting Co., Dothan, Ala., Mod. of CP to make changes in equipment; WMFR, Hart & Nelson, High Point, N. C., Mod. of CP to move transmitter and studio locally, make changes in equipment and extend commencement date to 30 days after grant and completion date to 160 days thereafter.

Also, WDAE, Tampa Times Co., Tampa, Fla., extension of special exp. auth. for the period Oct. 1, 1935, to April 1, 1936, to operate with additional $2\frac{1}{2}$ KW power daytime; WCFL, Chicago Federation of Labor, Chicago, Ill., license to cover CP as modified authorizing move of station locally, installing new eqpt. and increasing power to 5 KW. Also granted authority to determine operating power by direct measurement of antenna input; and granted CP to move present licensed main transmitter to York Township, Ill., also granted license to use present transmitter as auxiliary; WPEN, Wm. Penn Broadcasting Co., Philadelphia, Pa., license for auxiliary transmitter to operate on 920 kc., 250 watts; KTRH, KTRH Broadcasting Co., Houston, Tex., extension of special experimental authority to operate on frequency 1290 kc with 1 KW nighttime power and $2\frac{1}{2}$ KW daytime, to end not later than Nov. 1, 1935.

Also, WMT, Waterloo Broadcasting Co., Marion Township, Ia., extension of special authority heretofore granted to operate with additional power of 500 watts night, $1\frac{1}{2}$ KW day for period ending March 1, 1936; WTCN, Minn. Broadcasting Corp., Rose Township, Minn., authority to determine license power by direct measurement of antenna input; WCOA, Pensacola Broadcasting Co., Pensacola, Fla., consent to transfer control of Pensacola Broadcasting Co., licensee of Station WCOA, from John C. Pace, Burgess Pace and Beecher Hayford, to The News Journal Co., publishers of the Pensacola Journal and the Pensacola News.

Also, General Electric Co., Portable-Mobile, Schenectady, N. Y. (2 new applications) CP for new general exp. station, broadcast pickup; frequencies 31100, 34600, 37600 and 40600 kc., 2 watts; New, WDSU, Inc., Portable-Mobile (New Orleans), CP for new broadcast pickup station to operate in the temporary service; frequencies 1646, 2090 2190, 2830 kc., 3 watts.

X X X X X X X X X X

News Last 11 page 1

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 17, 1935

Clear Channel Result To Be Known January 1.....2

All-Wave Set Mfrs. To Consider Trade Practice Agreement.....3

Scripps-Howard Newspapers Go In For Radio.....4

German Radio Show Attended By 480,000.....4

Future of Education By Radio Committee In Doubt.....5

Minneapolis Television Company Modifies Claims.....5

Industry To Cooperate In New Radio Census.....6

British School Broadcasting Develops Rapidly.....6

Industry Notes.....7

Prospects For Radio Sales In Cuba Considered Good.....8

FHA Not To Finance Loans On Receiving Sets.....9

Crosley To Increase Capacity To 5,000 Daily Units.....9

No Successor Yet To Fill Finch's Place.....10

Legal Battle Over News Broadcast Rights Begins.....11

New York Mayor Talks About 100,000 Watts.....11

WOR Withdraws Relay Broadcasting Application.....12

Chairman Of BBC Dies - Viscount Bridgeman.....12

No. 860

W. H. ...

September 17, 1935

CLEAR CHANNEL RESULT TO BE KNOWN JANUARY 1

The work of the radio engineers who are seeking to ascertain the efficiency and necessity for maintaining 40 clear channels for coast-to-coast broadcasting has been completed and a careful analysis is now being made of the record. Also thousands of replies are being indexed that were received as a result of the Broadcast Division of the Federal Communications Commission sending 100,000 post-card questionnaires to farmers and others living in rural or remote sections of the country seeking information with regard to reception in all parts of the United States. It is expected that the result of the entire clear channel survey will be made known about January 1st. Upon this conclusion may rest the decision as to whether or not the present clear channel setup should be maintained or broken down.

For the past six months, ten observation posts especially established throughout the country to secure first hand engineering data in a survey of the clear channel, regional and local stations during the Winter and Spring months, have been in constant use.

The engineering survey involved four lines of endeavor as follows - Continuous field intensity recordings of clear channel stations, the records being made at distances varying from 1000 to 3000 miles; an analysis of duplicated clear channels (such as 790 kilocycles occupied by WGY, Schenectady, and KGO, Oakland, Calif.), with complete determination of radiation characteristics of the individual stations as well as determination of the field intensities and service rendered in the areas between stations; field intensity measurements made in rural districts throughout the United States with correlation with listener habits as determined by personal investigation, and listener habit survey of rural audiences which was conducted by post-card by the Commission.

It is believed much valuable information will be received from the questionnaires to the farmers, not only of use to the Communications Commission but also of importance to the broadcasting industry. For instance, the farmers were asked the make, number of tubes, of their radio sets, when purchased, the name of their four favorite radio stations and finally for any general comment on the broadcasting situation they cared to make.

9/17/35

Dr. C. B. Jolliffe, Chief Engineer of the Communications Commission was in charge of the work, assisted by Andrew D. Ring, of the Engineering Division and Dr. J. H. Dellinger of the Bureau of Standards. J. C. McNary, Technical Advisor of the National Association of Broadcasters, represented the broadcasters inasmuch as the undertaking was participated in by about 35 stations who were bearing the greater portion of the expense. The survey when finally completed will have involved an expenditure of approximately \$60,000, of which one-fifth will be paid by the Commission.

X X X X X X X X

ALL-WAVE SET MFRS. TO CONSIDER TRADE PRACTICE AGREEMENT

A meeting of the Board of Directors of the Radio Manufacturers' Association will be held in New York Wednesday, September 25, to consider the proposed code of practices for the all-wave set manufacturing industry, to submit to the Federal Trade Commission. Along with more than a score of other industries, the Radio Manufacturers' Association, through its Vice-President, Bond P. Geddes, applied to the Federal Trade Commission for a trade practice agreement following the expiration of the NRA codes.

The proposed trade practice agreement was considered following questions raised by the Federal Trade Commission regarding the use of "All Wave", "World Wave" and similar terms in advertising and merchandising of short-wave sets. Two years ago the Association's Board of Directors, following recommendations of its Engineering Division, formally adopted a definition for "All Wave" sets in the American market to include sets with a reception range from 540 to 18,000 kilocycles. This definition was questioned by the Federal Trade Commission but continuation of the "All Wave" term is proposed by the RMA in its conferences with the Commission. Also the "All Wave" term has received the official endorsement of the Federal Communications Commission.

A letter from Andrew Ring, Acting Chief Engineer of the Communications Commission, to Mr. Geddes, supports the "All Wave" term as correct and not misleading. Individual cases involving use of the "All Wave" and similar terms have been suspended by the Trade Commission pending consideration of the proposed RMA trade practice agreement for set manufacturers. The latter covers many merchandising practices and will be presented formally to the Federal Trade Commission following its consideration by the Board of Directors at New York. It will then be submitted to all set manufacturers.

X X X X X X X X

SCRIPPS-HOWARD NEWSPAPERS GO IN FOR RADIO

The filing of application by the Scripps-Howard newspaper alliance for broadcasting facilities in Cincinnati, Columbus and Toledo is said to be a forerunner of this organization's seeking radio affiliation in the twenty-four cities in which it publishes newspapers. A separate corporation, the Continental Radio Company, with Karl A. Bickel, former President of the United Press, as President, and James C. Hanrahan, as Vice-President, is said to have been organized to promote the broadcasting interests of Scripps-Howard.

The newspaper organization has already filed an application for the acquisition of its first station, WFBE, at Cincinnati, and for two new 100-watt stations at Columbus and Toledo. Where the Scripps-Howard people find it impossible to acquire a station, it will apparently be their policy to affiliate with a station already established as the New York World-Telegram is understood to have done with Station WMCA in New York City.

This is the first move on the part of the Scripps-Howard papers to ally themselves with radio though as a general thing, their news columns have been friendly and carried radio programs and comments.

X X X X X X X X

GERMAN RADIO SHOW ATTENDED BY 480,000

The 12th Annual Radio-Exhibition which was held in Berlin during the second half of August greatly exceeded the success of its predecessors. During the 13 days which the Exhibition lasted, 480,000 visitors wandered through the 8 halls, which contained it, - nearly five times the number in 1932. This success was in no wise impaired by the fire which destroyed one of the halls, as the exhibitors who were involved had erected other standw within a few hours. The most modern reception apparatus was shown and many novelties, too, in the domain of short-wave reception, a matter of special interest to oversea listeners; while television occupied the centre of interest.

In a television "alley", transmitting and reception sets could be seen; one could see in picture one's opposite number during a telephone conversation; and could both hear and see Dr. Goebbels, the patron of the Exhibition, during his tour of inspection and opening address, which had taken place a few minutes earlier. But in particular has the Exhibition strengthened and widened the relation between broadcasting station and listener. The idea offered to every visitor the opportunity of personally stepping before the microphone and exhibiting his powers as musician, singer or speaker. Thousands availed themselves of it, and in this way much new talent from amongst the public has been gained for the radio.

X X X X X X X X

9/17/35

FUTURE OF EDUCATION BY RADIO COMMITTEE IN DOUBT

With the ending of the five-year grant of \$200,000 of the Payne Fund, December 31st, the continuance of the National Committee on Education by Radio, from which Joy Elmer Morgan recently resigned as Chairman, seems to be a matter of conjecture. Dr. Tracy F. Tyler, Secretary of the Committee, said that while he had no official information on the subject, he believed the work would go on. Dr. Tyler said that although the money was paid by the Payne Fund, he had no idea as to who the actual donor was, or whether or not there would be a renewal.

This Committee has been more or less of a thorn in the side of the radio industry because of its bitter criticism of the American system of broadcasting. Therefore, the resignation of Dr. Morgan, the significance of which is not known at this time, if any, was hailed with more or less of a sigh of relief from the broadcasters.

Dr. Morgan is succeeded on the Committee by Dr. Willis A. Sutton, Superintendent of Schools, Atlanta, Ga., and past President of the National Education Association.

X X X X X X X X

MINNEAPOLIS TELEVISION COMPANY MODIFIES CLAIMS

Under a stipulation entered into by Northwestern Television Institute, Inc., of Minneapolis, with the Federal Trade Commission, that company agrees to discontinue exaggerated and misleading representations in its advertising.

The respondent agrees to no longer assert that openings or opportunities for profitable employment in the television industry are greater than the time such representations are published, and that enrollment in its classes will solve the employment problems or brighten the outlook of prospective students.

Other representations to be discontinued in connection with the sale of its course are as follows: That television is a field that is not crowded; that the instruction given by respondent is entirely individual; that television is a gigantic industry, and that television will offer employment to students who complete the respondent's course of training.

X X X X X X X X

INDUSTRY TO COOPERATE IN NEW RADIO CENSUS

In preparation for the U.S. biennial census of manufactures in 1935, officers of the Census Bureau and the Radio Manufacturers' Association are cooperating to develop more detailed statistics on the radio industry and its operations. New census forms for the reports of individual radio companies are being prepared to develop details of radio manufacturing operations. The classifications of products, especially of receiving sets, are being extended to cover late changes in styles and types of modern sets, including those having various frequencies beyond the standard broadcast band.

Reports on the manufacture of the new metal tubes as well as glass types also are being arranged, and the new manufactures census is expected to compile the best radio industry data which has yet been developed.

X X X X X X X X

BRITISH SCHOOL BROADCASTING DEVELOPS RAPIDLY

The Annual Program of Broadcasts to Schools in Great Britain by the British Broadcasting Company for the year 1935-36 has recently been issued. The facts and figures contained in this pamphlet and the projected expansion of the School Broadcasting Department indicate that the work of the Central Council for School Broadcasting is developing rapidly. The functions of broadcasting in the various school subjects are clearly stated in the pamphlet. Figures are given which show that the programs are followed regularly by a large number of schools. During the past eleven years, the broadcast program has confined itself to supplementing school work in some of the ordinary school subjects. Now that it is securely established, with twenty-two broadcasts a week, the program is to explore the world of knowledge outside the curriculum.

For rural schools, particularly, broadcasting serves "as a connecting channel with the main stream of the nation's life". The preface of this pamphlet, signed by Lord Eustace Percy, who was Chairman of the Central Council for School Broadcasting until his recent appointment as Minister without Portfolio, draws attention to the National ceremonies which have been heard during the year by school children all over the country. The village schools, however, are finding it very much more difficult to instal receiving sets than schools in the towns. Technical difficulties are greater in the country, since, in many cases, the sets must be battery-operated, but the real trouble seems to be the difficulty of raising sufficient money.

X X X X X X X X X X

::: _____ :::
 ::: INDUSTRY NOTES :::
 ::: _____ :::

Alfred J. McCosker, President of WOR, returned to New York last Thursday on a French liner "Lafayette" after a month's vacation in Europe.

While in London, Mr. McCosker visited Sir John Reith, Managing Director of the British Broadcasting Corporation, and in Paris he called on several French broadcasting officials.

Station WOOD, Grand Rapids, Mich., combining stations WOOD and WASH, will be added to National Broadcasting Co. networks as an optional station available to either the NBC-WEAF or NBC-WJZ hookups beginning on September 29.

WOOD is operated, together with its sister station, by the Kunsy-Trendle Broadcasting Corp. on 1270 kc. with 500 watts power. The Kunsy-Trendle Broadcasting Corp. are also owners of WXYZ, Detroit, which becomes affiliated with the NBC-WJZ network on the same day.

Arthur C. Broecker, for the past 12 years local display manager of the Indianapolis Star, has been named Sales Manager of radio station WIRE, Indianapolis. Before joining WIRE, Mr. Boecker had been with the Indianapolis Star in its advertising department for 15 years.

William B. Gellatly joined the WOR local sales staff last week. Before going with WOR, Gellatly was a member of the Columbia Broadcasting System sales force, and has been an advertising sales representative for the New York American, the Herald-Examiner, of Chicago, and the New York Herald-Tribune.

Joseph F. McMahon, composer in New York City, was in Yorkville Court as complainant accusing the Columbia Broadcasting System of violating the penal law which makes the producing of copyrighted material without the consent of the owner a misdemeanor.

McMahon based his complaint on the broadcasting of "Sabina Lane", a play, by Station WABC. The play, he said, was similar in every respect to "Junora", which McMahon copyrighted in 1929.

Sidney M. Kaye, attorney for the broadcasting company, argued that the action should have been brought in Federal Court, but the Magistrate ordered the defendendts held for a hearing in a magistrate court and special sessions October 5.

9/17/35

John Meyer, Secretary of the Inland Daily Press Association states that a survey of small-town papers shows that members are using the blue pencil more vigorously on program listings. About 64 per cent are deleting the names of orchestras and 62 per cent are killing the names of celebrities.

The New England Daily Press Association is also polling its members on their action to "newscasting." A summary to date discloses 20 papers against and 8 in favor of the practice.

The strained relations between WHAM, Rochester, and the Gannett Newspapers have been healed by a tieup with the Democrat & Chronicle by giving the station a one column ad a day in exchange for 12 fifteen-minute periods a week on the air.

Nelson Perry, for 11 years Advertising Manager of Liberty Magazine has joined the WOR New York Sales Department. Before becoming affiliated with Liberty, Perry was New York State Advertising Manager of the Saturday Evening Post.

X X X X X X X X X X

PROSPECTS FOR RADIO SALES IN CUBA CONSIDERED GOOD

Radio sales in Cuba during July and August of this year have shown the usual seasonal decline although they have been better maintained than in previous years and the prospects for increased sales in the immediate future is considered good, according to a report to the Department of Commerce from Assistant Trade Commissioner Kathleen Molewsorth, Habana.

Imports of radio apparatus through the Port of Habana during July totalled 1,185 units compared with 1,535 units in June and 1,792 units in July, 1934, statistics show.

Adequate stocks in some models and a tendency to clear out present types in anticipation of new Fall models in other lines are considered locally to be responsible for the decrease in imports, the report states.

X X X X X X X X

FHA NOT TO FINANCE LOANS ON RECEIVING SETS

The National Housing Act does not authorize financing of radio sets, except built-in radio, according to a ruling received by Bond P. Geddes, Executive Vice-President of the Radio Manufacturers' Association. Loans on receiving sets, classed as "movables" by the Federal Housing Administration, would be in jeopardy and their payment by the Treasury uncertain, according to the information from the Federal Housing Administration. The Housing Commission, therefore, adheres to its previous ruling that receiving sets, except built-in radio, are ineligible for FHA financing privileges.

The adverse decision of the Commission on financing of receiving sets was made in response to a request by RMA for extension of the FHA financing privileges to receiving sets of the more expensive type, costing \$75 or more.

X X X X X X X X

CROSLEY TO INCREASE CAPACITY TO 5,000 DAILY UNITS

Carl A. Saunders writes in the Cincinnati Post that the Crosley Radio Corporation has increased production 100% bringing it up to 5,000 radios a day.

"Of course most sets will be all-wave", Mr. Saunders goes on. "Current interest in short-wave reception will be heightened if the foreign situation continues to be as critical as it is now. Our Cincinnati producer, Crosley Radio Corp. is offering a new antenna designed to reduce signal losses to a minimum. Also, it is said, the new sets are presenting exceptional values in cabinet appearance and structure, in chassis refinements and numerous other modern features. Also it should be said that anyone who may be delaying buying of a radio with the thought that television may make it obsolete soon, should not worry on that score. We are informed by engineers that television will not appear even in infant stage for at least two more years and then only in expensive sets.

"Incidentally reports received from district managers, distributors and dealers, as well as trade paper writers, reveal that those connected with the radio industry, whether in manufacturing or distribution, anticipate the best business in years. Lewis M. Crosley, Vice-President and General Manager of the Crosley Radio Corp., informs us. Production increases of different manufacturers range from 60 to 100 per cent. Crosley has increased radio production capacity about 100 per cent, bringing it to 5,000 radios a day. The busy season, however, will not get under way until the latter part of September, continuing until the end of the year."

X X X X X X X X

NO SUCCESSOR YET TO FILL FINCH'S PLACE

No one has been decided upon to succeed William G. H. Finch, Assistant Chief Engineer of the Federal Communications Commission, who resigned recently. Dr. C. B. Jolliffe, Chief Engineer of the Commission, said that while a number of names had been proposed, no decision had been reached and very likely would not be for some time. Dr. Jolliffe added, however, that eventually the place would be filled. In the meantime, he himself is carrying on the work of Mr. Finch, the principal part of which was directing the engineering phases of the \$750,000 investigation of the American Telephone & Telegraph Company.

No confirmation could be obtained of the report that the reason Mr. Finch had resigned was because he had a suit pending against the A. T. & T. for an infringement on some of his patents. Mr. Finch is the inventor of a device for automatically printing wire and radio messages.

According to information secured at the Federal Communications Commission, the reason Mr. Finch left the organization was to develop his patents and to open laboratories in New York to be known as the Telecommunications Laboratories to engage in experimental investigations in the automatic record communications field. He will specialize in press, aeronautical and police communications work.

Mr. Finch, who previously had been Vice-President and Chief Engineer of Hearst Radio, Inc., the broadcasting and press communication subsidiary of the Hearst newspapers, had been with the Commission about a year.

Chairman Prall, on behalf of the Commission, paid Mr. Finch a high tribute in the following letter accepting his resignation:

"The Commission accepts your resignation as Assistant Chief Engineer effective September 15th.

"On behalf of the Commission I want you to know that your resignation is accepted with great reluctance and with much regret. However, we are cognizant of the circumstances which have impelled you to tender your resignation, and we do not feel that we have the right to ask you to make the necessary sacrifices any further. Your services with the Commission have been most valuable, and you take with you the affection of the Commissioners individually and their best wishes for your future happiness and success.

"For several months you have been actively engaged in the investigation under Public Resolution No. 8, particularly the patent features thereof. The Commission appreciates your offer of your services without compensation for consultation in the further progress of this investigation."

X X X X X X X

9/17/35

LEGAL BATTLE OVER NEWS BROADCAST RIGHTS BEGINS

Arguments in the case of the Associated Press against Station KVOS, of Bellingham, Wash., were made in the Circuit Court of Appeals at Seattle, last Saturday. The case involves the right to broadcast news obtained from member newspapers of the Associated Press and was first tried before Judge John C. Bowen, in Bellingham, several months ago.

At that time Judge Bowen returned a decision favoring the radio station. At the hearing last week, both sides were represented by eminent counsel. John W. Davis, of New York, represented the Associated Press, and former Senator Clarence C. Dill, of Washington, Station KVOS. Members of the National Association of Broadcasters contributed to the cost of the Bellingham station retaining counsel because of the national aspects of the case.

X X X X X X X X X X

NEW YORK MAYOR TALKS ABOUT 100,000 WATTS

At a luncheon in New York, given to the Chicago firemen's baseball team, Quinn O'Brien, Corporation Counsel of Chicago, and spokesman for Mayor Edward J. Kelly of that city, in paying tribute to Mayor LaGuardia, "wished him more power".

The mayor of New York laughed, as he rose to reply, and said, "The only power I am asking for is 100,000 watts."

This remark was taken to refer to the Municipal broadcasting station in New York, WNYC. It revived rumors that Mayor LaGuardia has in the back of his mind some idea of developing this station instead of scrapping it as he apparently intended to do when he first became mayor.

If it is true that he expects to seek anything like half the power mentioned in his speech, say, 50,000 watts, it would be necessary to find a clear channel for the municipal station which would be a very difficult thing to do. It now shares the 810 kilocycle frequency with Station WCCO, at Minneapolis. Recently an application was received from the City of New York to increase the daytime power of WNYC from 1,000 to 5,000 watts, but after sundown to resume its ordinary power.

X X X X X X X X

WOR WITHDRAWS RELAY BROADCASTING APPLICATION

The Bamberger Broadcasting Service, of Newark, N.J., has withdrawn its application for a construction permit to conduct experimental relay broadcasting. The reason given was that investigation and preparation of the matter had disclosed a tremendous amount of additional work necessary, which had not been completed.

X X X X X X X X X X

CHAIRMAN OF BBC DIES - VISCOUNT BRIDGEMAN

An announcement has been received in this country of the death of Viscount Bridgeman of Leigh, Chairman of the British Broadcasting Corporation, which took place recently in England.

Lord Bridgeman's appointment as Chairman of the BBC in succession to the late J. H. Whitley, was the last stage in a long career of public service. Born on the 31st of December, 1864, he was the son of the rector of Weston-under-Lizard.

Educated at Eton and at Trinity College, Cambridge, he began political life as private secretary to Lord Knutsford, then Colonial Secretary. At 28 he was fighting the 1892 election as Unionist candidate for North Worcestershire, and three years later contested Mid-Derbyshire. From 1915 to 1916 he was a Lord Commissioner of the Treasury and acted also as assistant director of the War Trade Department (1916) and as Parliamentary Secretary, first of the Ministry of Labour and then from 1919 to 1920, to the Board of Trade.

In the political movements which marked the end of the Lloyd George coalition Ministry, he played a notable part. He was the first secretary of the new Department of Mines under the Board of Trade. This office was created in 1920 during a period of great industrial unrest and did good service in the coal troubles of that year. Lord Bridgeman held it until the fall of the Coalition in October 1922. In the new government he was raised to the Cabinet as Home Secretary and remained there when the Ministry was re-formed by Mr. Baldwin after the death of Mr. Bonar Law. In the second Baldwin Cabinet he was First Lord of the Admiralty, and remained in that office until the defeat of the Government in 1929.

In 1929 he was raised to the peerage as first Viscount Bridgeman of Leigh and, cheerfully yielding place to the claims of younger men, dropped from the front rank of the political fight. In the Upper House he took a lesser part than he had done in the Commons, but when he did speak he was heard with that attention and respect that is granted to one who is recognized to belong to the elder statesmen. In 1932 he was Chairman of the Committee of Enquiry on the Post Office and a year later became one of the Governors of the British Broadcasting Corp.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

44 F. 2
1935 10 11 12 1 2 3 4 5 6 7 8 9 10 11 12

INDEX TO ISSUE OF SEPTEMBER 20, 1935.

Ottawa Station Starts BBC Rebroadcasts.....	2
FCC Impersonator Punished.....	4
Publications Are Profitable BBC Sideline.....	4
Labor Federation Urges Government Radio.....	5
Police Stations Listed.....	5
Reports Wanted On U. S. Modulated Frequencies.....	6
N. Y. Radio Show Reveals Sales Boom.....	7
WSAR Power Increase Recommended.....	7
Fight Opens In "News Piracy" Appeal.....	8
WDRG Given Power Increase.....	9
Insurance Police For Advertisers.....	10
Philco Advertises Its Tube Policy.....	10
FCC Explains Phone Jurisdiction.....	11
Applications Granted By FCC Broadcast Division.....	11
Industry Notes.....	12

No. 861

[Handwritten signatures and initials]

OTTAWA STATION STARTS BBC REBROADCASTS

Canadian radio listeners are getting their first taste of rebroadcasts of British Broadcasting Company short-wave programs directly from their own capital, Ottawa.

Experimental broadcasts are attempted for a half-hour each week-day, beginning at 6 P.M., EST. These are relayed to the eastern Canadian network for rebroadcasting. If the tests prove successful, the overseas programs will be extended to the western stations of the Canadian system.

The powerful short-wave receiving station near Ottawa was constructed this Summer after months of experimenting by the Canadian Radio Commission. Its chief advantages are that it will provide, if successful, daily rebroadcasts of BBC short-wave programs without the heavy expense of transatlantic radio telephone service.

Almost as easily as a listener twists his dial, operators of the Ottawa station will be able to pick up programs of short-wave stations in England, France, Germany, and other countries on what is known as the great circle line.

The only obstacle in the way of immediate success of the experiment is the uncertain quantity which has plagued radio since its earliest days - atmospheric conditions.

E. C. Buchanan, Director of Public Relations of the Canadian Radio Commission, reports that at present "The atmospheric conditions are very bad". However, the Canadian broadcasters are resourceful. When direct reception proves bad, according to Buchanan, blatterphones, or recordings, of earlier pickups are used; so that the Canadian listener is never entirely disappointed.

As a matter of fact the blatterphone recordings are more convenient for Canadian listeners because of the difference in time between England and Canada. The Ottawa station will try to transmit the BBC programs directly to Canadian listeners, however, as far as practicable.

When the service is extended to the western network, the Canadian short-wave stations, CJRO and CJRX, at Winnipeg, will be able to rebroadcast the over-seas programs.

Up to this time the Canadian Radio Commission was able to pick up British programs for rebroadcasting over its own network only through the Anglo-Canadian telephone system, which got the broadcasts at its station at Yamachiche, near Three Rivers,

Quebec, and relayed them to CRCM, Montreal. This was a costly and complicated method.

Although the Commission is not contemplating such a move at present, it is reported from Ottawa that in time a short-wave broadcasting station may be built in Canada for the purpose of transmitting Canadian programs to the BBC, thus providing a two-way communication.

The Ottawa short-wave receiver occupies a 20-acre site ten miles west of Ottawa on the Richmond road. All the latest developments in radio engineering are incorporated in the station. Two aerials, a thousand feet apart, control the fluctuating volume of sound which short-wave fans find so annoying in ordinary short-wave receiving sets.

The fluctuating volume in short-wave reception is caused by the radio waves skipping several wavelengths at regular intervals. The secret is that the waves don't jump more than ten wavelengths, and a thousand feet equalling ten wavelengths, what one aerial misses, the next aerial, a fifth of a mile away in direct line, picks up. Thus, steady volume is obtained.

It is estimated that 90 per cent of the man made interference in ordinary radio sets is picked up by the lead-in wires from the aerial.

The lead-in system in the Radio Commission's new short-wave receiving set eliminates all this type of interference. Inch copper tubing with another tube one-quarter of an inch in diameter running through but not touching the outer casing constitutes the lead-in. Little triangular supports placed at short intervals around the inner tube prevent it from touching the outer tube.

The unique feature of this important part of the apparatus is that the tubes are hermetically sealed, and are filled with nitrogen gas under a pressure of 100 pounds. This is to keep out moisture and maintain the insulation between the inner and outer tube. The pressure is tested regularly.

The lead-in tubes are connected directly with the aerial wires at the tops of the masts, cover the distance between masts and station building under five feet of earth, and enter the building through the basement wall.

This lead-in system is one of the most important parts of the whole apparatus, for it is responsible for elimination of noise in the receiver.

Next comes the receiving apparatus itself. It consists really of two complete receiving units, one for each aerial, with a combiner unit between them. The system is a development of the Canadian Marconi Company. It is known as diversity reception, and marks the latest development in commercial short-wave reception.

In the operating room is the large three-panel control board, covered with important looking dials, switches and buttons. Two of the dials on the combiner unit panel, which is in the center, show which aerial is picking up the sound waves at any particular moment. Another records the combined sound volume.

Also in the control room is a high class ordinary short-wave receiving set. Its main use is to assist in tuning the big receiver. The operator sets the latter receiver on the station he desire, but if atmospheric conditions begin to affect reception, he uses the ordinary set to locate another station which is sending the same program. The big receiver is then tuned in on the new station. By this means, uninterrupted, clear reception is maintained if atmospheric conditions are favorable.

X X X X X X X X

FCC IMPERSONATOR PUNISHED

The Federal Communications Commission reports that one Jerry Stowell, who is alleged to have posed as a Special Radio Inspector of the FCC on the Pacific Coast has been arrested, tried, and punished.

After being indicted by the Federal grand jury, he entered a plea of guilty and was sentenced to ten months in jail. The sentence was suspended for five years on condition that he repay \$15 obtained fraudulently from Charles Bartell.

X X X X X X X X

PUBLICATIONS ARE PROFITABLE BBC SIDELINE

In 1934 the income of the British Broadcasting Corporation from license fees which cost 10 shillings each was £1,710,286 and from publications after providing for bad and doubtful debts, £347,707. The net revenue for the year was £220,490. It is thus apparent how vitally important to the Corporation is the revenue accruing from advertising in its three journals, the "Radio Times", "World Radio" and "The Listener".

Of these, the "Radio Times" is by far the most important. It is the official program paper of the B.B.C. The guaranteed average net sale for 1935 is 2,400,000 copies per week. The actual average net sales figure for the first 6 months of 1935 was 2,497,757. This exceeds the circulation of any daily paper published in Great Britain and is second only to the Sunday "News of the World" for a weekly paper. The price is 2 pence.

X X X X X X X X

LABOR FEDERATION URGES GOVERNMENT RADIO

The following resolution was adopted by the Massachusetts Federation of Labor at its Fiftieth Annual Convention at Springfield, Mass.:

"Whereas, The National Broadcasting Company and the Columbia Broadcasting System, which two networks dominate the radio-broadcasting field, organized company unions and denied to their workers the right to organize and to bargain collectively; and

"Whereas, While the government itself is denied the right or the power of censorship, the Radio Trust exercises the power of censorship, in that nothing is permitted to be broadcast unless OK'd by those in control of the various radio broadcasting stations; and

"Whereas, As a result of the diversion of advertising from newspapers and magazines to radio, not less than 40,000 printing trades workers are deprived of the opportunities of employment at their trade; and

"Whereas, Such conditions are detrimental to the best interests of the members of all trade unions: Therefore be it

"Resolved, That we, the Massachusetts State Branch, American Federation of Labor, in annual convention assembled, petition the Congress of the United States to enact legislation whereby the government itself will exclusively control and operate all radio broadcasting stations and that advertising on the radio be restricted to not more than two hours of each day; and be it further

"Resolved, That our officers be instructed to send a copy of this resolution to Senators Walsh and Coolidge and to each of the Congressmen from this State, and that copies of this resolution be sent to each State Federation of Labor that they may do likewise."

X X X X X X X X X X

POLICE STATIONS LISTED

An up-to-date list of some 300 municipal police radio stations operating in the United States has been compiled by the Federal Communications Commission. The list gives call letters, cities, transmitter locations, frequencies, and power.

Copies may be obtained by writing to the Federal Communications Commission, Washington, D. C.

X X X X X X X X

REPORTS WANTED ON U. S. MODULATED FREQUENCIES

Beginning October 1st the Bureau of Standards will broadcast standard frequency signals three days each week from WWV, Beltsville, Md., near Washington, D. C.

"These radio emissions provide a standard for scientific or other measurements requiring an accurate radio or audio frequency or time rate, and are useful to radio transmitting stations for adjusting their transmitters to exact frequency, and to the public generally for calibrating frequency standards", Dr. J. H. Dellinger in charge of the Radio Research Laboratories explained.

"As the modulated emissions are somewhat experimental, it is particularly desired that users report to the Bureau their experience in using them, including: description of method of use; statement of relative fading and intensity, on the three carrier frequencies; and preference as to audio frequency to be furnished.

"On each Tuesday and Friday the emissions are continuous unmodulated waves (CW); and on each Wednesday they are modulated by an audio frequency. The audio frequency is in general 1000 cycles per second.

"On all emissions three radio carrier frequencies are transmitted as follows: noon to 1 P.M., Eastern Standard Time, 15,000 kc/s (kilocycles per second); 1:15 to 2:15 P.M., 10,000 kc/s; 2:30 to 3:30 P.M., 5000 kc/s.

"The emissions on 5000 kc/s are particularly useful at distances within a few hundred miles from Washington, those on 10,000 kc/s are useful for the rest of the United States, and those on 15,000 kc/s are useful in the western half of the United States and to some extent in other parts of the world.

"The modulated emissions, except during the voice announcements at the beginning of the hour, consist of an uninterrupted audio frequency superposed on the carrier frequency. The radiated power is only one kilowatt; reception is therefore not as reliable as for the CW emissions of Tuesdays and Fridays; it is hoped to increase the power later. The modulated emissions are somewhat experimental, and for this reason an audio frequency other than 1000 cycles per second may be used on some occasions.

"The accuracy of the frequencies as sent out from the transmitting station is at all times better than a part in five million. Transmission effects in the medium sometimes result in slight fluctuations in the frequency as received at a particular place. However, these practically never impair the reception of the carrier frequency to the accuracy stated. Under some conditions, momentary fluctuations as great as 1 cycle per second may occur in the modulation frequency. It is generally

9/20/35

possible, however, to use the modulation frequency with an accuracy better than a part in a million by selecting that one of the three carrier frequencies which has the least fading. It is helpful to use automatic volume control on the audio frequency."

X X X X X X X X X X

N. Y. RADIO SHOW REVEALS SALES BOOM

As another sign of business recovery, radio receiving set makers attending the 1935 National Electrical and Radio Exposition in the Grand Central Palace, New York City, reported they are behind on deliveries to dealers because of a large public demand for new models.

The show, which opened September 18, comprised 95 exhibitions of new equipment in the radio and electrical fields. Some 6,000 paid admissions were recorded the opening day.

All-metal and glass tubes were features of the new receiving sets. A decided trend away from the small sets was noted. The all-wave receivers set the style for large, easy-to-read dials, called "airplane dials". Many of the sets were equipped with colored lighting effects to indicate the band to which the set is adjusted.

X X X X X X X X X X

WSAR POWER INCREASE RECOMMENDED

An increase in power from 250 watts to 1 KW for WSAR, Fall River, Mass., was recommended to the Federal Communications this week by Examiner Melvin H. Dalberg.

In recommending the increase, Examiner Dalberg said: "There appears to be some public demand for this increased power from various towns and rural districts adjacent to the city of Fall River, not only upon the part of listeners but also from advertisers who desire to broadcast through the facilities of the station over a larger area than that which is locally served."

The extra power will cause no serious interference with other stations, Dalberg said. WSAR has no chain affiliation.

X X X X X X X X X X

FIGHT OPENS IN "NEWS PIRACY" APPEAL

As broadcasting of news bulletins becomes an increasingly important feature of the day's radio programs, broadcasters and newspaper publishers are watching with interest developments in the so-called "news piracy" case of the Associated Press vs. KVOS, Inc., Bellingham, Wash., before the U.S. Circuit Court of Appeals at Seattle.

Both sides have chosen eminent counsel, realizing the significance of the test case as a possible precedent for future news broadcasting policies. Former Senator Clarence C. Dill, who was the leading authority on radio problems in the Senate for several years, appears for KVOS, while John W. Davis, former presidential candidate, is counsel for the Associated Press.

At a hearing on September 13, Senator Dill set forth his arguments, but Davis was absent. Joseph Kindall, of Bellingham, spoke briefly for the A.P., but the court allowed three weeks additional time for the news service to file a new brief.

The case came up from a ruling of Federal Judge John C. Bowen at Seattle on December 18, 1934, denying an injunction sought by the Associated Press against the station to prevent it from broadcasting news that appeared in the Bellingham Herald and Seattle papers.

After explaining that KVOS hired its own local reporters and obtained its wire news from the Radio News Association of New York City, Senator Dill based his argument on four major points:

(1) The Bellingham Publishing Company and not the Associated Press should have brought the suit; (2) there was no unfair competition; (3) the A.P. suffered no injury to property rights; and (4) public interest justifies the court in refusing the injunction requested.

Scattered through the exposition on these points were some startling statements, such as:

"There is so little real competition between the radio station and the newspapers in disseminating news in this case, that it cannot be considered as actual competition. . . KVOS used only 1½ hours out of a total of 16 for broadcasting news. . . A newspaper uses the entire 100 per cent of its space, not devoted to advertising, for news features and comments on the news."

"There is a lack of competition between the radio station and the newspaper in the dissemination of news due to the fact that that radio station gives away the news to all who will tune in and listen and the newspaper sells the news."

9/20/35

Senator Dill also pointed out that radio news broadcasts last but a fraction of a second, whereas the news in a newspaper is printed and, therefore, permanent.

"News broadcasts gave birth to radio as we know it in this country", he said. "When a Westinghouse experimental station in Pittsburgh on election night in 1920, broadcast election returns - radio was born. . .

"The free radio is the feature that characterizes the American system of radio and differentiates it from all other radio systems on earth."

Concluding, Senator Dill said:

"A President might die, a nation might fall, a world become embroiled in war, but under the rules asked by appellant all citizens must depend upon the newspaper for that information for a period of 24 hours. Why change the law as it now stands, namely that news is private property while kept private, but public property after being made public?"

X X X X X X X X X X

WDRG GIVEN POWER INCREASE

An additional potential audience of 129,000 will be added to the 618,000 now available to WDRG, Hartford, Conn., by an increase in daytime power from 2,500 to 5,000 watts on 1330 kc., unlimited time, authorized September 17 by the Federal Communications Commission. Night power will continue at 1 KW.

The FCC found that there is need for the additional service in the Hartford area, WTIC, the 50,000-watt Hartford station, being the only other station rendering consistent service to the territory. WDRG, the FCC report pointed out, is the only station in that area carrying CBS programs.

The power increase was granted on condition that the station antenna is erected to a height of 215 feet and that it delivers an unattenuated field intensity at one mile of 175 mv/m for 1 KW.

X X X X X X X X X X

INSURANCE POLICY FOR ADVERTISERS

A novel manner of calling attention to the advertising possibilities of WMAQ, Chicago, has been devised by Niles Trammell, Vice-President in Charge of the National Broadcasting Company in that city.

After sending out a card of warning that an insurance premium was nearly due, he mailed out what appeared to be an insurance policy labelled "WMAQ Broadcast Advertising Insurance", with the policy numbered and made out to whomever it was addressed.

Among other things the policy insured "better reception, better coverage, and larger audience. The "premium of the 50,000 watt policy is same as 5,000 watt policy", it added, with "dividends accumulative in increased sales returns."

X X X X X X X X X

PHILCO ADVERTISES ITS TUBE POLICY

Taking a full-page advertisement in the New York Times, the Philco Radio & Television Corporation, taking a rap at metal tubes, advises readers to "be from Missouri" when they buy radio sets.

"Ten years ago, in the early days of radio, there may have been some excuse for the radio industry to conduct experiments outside the laboratory . . . for asking the public to assume the expense of testing new radios, new tubes and new circuits", the advertisement states.

"Today there is no excuse for the radio industry to experiment on the public, and at the public's expense. Philco, with its great research and engineering laboratories, like those of the great car manufacturers, is definitely committed to lifting the load from the public."

"Philco does not use metal tubes because:

"1. In metal tubes, bulb size is reduced. With the same amount of heat to dissipate, the smaller metal tubes operate at a higher temperature.

"2. This higher temperature tends to shorten tube life. It also changes the characteristics of nearby coils, resistors, etc., which impairs the delicate balance of all the various parts. . . a balance that is essential for fine performance.

"3. Many highly desirable multiple function tubes...now in general use...are not available in metal.

"4. More metal tubes than glass are required. Metal tubes are high in price. Metal tube sets cost more money and deliver less performance. And the replacement cost of a set of metal tubes is approximately double that of glass.

"5. The inability to see inside a metal tube is a real disadvantage. The transparency of glass often allows the user, the service man and the factory inspector to determine when a tube is not functioning.

"6. Loss of vacuum is a serious hazard in metal tubes. An air leak at any point . . . and there are over twice as many points to seal in metal tubes . . . stops a radio from working.

"7. At first glance, and until one remembers the proven ruggedness, power, tone, dependability and long life of glass tubes, metal tubes may make a superficial sales appeal. However, Philco never has and never will adopt any innovation merely for 'sales ballyhoo' appeal."

X X X X X X X X X

FCC EXPLAINS PHONE JURISDICTION

The Telephone Division of the Federal Communications Commission on September 18 issued an order explaining the jurisdiction of the FCC under the Communications Act of 1934 over telephone companies engaged in wire telephone communication (Docket No. 2809). Briefly, the order states every wire telephone carrier operating a toll line across a State or national boundary is subject to the Act.

X X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WIS, Station WIS, Inc., Columbia, S.C., Mod. of CP to extend completion date to Dec. 10, 1935; KGHL, Northwestern Auto Supply Co., Inc., Billings, Mont., extension of special exp. Auth. to operate on 780 kc. from Sept. 28 for 90 days; WCOP, Joseph M. Kirby, Boston, Mass., license to cover CP for new station to operate on 1120 kc., 500 w., daytime hours; WSPD, Toledo Broadcasting Co., Toledo, Ohio, license to cover CP for increase in daytime power to $2\frac{1}{2}$ KW, and installation of new equipment; 1340 kc., 1 KW night, unlimited time; KFBK, James McClatchy Co., Sacramento, Cal., Mod. of CP approving transmitter site at W. Sacramento Reclamation Dist. #900, Cal., make changes in equipment and extend commencement date to 10 days after grant and completion date to 90 days thereafter; WREC, WREC, Inc., Memphis, Tenn., Mod. of CP extending commencement date to Oct. 12, 1935; KABR, Aberdeen Broadcast Co., Aberdeen, S. Dak., Mod. of license to make changes in antenna, increase hours of operation from daytime to unlimited using 100 watts; WBZ, Boston, Mass., and KDKA, Pittsburgh, Pa. Westinghouse E & M Co., licenses to cover CP authorizing changes in equipment only.

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 24, 1935.

German Air Ministry Adopts Television.....	2
Federal Trade Commissioner Discusses Radio Advertising.....	3
More Power Urged For Two Indiana Stations.....	3
Caldwell's Radio Trade Magazine Makes Appearance.....	4
London Radio Show Proved Big Business Getter.....	4
Scripps-Howard Denies National Chain Plan.....	5
Bellows To Have Radio Industry Article In Harper's.....	5
Amateurs Put Bowes In Million Dollar Class.....	6
No Radios In For-Hire Autos In Ceylon.....	6
Exclusive Gridiron Broadcasts Challenged.....	7
Investment In Sets Heavy.....	7
Canada Controls Radical Air Addresses.....	8
FCC Reverses Itself.....	8
Transradio Adds Three More Papers.....	8
Prosperous Year For Broadcasters Seen.....	9
Philco Places Additional Million Lines Newspaper Advertising..	10
Better Papers Urged To Meet Radio.....	11
RCA Issues Parts Reference Book.....	12

No. 862

1935

September 24, 1935.

GERMAN AIR MINISTRY ADOPTS TELEVISION

As war clouds gather more ominously over Europe again, the highly significant information leaks out of Berlin that the German Air Ministry has taken over all television experimentation and developments. The information, which was withheld from the German press by the Propaganda Minister, was transmitted to the United States Bureau of Foreign and Domestic Commerce by Roland Welch, Assistant Trade Commissioner stationed in Berlin.

Television in Germany heretofore has been under the direction of the Reichsrundfunk-Gesellschaft (the government-owned broadcasting system) in conjunction with the Post Office Department.

The transfer, according to the Berlin report, will bring about a complete about-face in the experiments in visual broadcasting. Instead of being developed for public entertainment, television in the Reich will unquestionably be adapted to modern military maneuvers in preparation for the next European war.

"Although no comments by government officials have been forthcoming", Mr. Welch reported, "it is believed that the development of television in Germany will be greatly affected by this transfer.

"On the one hand, there will probably be no expense spared for experimentation and development of television. Doubtless, the construction of 12 television broadcast stations previously proposed will not be rushed to completion.

"On the other hand, it is naturally supposed that experiments and developments will now move away from their previous course, which was directed to public entertainment, and take up a new orbit directed principally toward the perfection of television for aircraft.

"It is not expected that the development of receiving sets by private concerns will be affected, and Germany still hopes to have thousands of receivers within the homes in a few years. But the transfer of activities to the Air Ministry undoubtedly would not have been accomplished if it were not the purpose of the German government to recognize and utilize television as a very important branch of aviation, particularly military aviation."

X X X X X X X X X

FEDERAL TRADE COMMISSIONER DISCUSSES RADIO ADVERTISING

Advertising in general and broadcast advertising in particular came in for the attention of E. J. Adams, Chairman, Special Board of Investigation of the Federal Trade Commission, in an address before a meeting of broadcasters, advertisers, and agency men in Chicago.

Mr. Adams said:

"There is no value in advertising, unless the reader or listener believes what he is told in the advertisement. Every time he is deceived, his confidence is reduced. Unless truth in advertising copy is demanded by publishers and radio stations, the public will not long respond to advertising appeals, and this source of revenue for publishers and radio stations will come to an end. . . . As publishers rejected advertising copy to sell questionable products, and misleading advertising copy to sell good products, many of such advertisers turned to the radio stations, and offered their copy for broadcast. The radio stations needed the revenue, and most of them were not familiar with the efforts of reputable publishers to keep their advertising columns clean. The result was that much very bad advertising has gone out over the air, and the time has come for the radio industry to clean house. . . .

"If many radio stations expect to survive, they must respect and protect listener confidence. The programs must be clean, and the representations by advertisers must be reliable and truthful. Those stations that permit worthless products to be advertised, or good products misrepresented over the air from their stations, will not long endure, and those stations that protect the public from offensive programs and false advertising will find their facilities in demand by reputable advertisers."

X X X X X X X X X X

MORE POWER URGED FOR TWO INDIANA STATIONS

An increase in daytime power for WLBC, Muncie, Ind., and WTRC, Elkhart, Ind., from 100 to 250 watts was recommended September 18 to the Federal Communications Commission by Examiner Ralph H. Walker.

The stations operating on 1310 kc. also asked for an increase from 50 to 100 watts power at night, when they share time. Examiner Walker recommended denial of this request.

X X X X X X X X X X

9/24/35

CALDWELL'S RADIO TRADE MAGAZINE MAKES APPEARANCE

A timely and comprehensive survey of the radio trade outlook, general business conditions, the broadcasting industry, and news of interest to the whole industry are contained in the first issue of "Radio Today".

O. H. Caldwell, former Radio Commissioner, and long-time radio editor, is editor of the magazine, published by M. Clements in New York City.

Tersely written and profusely illustrated, the magazine has the appearance of a news periodical on the order of "Time". Among the articles are reviews of the tube situation, the farm market, and what is termed "The War Against Radio" by the press.

X X X X X X X X X

LONDON RADIO SHOW PROVED BIG BUSINESS GETTER

The total turnover of the British radio industry in the year inaugurated by the Olympia show will be nearly £30,000,000. This estimate was given by J. H. Williams, Chairman of the Radio Manufacturers' Association.

He anticipates that in the 12 months, 1,750,000 receivers will be sold, compared with 1,500,000 in the previous "radio year", when (from show to show) the total turnover was approximately £25,000,000.

He thought that the London exhibition indicated a steady expansion of trade. It was another sign that the 8,000,000 peak in receiving licenses would be reached.

Inquiries among tube manufacturers revealed the expectation that 10,000,000 tubes would be sold in the year - about 7,000,000 in new sets and the remainder in replacements.

Satisfactory expansion of overseas trade was reported by many firms. There are growing markets, particularly for all-wave sets, in India, Africa and the Empire generally. British sets, despite export difficulties and foreign competition, are finding their way into many countries. Among the chief foreign buyers are Norway, Sweden and Belgium, though business has been done with a score of others.

X X X X X X X X X

SCRIPPS-HOWARD DENIES NATIONAL CHAIN PLAN

The Scripps-Howard Newspapers chain has no immediate plan of establishing a radio broadcasting station in each of the 24 cities where it now operates a paper, according to statements of officials, despite published reports to the contrary.

The Federal Communications Commission, reversing itself today (September 24) approved the sale of WFBE, Cincinnati, to the Scripps-Howard Newspapers (Continental Radio Co.). The application for transfer had been set for hearing.

James C. Hanrahan, who filed the application, told Editor & Publisher:

"We have no plans, intentions, or hopes of operating 24 stations - one for each newspaper - as reported."

Karl A. Bickel, who heads the Continental Radio Company, the Scripps-Howard radio subsidiary, was quoted as follows:

"Scripps-Howard's purchase of WCPO most emphatically does not mean that Scripps-Howard is planning any extensive investment in the broadcasting industry", he said. "It does not mean that Scripps-Howard is considering a station in each of the 24 Scripps-Howard cities. It does not mean that Scripps-Howard is planning a transcontinental radio chain system of its own.

"It does mean that we feel that there are possibilities in radio for the development of a closer and more intimate contact between the readers of Scripps-Howard newspapers and the men and women who produce the papers. We feel that we should give these possibilities careful study and hope that we may find ways and means of increasing the effectiveness and value of both of these great instruments for social advancement."

Scripps-Howard plans to construct other stations at Columbus and Toledo next year and to change the call letters of the Cincinnati outlet to WCPO.

X X X X X X X X

BELLOWS TO HAVE RADIO INDUSTRY ARTICLE IN HARPER'S

Henry A. Bellows, formerly Vice-President of the Columbia Broadcasting System, will have an article dealing with the radio industry in the November issue of Harper's Magazine.

X X X X X X X X X X

9/24/35

AMATEURS PUT BOWES IN MILLION DOLLAR CLASS

Major Edward Bowes is the new No. 1 money man of show business with a current weekly income that, if maintained, will place him in the \$1,000,000-a-year class, according to Variety, which continues:

"About 98% of the total comes through his amateur shows on the radio, screen (shorts) and in theatres (units).

"Bowes' present estimated weekly income runs in the neighborhood of \$19,000. It is derived from four sources, three of which pertain to amateur shows.

"On his commercial (Chase & Sanborn) air program, Bowes draws \$5,500 a week. At present there are five Bowes amateur units playing theatres, with more to come, and with the first five already netting him an estimated \$12,500 weekly. For 26 screen shorts, in which amateurs are also used, Bowes gets \$52,000 at the rate of \$2,000 per short, or \$1,000 a week on a year's basis. In addition to his amateur show activities, Bowes is still managing director of the Capitol theatre on Broadway, through which he is understood to average about \$500 a week."

X X X X X X X X

NO RADIOS IN FOR-HIRE AUTOS IN CEYLON

The little island of Ceylon, off the southern coast of India, is preparing to issue a ban against the reception of radio programs in motor vehicles for hire. The prohibition has been decided upon by the Executive Committee of Local Administration, according to a consular report to the United States Bureau of Foreign and Domestic Commerce. Emergency legislation to place the ban in effect will be introduced in the State Council.

Apparently only taxicabs, private hiring cars and buses are to be affected by the order. Private car owners can do as they please.

The Ceylon authorities, according to the trade report, feel that radio sets in cars "are likely to distract the attention of the driver and to increase the likelihood of accidents."

The only motor cars and buses now equipped with radio sets are those of American or Canadian manufacture.

X X X X X X X X

9/24/35

EXCLUSIVE GRIDIRON BROADCASTS CHALLENGED

As another football season opens, an interesting test case of the right of a State University to sell exclusive football broadcasting rights to a commercial radio sponsor looms in Ohio.

The Scripps-Howard Newspapers, which this afternoon (Tuesday, September 24) received approval from the Federal Communications Commission for the purchase of WFBE (to be renamed WCPO) at Cincinnati, have already raised the issue in challenging the right of Ohio State University to sell the privilege of broadcasting its games to the Ohio Oil Company.

While most of the larger universities appear to be going forward with plans to permit exclusive commercial sponsorship of their gridiron games, Raymond Walters, President of the University of Cincinnati, announced a new policy of "freedom of the air".

All responsible broadcasting companies were informed they might broadcast the University's games this season, the only reservation being that the University should have the right to approve or disapprove sponsorships should the University's name be linked with any unworthy advertising over the air.

A survey made by Editor & Publisher revealed that of 25 schools receiving funds from public sources, 15 have exclusive broadcast arrangements and all but one will allow some or all of their big games to be broadcast.

On the Pacific Coast, the Associated Oil Company is starting its tenth consecutive season, using 24 western stations, of broadcasting all of the important games on the West Coast. Five Los Angeles stations, however, broadcast the local Pacific Coast Conference games as well.

X X X X X X X X

INVESTMENT IN SETS HEAVY

Approximately 90 percent of the total \$2,000,000,000 invested in the radio industry is in receiving sets, according to a new survey of the Electrical Household Equipment Industry just completed by the Poor's Publishing Company.

X X X X X X X X

CANADA CONTROLS RADICAL AIR ADDRESSES

With political upheavals almost universally threatened, the Canadian government has taken steps to prevent the use of radio for disseminating revolutionary propoganda.

An amendment to the Canadian Radio Act, adopted late in August and recently distributed, gives the Canadian Radio Broadcasting Commission authority which the Federal Communications Commission of this country lacks.

The amendment reads:

"No broadcasting station may rebroadcast any speech, printed matter or program containing defamatory, libellous, or obscene statements with regard to persons or institutions, or statements of a treasonable character or intended to promote change by unlawful means and which might lead to a breach of the peace, or any advertising matter containing false or deceptive statements."

The amendment was adopted, timely enough, just prior to the national elections, which threaten the present conservative government.

X X X X X X X X X X X X

FCC REVERSES ITSELF

The Federal Communications today reversed itself by approving the sale of Station KGKO, Wichita Falls, Texas, to Amon Carter, Fort Worth, Texas, publisher. The station was authorized to move to Fort Worth. The application had formerly been set for hearing.

Reducing the number of stations whose applications for renewal of license had been set for hearing to three, the FCC renewed the license of KMBC, Kansas City.

X X X X X X X X

TRANSRADIO ADDS THREE MORE PAPERS

The Transradio Press Service has recently announced that the Harrisburg (Pa) Telegraph has signed for full 18-hour-a-day leased teletype service. Station WHP at Harrisburg, which is owned by the Telegraph, will also broadcast Transradio news.

The inauguration of several new dailies in other parts of the country, facilitated largely by the availability of Transradio's service, was also made known. Among these were the San Francisco Morning Post and the Peoples' Voice, of Paterson, N.J.

X X X X X X X X X

9/24/35

PROSPEROUS YEAR FOR BROADCASTERS SEEN

Additional recognition of an increase in revenue to broadcasters came in the current issue of Variety, which forecast a \$85,000,000 gross for 1935. The trade resume follows, in part:

"Broadcasters right now are making plans for the merriest Christmas and the happiest New Year they've ever had. All indications point to an \$85,000,000 gross for 1935 which means 12 sweet million more than in the highest previous annum.

"For that happy state of affairs, radio can address its orchids to such giants as General Foods, Proctor & Gamble, Standard Brands, Ford, Pepsodent, Campbell Soup, et al. The big boys dug deep into their pockets this year, and hauled out enough dough to enable them to grab off a monopoly of the night-time network circuits, thereby allowing the small advertising fry into an overflow reservoir. When that spilled over, the local stations partially sponged it up. The situation means caviar at most every table.

"The National Broadcasting Company reports that the average per sponsor expenditure this year is up \$43,000 over last. Average station hours per sponsor zoomed from 437 to 578 on the same web. The Columbia Broadcasting System is calculating its sponsors for \$20,000 more apiece than last year, and says there is a marked trend toward coast-to-coast hookups.

"Momentum derived from that situation is now regarded as speedy enough to hold well into next year. The networks (who do nearly 60% of the total radio business) have developed a knack for catering primarily to big advertisers who hold the strings to the richest purses. So long as the webs can keep up that intimacy, radio is practically certain of a reasonably good intake. Success stories about radio are being circulated faster than ever right now and success stories are one of the best ways of making the big-timers write out checks for appropriations.

"Another big boon to radio's future well-being is indirectly supplied by the U. S. Government. Washington is bearing down on the relief handouts and farm subsidies, and that dough, of course, winds up in the big advertisers' cash registers eventually. There's some \$4,880,000,000 ready to circulate in relief alone. The hayseeds are getting their share, too, via subsidies for not raising pigs, potatoes, cotton and wheat, and in some cases there are pegged prices on what they do raise. How the plow-jockeys benefit by these tactics is illustrated in a Standard Statistics report that sales of farm implements were up 75% early this year and that the mail-order houses are doing a walloping business.

"As the broadcasters see that situation, it means more money for their pets - the big sponsors - and more radio time from each of them, since none wants his competitors to beat him to the draw."

X X X X X X X X X

PHILCO PLACES ADDITIONAL MILLION LINES NEWSPAPER ADVERTISING

Confident that the American public desires and has the ability to buy radios which embody the latest developments of science and invention, Philco Radio & Television Corporation has announced a new, nation-wide newspaper campaign.

To dominate the principal trading areas of the United States and Canada, over a million lines of advertising will be used in nine weeks beginning October 1. This is in addition to the space already scheduled for that period.

"We know that business conditions are definitely better, that the public wants the best radio instruments that money can buy, and that radio is becoming more and more indispensable to the entertainment and education of the American family", said Sayre M. Ramsdell, Vice-President in Charge of Advertising and Sales Promotion.

"Our record breaking sales of home and automobile radios during the past eight months, prove that the public buying power is greater and more widespread, and that radio listeners demand high-fidelity sets to enable them to hear the many high quality programs now on the air", he added.

"The remarkable ability of short-wave sets to bring in foreign stations with surprising regularity and clearness; the advantage of having all the broadcasting services in one radio; and the improved reception obtained with all-wave noise-eliminating aerials have contributed to the popularity of radio.

"Increased sales are anticipated during the Fall months not only in home sets, but also in automobile radios. The greater enjoyment of motoring in radio-equipped automobiles has become so apparent that it is expected public demand will soon establish radio as standard equipment for all leading makes of automobiles."

At the plants where Philco radios are made, over 10,000 workers are now employed at the highest wages in the radio industry, Mr. Ramsdell said.

X X X X X X X X

9/24/35

BETTER PAPERS URGED TO MEET RADIO

Improved newspapers are the answer to radio news competition and other threats facing publishers today, speaking before the Fall conference of Northern California members of the California Newspaper Publishers' Association stressed in the sessions held at Stanford University, Palo Alto, Cal., according to Editor & Publisher.

"While some differences in opinion were noted in the type of improvements, the concensus of speakers addressing the conferences was that the radio newsbroadcasting is here to stay, that this type of news dissemination will improve during the next few years and that the publisher's best attitude is to stick to his own job and turn out a better product", the publishers' trade organ reported.

"The conference obtained particular importance from the recent C.N.P.A. agitation against press association sale of news to broadcasting stations. In addition, the C.N.P.A. has before it a proposal for the admission to membership of free-distributed papers."

A 75 per cent local newspaper was advocated by Ray Judah, co-publisher of the Santa Cruz (Calif.) News, following a lengthy exposition of the radio situation in which he urged publishers to "stick to their knitting."

"I am suggesting and strongly urging upon all secondary daily owners that they begin at once to turn out highly improved local newspapers", Mr. Judah said. "Gentlemen, radio cannot beat you on local news. As a small daily publisher I would start at once investing money in the enlargement of your local reportorial force, in the improvement of your small local as well as your big local, and let this include your country correspondents. Raise their pay."

X X X X X X X X

Station WJR, Detroit, will be welcomed to the CBS network on September 29th in an elaborate program broadcast over a coast-to-coast hookup from 8 to 9 P.M. EST. The broadcast will mark the dedication of WJR's new 50,000-watt transmitter.

X X X X X X X X

9/24/35

RCA ISSUES PARTS REFERENCE BOOK

A comprehensive 92-page parts catalogue of technical information for the radio serviceman and dealer has just been issued by the RCA Manufacturing Company for selective distribution through wholesale RCA radio and parts distributors.

In it are listed all of the numerous radio replacement parts and specialty apparatus with their electrical and mechanical characteristics and specifications so that the serviceman can get all the information he needs on a part or piece of apparatus at a glance. There are also profuse illustrations, schematic diagrams and technical information on the functions of the various parts in their circuits. Prominent space is devoted to an assortment of recently developed RCA test and measuring apparatus, such as the cathode-ray oscillograph and beat frequency oscillators. Sections of the book deal with such subjects as short-wave and noise reducing antenna systems, public address and sound reenforcement, phonograph modernization, and many others.

A particularly useful feature is the inclusion of an exhaustively cross-indexed chart of all the important replacement parts for the RCA Victor radio receivers and the corresponding models of the General Electric, Graybar and Westinghouse Companies, with stock numbers and prices.

X X X X X X X X

NOTES

J. R. Poppele, Chief Engineer at WOR, Newark, will speak to students of RCA Institutes, Inc., at 2 P.M. September 27, on "Desirable Personal Characteristics of the Broadcast Engineer".

The likely closing of a three-way deal between Esso (Standard Oil of New Jersey), NBC, and U.P., not yet consummated will not affect the use by NBC of Press Radio's regular and flash bulletins as a sustaining program, accoring to an NBC statement to Editor & Publisher.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 27, 1935

WRVA Wooden Tower Greatly Broadens Service Area.....	2
FCC Policy Apparently Approves Transfers.....	4
Women's Radio Group Defends Commercial Broadcasting.....	4
Four Ocean Liners To Get Facsimile Receivers.....	5
Clash Reported Between Members Of The FCC.....	6
Three Power Increases Approved By Examiners.....	6
Radio Pioneers Turn Eyes Towards Ethiopia.....	7
Only Three License Renewals Are Still Held Up.....	8
Colon Station In Market For Amateur Talent - Free.....	9
Industry Notes.....	10
Mutual System Is One Year Old.....	11
Applications Granted by Broadcast Division FCC.....	12

No. 863

Handwritten initials and scribbles at the bottom of the page.

WRVA WOODEN TOWER GREATLY BROADENS SERVICE AREA

The all-wooden tower erected last Spring by WRVA, Richmond, Va., has proved its effectiveness in greatly extending the station's service area even during the Summer months, when broadcasting is usually at its worst.

Field strength measurements made by Paul F. Godley, of Upper Montclair, N. J., have shown an approximate increase in the station's dependable nighttime service of 400 per cent and a jump in daytime service of 300 per cent, according to C. T. Lucy, Manager of Station WRVA.

So encouraged is the management of Larus & Brothers, tobacco manufacturers, over the experiment that it now is evolving plans for even greater coverage and has filed an application with the Federal Communications Commission for a permit to increase its power from 5,000 watts to 50 KW.

The tower is a gigantic tripod, rising 320 feet and constructed entirely of wood. Although wooden radio towers have been in use in Europe for several years, WRVA was the first station in this country to experiment with it.

European radio engineers have contended that wooden towers absorb fewer radio waves than do steel towers and consequently permit the transmission of stronger signals.

"The use of the 'low-velocity' antenna system on WRVA's new 326 foot wooden tower has effected a very material increase in the service area of the station", Mr. Godley stated.

"Since WRVA operates on a cleared channel, most important gain is found in the extension of the primary nighttime service. The so-called fading zone of the station has been pushed out to such an extent that dependable night-time service area shows an increase of approximately 400 per cent.

"Although surveys have not been completed, it can be said that the effect upon daytime service is the approximate equivalent of a three fold increase in power in the old WRVA antenna."

Denying a rumor circulated among Washington radio engineers that WRVA's radiated signal takes a material drop in rainy weather, Mr. Lucy said the effect "is exactly the opposite".

"Whereas in our old antenna system using the two steel towers, there was an appreciable drop in our antenna

9/27/35

current during rainy weather because of apparent leakage over the insulators in the base of each tower, we are gratified to note that since we have been using the wood tower there is no change whatsoever in our output during rainy weather", he said.

As testimony in support of the engineering report, Mr. Lucy cited the following excerpts from listener letters:

Binnewater, N. Y. - "I heard your station Wednesday night. It came in better than ever. I am receiving more and better results, and I believe the new tower is bringing those results to me." - W. F.

Bowling Green, Va. - "Since you have gotten the new wooden tower up I can get the programs fine at night; before that time I had some trouble in getting them clear, but now they come in fine without the humming they had in the past." - T.W.V.

Charlottesville, Va. - "As to the reception with the new antenna, it is infinitely better. I didn't think that it could be improved to such an extent. Heretofore we have been unable to obtain clear reception through WRVA after six o'clock in the evening, but now we get it very clearly." - Miss M.E.

The use of wood for a radio tower is made possible by a very simple contrivance called the modern timber connector, developed abroad from an idea conceived in this country several decades ago, according to the National Lumber Manufacturers' Association.

The tripod or triangular idea which makes WRVA's new tower differ so radically from the ordinary square-based or four-legged affair, is American in both its origin and development. A recent invention of a Washington, D.C., engineer, the triangular form was employed for the first time in WRVA's new station, although fourteen Forest Service lookout towers of this type are now being constructed in the Northwest. The triangular feature is valuable in that it reduces resistance to the wind and enhances the economy factor, as it decreases by approximately 25 per cent the amount of lumber needed.

The corners of WRVA's tower are $38\frac{1}{2}$ feet apart at the tops of the foundation piers. From this the structure tapers to a point where, 280 feet above the ground, the corners are but 15 inches apart. The balance of the height is attained by a flag staff which thrusts upward 40 feet from the apex of the tower proper.

X X X X X X X X X

FCC POLICY APPARENTLY APPROVES TRANSFERS

Despite an occasional demand on Capitol Hill that broadcasting frequencies be returned to the Federal Communications Commission when a licensee no longer wishes to use them, the FCC apparently intends to go ahead approving transfers to new owners.

Three such transfers have just been approved by the FCC although there was at first a gesture of scheduling a public hearing and then cancelling it. The FCC itself seems to be divided on the issue.

The transfers most recently approved included the sale of WFBE, Cincinnati, to the Scripps-Howard newspapers, which have organized the Continental Radio Company. The call letters will be changed to WCPO.

The other transfers which got the FCC permit were KGKO, Wichita Falls, Tex., to Amon Carter, Fort Worth publisher, and KFRU, Columbia, Mo., to Luther L. Hill. KGKO is to be moved to Fort Worth.

X X X X X X X X X X

WOMEN'S RADIO GROUP DEFENDS COMMERCIAL BROADCASTING

Although one of radio's severest critics, the Women's National Radio Committee comes to the defense of the commercial broadcasting system in its second issue of Radio Review, a pamphlet released on September 21st.

The Committee makes it clear that it still thinks there is room for improvement in radio advertising, but it has this to say in defense of things as they are:

"Correspondence with members and non-members convinces us that the national audience does not resent radio advertising. It is merely the abuses of the system, caused by poor judgment on the part of advertisers and their agencies, which provoke indignant protests and heap bitter criticisms upon radio."

Conditions would be better, the Committee states, if radio and the press would patch up differences,

"We believe radio may be used most effectively to complement advertising in newspapers and magazines", the Committee contends. "This presupposes a harmonious relationship between radio and the press which at present does not exist, and so we wish to ask both factions at this time, 'Won't you please kiss and make up?'"

The following programs and talent are given approval in the new Radio Review:

"The Wife Saver" (NBC Red); "Saturday Musicales" (CBS but not running now); "Today's Children" (NBC Blue); "Story of Mary Marlin" (CBS); "Vic and Sade" (NBC Red); "America's Hour" (CBS); "Veloz and Yolanda's Orchestra" (WOR and WGN); "A & P Gypsies" (NBC); "Grace Castagnetta" (WEVD); "Lady Esther-Wayne King" (NBC & CBS); "NBC's Music Guild"; "Women in Washington" (WMCA-WIP); "The Eton Boys" (CBS); "Poet's Gold" (CBS); "Fred Waring's Ford Program" (CBS).

X X X X X X X X X

FOUR OCEAN LINERS TO GET FACSIMILE RECEIVERS

After months of experimentation, the facsimile radio transmission of weather maps and newspapers from short to ships has reached a practical enough stage to merit installation of receiving apparatus on four ocean liners.

Charles J. Pannill, President of the Radiomarine Corporation of America, made the announcement this week upon returning from Europe after attending the Seventh Annual Meeting of the International Radiomaritime Committee in Brussels. He did not name the liners.

Tests have been in progress on the United States liner "President Harding", Mr. Pannill said, and the mechanical details of transmission have been developed to a stage where the service is marketable. He predicted that every passenger liner in the future will be equipped with the service.

A map, or one page of a newspaper can be sent to a ship in 25 minutes, Mr. Pannill said, and it is planned to send maps twice daily, showing not only wind directions, hurricane data, the position of icebergs and derelicts, but also the position of as many liners and freighters as possible.

Facsimiles have been radioed across the Atlantic before, sent out from the Riverhead, L.O. station of the company and received at various places on sets which traced graphs and charts with automatic pen-and-ink recorders. Because of the special problem presented by a mobile instrument at sea, development of the short-to-ship service was delayed until Charles J. Young, son of Owen D. Young and a research worker in the corporation's laboratories, developed a carbon recorder which is not affected by ship motion, no matter how severe.

X X X X X X X X X

CLASH REPORTED BETWEEN MEMBERS OF THE FCC

A reported clash between the Telegraph Division and the Broadcast Division of the Federal Communications Commission has rocked the FCC offices but brought forth neither an affirmation nor a denial of the story. The rift is said to have resulted from a stinging rebuke administered recently by Commissioner Irvin Stewart, Chairman of the Telegraph Division, to his colleagues, Anning S. Prall and Eugene O. Sykes, of the Broadcast Division.

Stewart in an executive session, according to Variety, charged "favoritism, toadying to influential petitioners, and violations of the Division's own rules of procedure."

Minutes reputedly describing the quarrel were refused a Variety reporter by Herbert L. Pettey, Secretary of the FCC.

Stewart's outburst is said to have followed Judge Sykes' recommendation that the Commission decline to reopen the case of WSMB, New Orleans, on the ground that an appeal from the Broadcast Division's rejection of a power boost application came too late.

"The Stewart blast came out of an entirely clear sky and threw the regulatory agency into complete confusion and bewilderment", said Variety. "It looks like a serious incident, which may lead to an explosion with far-reaching political consequences."

The Telegraph Division Chairman protested "against disregard of regulations and the practice of granting applications without hearings or through consideration of the merits of various propositions. He cited the boost in power from 500 watts to 1 KW of KRNT, Des Moines, Ia.

When questioned by newspapermen, Stewart refused to either affirm or deny the story.

X X X X X X X X

THREE POWER INCREASES APPROVED BY EXAMINERS

An increase in daytime power from 1,000 watts to 5 KW was recommended for Station KYA, San Francisco, Cal., by Examiner Melvin H. Dalberg in a report to the Federal Communications Commission September 23.

At the same time Examiner George H. Hill recommended that the FCC reaffirm its grant of 5 KW daytime permit to WWJ, Detroit, and allow WAAF, Chicago, which operates on the same

9/27/35

channel (920 kc), to increase its daytime power from 500 watts to 1 KW but to deny its request for a construction permit to operate at night with 500 watts.

The Examiner held that the power increases in the daytime would not cause any great interference and that no evidence was offered in support of WAAF's request for night operation.

Granting of a construction permit to erect a new station at Moorhead, Minn., to operate on 1310 kc., 100 watts, unlimited time, was recommended by Examiner P. W. Seward conditional on the proposed removal of KGFK from Moorhead to Duluth.

X X X X X X X X

RADIO PIONEERS TURN EYES TOWARDS ETHIOPIA

While the layman radio listener, even though he possesses an all-wave receiver, probably will be undisturbed by the State Department's request of the Navy for an emergency radio station at Addis Ababa, short-wave fans - the radio pioneers - will look on it as a new world to conquer.

Four expert radio men from the Navy Department at Washington are en route to Addis Ababa, Ethiopia, for the purpose of insuring rapid communication between the State Department and the American Legation in case of an Italo-Ethiopian war and a breakdown in the present communication system.

There is only one radio station at Addis Ababa - ETA - and it is a radio telegraph transmitter which until recently sent out only dots and dashes that mean nothing to the average listener.

Upon this station all diplomatic representatives and newspaper correspondents are dependent for immediate communication with the outside world. If it should get out of order, the world might wait for several days for word from the Ethiopian capital.

The story of how this station has risen suddenly from an obsolete wireless telegraph link to the place of an important international broadcasting device is told by George M. Lilley, Radio Editor of the Philadelphia Inquirer, as follows:

"Station ETA was of little concern to America until first news of the impending Italo-Ethiopian embroilment flashed across the borders.

"It was only hours then until enterprising, foreseeing RCA Communications, Inc., had jumped into the scene. Those who

controlled the affairs of ETA were soon won over. Not long afterwards Ethiopian ETA cast the jabbering voices of men into the sultry, watery heavens - not just dots and dashes that people don't understand.

"Eight thousand miles away, at RCA's Riverhead, L.I. station they anxiously scanned radio's wonder bands for vestiges of the waves created in the far distant land. And quite a surprise was in store.

"Station ETA could be heard, could be heard here loudly - direct. In spite of the fact that its power totalled only 2 kilowatts and no form whatsoever of directional antenna was being used, the waves from Addis Ababa rolled through so readily that RCA decided no intermediate relay point should be needed for network relays. None has been employed on the rebroadcasts already put on.

"Usually signals streak out to their American destination on either 7.62 or 18.27 megacycles, the former used during the late afternoons and nights for reception here, the latter when daylight spreads over most of the path.

"Personal observations, however, soon showed that Addis Ababa isn't received so clearly by we average fans as it is at RCA's highly elaborate terminals of reception."

The Navy's emergency station, when erected, will send signals even less intelligible to the average listener as both code and dot and dashes will be used.

The signals probably will be relayed to Washington via the Philippines and San Francisco. They will be received at the Naval Research Laboratory at Bellevue, D.C., decoded, and rushed to the State Department.

X X X X X X X X

ONLY THREE LICENSE RENEWALS ARE STILL HELD UP

Out of a score of station license renewals set for hearings early in the Summer, the Federal Communications Commission has granted renewals from time to time to all but three outlets.

The renewals have led observers in the trade to believe that perhaps the hard-boiled attitude earlier assumed was a show for the benefit of Congress.

The three stations whose licenses are still being held up are KFRC, San Francisco; KNX, Los Angeles and WTMJ, Milwaukee. A hearing is scheduled for October 14. KMBC, Kansas City, Mo., and KMA, Shenandoah, Ia., were granted temporary renewals at the last FCC meeting subject to future action on the application for renewal.

X X X X X X X X

COLON STATION IN MARKET FOR AMATEUR TALENT - FREE

While broadcasting stations in this country are having to turn away ambitious amateur performers who wish to crash the ether waves, the newly-established broadcasting station at Colon, Panama, is having trouble finding sufficient talent.

Amateurs at first flocked to the studio of HP50, when it opened late in July, according to a report to the Bureau of Foreign and Domestic Commerce, but they "have since lost interest and are now scarcely available."

The station has resorted to phonograph records of good quality, mainly male singing numbers, to supplement the occasional personal performances still available. Local religious, memorial, patriotic and similar broadcasts are being advertised for the station free of charge in the news columns of the local press to attract public attention to the new radio enterprise. Amateur announcers, willing to try out their abilities without pay, are being tested. Broadcasting hours are not yet fixed or regular but are being timed usually to reach a relaxing public around noon and in the early evening.

Station HP50, Colon's first broadcasting transmitter, operates on 1440 kc. with 25 watts power. It is the third station in the Republic of Panama, the other two being a long-wave station, HP5B, and a short-wave station, HPSJ, both in Panama City.

The aerial of Station HP50 is suspended between wooden towers on the flat roof of the Carbone Building and is T-type, about 100 feet long, with four wires on flat top or horizontal section, raised about 125 feet above land.

"The venture is admittedly largely experimental", Consul James Loder Park reports, "but the prospects for profit are good. The two main difficulties encountered are to obtain unpaid performers to entertain with speeches, singing and instrumental musical performance, and to obtain support of the running expenses of the station, plus a reasonable profit on the investment, by advertising local business houses. Amateurs were available at first, but have since lost interest and are now scarcely obtainable.

"A relay service for foreign short-wave programs is proposed, as promising popular approval. Short-wave reception is difficult and interference sufficiently great that set owners often find the necessary manipulation too great, and as radio interest appears to be more strictly for the programs than for DX accomplishment, the popular choice promises more following for relayed programs than for direct reception."

X X X X X X X X

: : : : _____ : : : :
 : : : : INDUSTRY NOTES : : : :
 : : : : _____ : : : :

Anning S. Prall, Chairman of the Federal Communications Commission, presented the Columbia Broadcasting System medal for distinguished contribution to the radio art to Rear Admiral Richard E. Byrd in New York City on September 25. His address was broadcast.

David Sarnoff, President of the Radio Corporation of America, speaking from aboard the S.S. "Majestic" at sea, inaugurated the RCA radio matinee series on the National Broadcasting Company network September 29. Mr. Sarnoff was en route home from Europe.

The Director of the French Broadcasting Service (under the control of the Ministry of Posts, Telephones and Telegraph), has just announced that no change will be effected in wavelengths in France during 1935-36, according to present plans.

The Federal Communications Commission has issued a summary of the July reports of large telephone carriers having operating revenues in excess of \$250,000. Copies may be obtained from the FCC office.

What is reported as the first war clause written into a radio contract is that of Locatelli, Inc., New York distributor for Bel-Pae cheese, with WOR, Newark. The distributor reserves the right to cancel the contract in event of an Italo-Ethiopian war or any emergency which would prevent the importation of the cheese from Italy.

Alfred P. Sloan, Jr., President of General Motors, announced in New York September 28th that the General Motors concerts will return to the NBC-WEAF network October 6 with the hookup increased from 20 to 64 stations.

Leonard Hole, recently with Benton & Bowles and previously with NBC, has been appointed assistant to W. B. Lewis, Director of Commercial Programs on Columbia Broadcasting System.

Stanley W. Barnett, formerly Manager of WBAL, Baltimore, has been made Manager of WCOD-WASH, Grand Rapids, Mich., just as the station becomes a full-time outlet for both NBC red and blue network programs. Barnett at one time was Manager of WOC, Davenport, Ia., and is a graduate of the Naval Radio School of Harvard.

X X X X X X X X

MUTUAL SYSTEM IS ONE YEAR OLD

The Mutual Broadcasting System, composed of the four basic stations WOR, Newark; WGN, Chicago; WLW, Cincinnati, and CKLW, Detroit-Windsor, becomes one year old on October 1. During that time the network has developed into a strong working unit with a record of one million dollars in sponsored business for the first year and a prediction that that total will be doubled in the year 1935-36.

CKLW, 5,000 watt station, became a member of the System September 29, being welcomed to the network with a dedicatory program.

The Mutual System is the outgrowth of an exchange of programs between WOR, WGN and WLW. At the outset the exchange consisted of but two broadcasts a week but gradually this has been increased since the inception of the system until today the schedule calls for several hours daily.

Since October 1, 1934, the following developments have taken place: the establishment of permanent lines between the basic stations; the development of a Mutual sales organization; the replacement of WXYZ, a 1,000 watt station, by CKLW, a 5,000 watter; the international exchange of programs between the Canadian Radio Commission, the British Broadcasting Corp., the Yankee Network and Mutual; the joining of the Mutual Broadcasting System with Proprietary Drug Association as associate member so that the network could take advantage of the association's Advisory Committee on Advertising; the WOR- Mutual Radio Playhouse which sponsors may use at a nominal cost for their radio shows, and lastly the placing at the disposal of national advertisers other affiliate stations so that sponsors may have whatever network coverage they might desire.

At the present time approximately 20 hours a week is being carried over the network commercially and approximately 40 hours of sustaining time is being fed by the chain to member stations.

X X X X X X X X

APPLICATIONS GRANTED BY BROADCAST DIVISION FCC

New - Clarence Scharbauer, Midland, Texas, C.P. to operate on 1420 kc., 100 watts, daytime, site to be determined; KWG, Portable Wireless Tel. Co., Inc., Stockton, Cal., CP to install new equipment; KNEL, G. L. Burns, Brady, Tex., Mod. of CP approving transmitter and studio sites and antenna system, extend commencement date to 10 days after grant and completion date to 180 days thereafter; WEMP, Milwaukee Broadcasting Co., Milwaukee Brdcstg. Co., Milwaukee, Wis., Mod. of CP to make changes in eqpt; KPRC, Houston Printing Co., Houston, Tex., Mod. of license to increase power from 1 KW night, 2½ KW day to 1 KW night, 5 KW day; WNEL, Juan Piza, San Juan, P.R., extension of present license for period of 60 days, 1290 kc., 500 watts, unlimited time; KYA, Pacific Broadcasting Corp., San Francisco, Cal., extension of license for period of 60 days, 1230 kc., 1 KW, unlt'd; WIP, Penna. Brdcstg. Co., Philadelphia, Pa., extension of license for period of 60 days, 610 kc., 500 w. unlt'd; KROW, Educational Brdcstg. Corp., Oakland, Cal., extension of license for period of 60 days, 930 kc., 1 KW, unlt'd.

Also, WCAE, WCAE, Inc., Pittsburgh, Pa., Mod. of CP to make changes in eqpt.; WKAR, Mich. State College, East Lansing, Mich., license to cover CP authorization changes in antenna system, 1040 kc., 1 KW day, S.H.; KNOW, KUT Broadcasting Co., Austin, Tex., license to cover CP authorizing change in transm. site and in eqpt., 1500 kc., 100 w., unlt'd.; WMFG, Head of the Lakes Brdcstg. Co., Hibbing, Minn., license to cover CP authorizing new station at Hibbing, to operate on 1210 kc., 100 w. unlt'd. time; WFBE, Radio Station WFBE, Inc., Geo. M. Schott, Pres., Cincinnati, Ohio, Vol. Assignment of license from Radio Station WFBE, Inc. to Continental Radio Co.; KFBB, Buttery Broadcast, Inc., Great Falls, Mont., extension of present license for period of 60 days, 1280 kc., 1 KW night, 2½ KW day, unlt'd. time; WJBK, James F. Hopkins, Inc., Detroit, Mich., renewal of license for the period ending Jan. 1, 1936, 1500 kc., 100 w. night, 250 w. day, unlt'd.

Also, KFIO, Spokane Broadcasting Co, Spokane, Wash., extension of present license for period of 60 days, 1120 kc., 100 watts, daytime; KDYL, Intermountain Brdcstg. Corp., Salt Lake City, Utah, extension of present license for period of 60 days, 1290 kc., 1 KW, unlt'd; KEHE, Evening Herald Publishing Co., Los Angeles, Cal., extension of present license for period of 60 days, 780 kc., 500 w., night, 1 KW day, S.H.; KFAB, KFAB Broadcasting Co., Lincoln, Neb., renewal of license for the period ending Feb. 1, 1936, 770 kc., 5 KW; KOIN, KOIN, Inc., Portland, Ore., extension of present license for period of 60 days, 940 kc., 1 KW night, 5 KW day, unlimited; New, National Brdcstg Co., Inc., Washington, D. C., CP and license for new Gen. Exp. broadcast pick-up station, freqs. 31100, 34600, 37600 and 40600 kc., 100 watts.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF OCTOBER 1, 1935.

Characteristics Of The British 1935-36 Radio Set.....	2
Caldwell Cites Simple Rules For Listeners.....	3
Three Detroit Stations Switch Nets In Ceremonies.....	3
WGN Celebrates Opening Of \$500,000 Studio Addition.....	4
ASCAP Issues Another Propaganda Blast At Radio.....	4
Radio Trade Boom Seen As Indicator Of Recovery.....	5
Hill Named Engineer In Telephone Inquiry.....	6
Dellinger Report Covers Radio Research Findings.....	6
Clergyman Raps Sponsor's Use Of Hymns.....	7
Chicago Tribune Raps Standard Oil News Plan.....	7
NAB Board Calls Meeting On Copyright Problem.....	8
I.T. & T. Shows Gain As Postal Reports Loss.....	8
Newspapers Fight Each Other By Radio.....	8
CBS Radio Script (N.F.B.) Answers A.N.P.A.....	9
Audit Bureau Plan Pushed; Agency Scheme Dropped.....	9
Wired Radio Seen As Advertising Rival.....	10
Exhibitors Pleased As N.Y. Radio Show Ends.....	10
Industry Notes.....	11
Ten FCC Attorneys Retained Despite Low Ratings.....	12
Radio Signals From Balloon Aid Weather Forecasts.....	12

No. 864

PS *ms* *gd*

October 1, 1935.

CHARACTERISTICS OF THE BRITISH 1935-36 RADIO SET

The 1935-36 British radio receiver, exhibited publicly for the first time at the late August radio show, is described in an article published in the London Electrical Review.

The article, which explains that 170 exhibitors took part in the show, follows in part:

"As might be expected, the superheterodyne circuit is still the most popular one among set manufacturers, and there are very few exhibits of receivers which do not consist mainly of sets of this type. Many of these are of the 3 to 4 tube (plus tube rectifier) class, making use of multi-stage tubes in certain positions. On the other hand, receivers and phonograph combinations with up to 15 tubes are to be seen, these, of course, falling in the higher priced class. Generally speaking, the price levels have changed very little since last year, and the popular type of table superhet is usually listed at from 11 to 14 guineas. Lower priced sets are generally of the simple tuned radio frequency type.

"'High Fidelity' is undoubtedly the slogan of many firms this year. In most cases, this is justified, but in others there seems to have been very little attempt to improve on last year's models, except, perhaps, to incorporate a somewhat larger speaker.

"Apart from the followers of the superhet circuit, there is a small, but none the less important, band of manufacturers of high fidelity apparatus who pin their faith to 'straight' receivers with tuned, radio frequency stages.

"For some time it has been apparent that designers have been handicapped by the necessity of including the loudspeaker in the cabinet with the receiver. There is no real reason for this, except convention, and this year several firms supply receivers with no self-contained speaker. The breakaway is by no means general, however. In other cases, improvement in reproduction has been sought by the use of special output stages, twin, triple, or even quadruple speakers, and special cabinet design.

"Another tendency this year is for manufacturers to show one or more so-called 'all-wave' models, to cater for the interest in ultra-short wave reception. In most cases the extra wave-bands go down to 10 or 15 meters, but in no case is the complete wave-band up to 2,000 meters covered without breaks. All-Wave International Radio and Television, Ltd., in one of its models covers from 12 to 560 meters without a break, and 800 to 2,000

meters, but this is unusual. Generally one or two extra wavebands are included in more or less standard receivers, to cover up to 50 or 80 meters.

"Many and ingenious are the arrangements designed to provide easy tuning in modern receivers. Dials are mainly of the 'full-vision' type, with a pointer, band or spot of light moving over the scale, which is calibrated in wave lengths and marked with station positions.

"In summing up one's impressions of the receivers and similar equipment on show, it is safe to say that there seems to be a notable tendency for the manufacturers to aim at reliability of their products, rather than at extremely low prices. This policy must react favorably upon the public during the coming season, while the dealer should find his service problems eased to a considerable extent."

X X X X X X X X

CALDWELL CITES SIMPLE RULES FOR LISTENERS

Three simple rules for listeners, enabling them to put their radio sets in best condition for the big broadcast program ahead, were outlined by Dr. Orestes Caldwell, editor of Radio Today, and former Federal Radio Commissioner, during a series of musical experiments on the Columbia Broadcasting System network September 28.

Approximately \$25,000,000 will be spent on broadcasting program features during the next few months, and Dr. Caldwell pointed out that if the listener is to get full enjoyment of this galaxy of programs, he should get his radio into shape without delay by (1) Putting fresh tubes in his set; (2) Installing an adequate outdoor antenna, as high as possible, and run away from the house; (3) Purchasing a modern receiver capable of reproducing the full tonal range of modern broadcasting.

X X X X X X X X

THREE DETROIT STATIONS SWITCH NETS IN CEREMONIES

Special broadcasting programs marked the realignment of three Detroit network outlets on September 29.

WJR formally dedicated its 50,000-watt transmitter as it left the NBC-WJZ network for CBS. WXYZ, for the last year the Detroit outlet of the Mutual Broadcasting System, succeeded WJR on NBC's Blue network, while CKLW left CBS and supplanted WXYZ on the Mutual hookup.

X X X X X X X X

WGN CELEBRATES OPENING OF \$500,000 STUDIO ADDITION

A full week of gala programs, starting October 1, inaugurated the new \$500,000 radio studio building of WGN, on Michigan Avenue, adjoining the Tribune Tower, in Chicago. Capacity audiences, admitted by tickets issued only on written request, witnessed the studio performances.

All of the programs which were presented on the platform in the main studio were heard perfectly by those attending through the speaker system which is installed in the auditorium. The music and speech came to the visitors seated in the studio through giant speakers concealed in the abutments alongside the platform. This is the only Chicago studio which is equipped with this speaker system, according to Larry Wolters, Radio Editor of the Chicago Tribune.

During the gala week of performances, visitors saw for the first time the new lighting system which is the only one of its kind installed in a radio studio. Perfect control of all of the lights in the studio is maintained through a dimmer system. When the programs are presented on the platform the orchestra and artists play under lighting conditions and with a color change control unequalled in Chicago.

The pickup of the music and speech for the programs is through a regular battery of microphones on the platform. Three microphones are suspended from the ceiling and numerous other "mikes" stand at convenient spots on the platform itself. In all eight microphones are available for handling any one program and they may be controlled either singly or as a complete bank of eight.

X X X X X X X X X

ASCAP ISSUES ANOTHER PROPAGANDA BLAST AT RADIO

As negotiations continue between the National Association of Broadcasters and the American Society of Composers, over new copyright rates for radio, the latter issued on October 2 for "general release" a story which began with the following significant paragraph:

"'Murder of music' by radio was accomplished in 1934 when the 85 leading tunes of the year were played a total of 1,255,669 times by just the two principal networks, according to an annual survey newly completed by the American Society of Composers, Authors and Publishers. This survey was made from program logs submitted by the NBC and CBS chains, and is used by the Society as one of the points in the classification of its members.

There then follows, in great detail, a story of how radio has hurt the sale of sheet music.

X X X X X X X X X

10/1/35

RADIO TRADE BOOM SEEN AS INDICATOR OF RECOVERY

Both branches of the radio industry - the broadcasters and the radio equipment dealers - are reporting sharp increases in late Summer and Fall business and are making optimistic predictions of a record Winter. Their records are interpreted as another indication of general business recovery.

As the New York Radio Show closed, after an attendance of more than 150,000 visitors, radio set makers and dealers went home prepared to take care of an anticipated increase of from 15 to 20 per cent over the business of the last half of 1934. Sales during the first half of 1935 amounted to 2,453,000 as against 2,027,000 for the corresponding period in 1934.

Broadcasters meanwhile were reporting the first definite break in the traditional Summer decline in radio advertising. Figures released by the National Association of Broadcasters showed August business totalled \$5,637,490. This represented a drop of but 3.5 per cent below the preceding month, compared to slumps of 10.2 per cent in 1934 and 5.9 per cent in 1933.

National non-network advertising rose 3.8 per cent in August, while general non-network advertising gained 1.3 per cent and stood at 59.6 per cent above August, 1934.

Radio advertising volume for the first eight months of the year pointed to a possible total business of \$90,000,000, according to Broadcasting, radio trade magazine.

Showing a more pronounced increase than any previous month of the year, August broadcast advertising was 46.6 per cent greater than during the corresponding month in 1934 and exceeded August, 1933, by 52.5 per cent.

The Columbia Broadcasting System recorded the largest monthly gain among the major networks with a gross return of \$879,019, an increase of 71.2 per cent over the previous year's figures for the same month, and the largest August income on record. The NBC-WJZ Blue network hung up a record increase of 55 per cent, with a gross of \$756,797.

For the first eight months of the year, CBS has now a cumulative total income of \$12,463,371, 22.1% better than last year, and the combined NBC networks (including the Pacific Coast) have \$20,667,094, which is 16.5% better.

X X X X X X X

10/1/35

HILL NAMED ENGINEER IN TELEPHONE INQUIRY

Cyrus G. Hill, of Chicago, a well-known consulting engineer on telephone matters, has been named by the Federal Communications Commission to direct the engineering phases of the American Telephone & Telegraph Company. He succeeds William G. H. Finch, who resigned recently as Assistant Chief Engineer of the Commission.

Since 1919, Mr. Hill has been associated with the consulting engineering firm of J. G. Wray & Company. He has engaged in a large number of telephone investigations and rate cases including the Northwestern Bell Telephone Company in Minnesota, the North Dakota Independent Telephone Company, the Western Electric Telephone System of Iowa, the Indiana Bell Telephone Company, and the New York Telephone Company.

Mr. Hill developed and presented testimony in the case of the City of Chicago vs. the Illinois Bell Telephone Company wherein the Supreme Court sustained the decision of the Illinois Commerce Commission which resulted in some twenty million dollars of refunds to the telephone subscribers of Chicago. He has been employed for sometime as a public utilities engineer by the Public Service Commission of Wisconsin in making a special investigation of the Wisconsin Telephone Company.

X X X X X X X X

DELLINGER REPORT COVERS RADIO RESEARCH FINDINGS

Dr. J. H. Dellinger, Chief of the Radio Section of the U. S. Bureau of Standards, has submitted his annual report to the Director of the Bureau with a discussion of research and findings in the radio field.

Dr. Dellinger's activities continued chiefly in the field of standard frequencies and radio wave phenomena. The latter work was somewhat extended by initiating a program of research on ultra high frequencies. Work was begun on the measurement of radio field intensities with higher accuracy than ever before. Special progress was made in the furnishing of standard audio frequencies by modulation of the carrier in experimental standard frequency radio emissions.

Copies of the report may be obtained from the Electrical Division of the Department of Commerce, Washington, D. C., at 25 cents each.

X X X X X X X X

CLERGYMAN RAPS SPONSOR'S USE OF HYMNS

The sponsorship of a radio program to be called "Hymns of all Churches" by a national food distributing concern was criticized by the Rev. Dr. Raymond L. Forman in his sermon last Sunday at St. Paul's Methodist Episcopal Church, West End Avenue at 86th Street, New York City, according to the New York Times.

Dr. Forman called upon all churches and Christians to protest against this program, which he said is scheduled to begin this week over a national hook-up, terming it "a desecration of that which is sacred - a form of phasphemy."

"The worst form of exploitation of the religious life of people is perpetrated by commercial interests", Dr. Forman said. "In this case hymns are being used as the medium which are the expressions of religious experience of people in all ages. Many hymns are the outpourings of the deepest sorrow and of joy. Many are expressions of personal communion with God.

"All these are taken and exploited to sell foodstuffs. If you are a real Christian you will register your immediate protest. These food distributors are trying to excite a certain emotional reaction for the purpose of selling a brand. Imagine the effect when you come to church to pray and sing hymns to have the name of that company flash through your mind as you are praying."

Any program of religious service over the radio sponsored by a church is worth while, Dr. Forman added, as "there is no reason why the teachings of God should not use the radio for its dissemination."

EDITOR'S NOTE - Washington offices of both the National Broadcasting Co. and the Columbia Broadcasting System disclaimed knowledge of the program attacked by Dr. Forman.

X X X X X X X X

CHICAGO TRIBUNE RAPS STANDARD OIL NEWS PLAN

The following editorial appeared in a recent issue of the Chicago Tribune:

"We are in receipt of a communication from the Associated Press in connection with news broadcasting, quoting the publication Variety's announcement that 'the Standard Oil of New Jersey has bought the news broadcasts in all NBC owned and operated east of the Mississippi, with the contract calling for four five minute periods a day every day in the week but Sunday.'

"We doubt the public will put much confidence in a news service censored by the government and paid for by the Standard Oil Company."

X X X X X X X X

10/1/35

NAB BOARD CALLS MEETING ON COPYRIGHT PROBLEM

A meeting of the Board of Directors of the National Association of Broadcasters has been called for October 17 in New York for reconsideration of the whole copyright problem before current contracts expire December 31. The conference was scheduled at an NAB Executive Committee parley last week with E. C. Mills, General Manager of the American Society of Composers.

Many stations are reported to be negotiating, meanwhile, for extension of present contracts, but few are said to be signing because of the probability of a general revision in copyright rates.

X X X X X X X X X

I. T. & T. SHOWS GAIN AS POSTAL REPORTS LOSS

The International Telephone and Telegraph Corporation and subsidiaries, excluding the Postal Telegraph and Cable Corporation reported September 28 in a preliminary statement a net income of \$2,128,581 in the first six months of the year, equal to 33 cents a share on its no par capital stock. This compared with a net income of \$1,953,229, or 30 cents a share, in the same period last year.

The Postal Telegraph & Cable Corp., which filed a separate report, revealed that operations for the first six months of 1935 resulted in a net loss of \$992,807 after provision for all charges, including accrued interest on the outstanding bonds and debenture stock as compared with a loss of \$255,296 for the corresponding period in 1934.

X X X X X X X X X

NEWSPAPERS FIGHT EACH OTHER BY RADIO

Circulation rivalry between Baltimore newspapers has advanced to the stage where radio is being used intermittently every day to advertise the wares of the rival newspapers, according to Newsdom, newspaper organ. With the Hearst-owned American and News Post controlling WBAL, which was purchased by Hearst Radio a year ago, and the Sun having a tieup with WCAO through a mutual advertising agreement, the radio listeners are given daily advice where to find the latest news beat, the up-to-the-minute feature and almost every blatant appeal to buy papers.

X X X X X X X X X

10/1/35

CBS RADIO SCRIPT (N.F.B.) ANSWERS A.N.P.A.

With considerable humor and some subtlety, the Columbia Broadcasting System has answered the booklet issued by the American Newspaper Publishers' Association alleging that radio advertising is on the decline.

"Pa and Ma and Mike (or Just a Foster Child)" is the title of the 5-minute scrip "that will never, never be broadcast".

H. K. Boice, Vice-President of CBS, said the script was written by "a bright young lad in the Continuity Department", in answer to "news stories" that "radio has lost some 400 of 600 advertisers and was a frightfully expensive medium anyway".

As to his own reactions to the ANPA stories, Mr. Boice said:

"Being pretty busy with new business, a heavy schedule of renewals, and a lot of outstanding new shows in preparation for the biggest Fall season radio has ever had (after the biggest Summer), we didn't stop to recognize or rebut the quaint statistical attack. Besides, the more radio has grown, the more we have become used to a bit of heckling here and there."

X X X X X X X X

AUDIT BUREAU PLAN PUSHED; AGENCY SCHEME DROPPED

A sub-committee has been appointed for the purpose of working out a plan for a cooperative bureau to audit station audience and coverage data as a result of a meeting in New York of the Committee of Fifteen, composed of representatives of the National Association of Broadcasters, the American Association of Advertising Agencies, and the Association of National Advertisers.

NAB, meanwhile, has dropped for the time being a proposal to establish an agency recognition bureau for radio because an insufficient number of stations have agreed to subscribe to it.

X X X X X X X X

WIRED RADIO SEEN AS ADVERTISING RIVAL

"First indication of wired radio girding itself for direct competition with aerial broadcasting came last week when it was disclosed that the Ticker News Co., which services cafes, restaurants, bar-rooms and private clubs, proposes to sell spot announcements to advertisers", according to the current issue of Variety.

"Because of the fact that it is charging a fee for the receiving set, the ticker outfit realizes that the type of advertising will have to be limited as to field and confine itself to products closely associated with the enterprises that the TNC serves.

"In undertaking to interpolate advertising matter into the service's daily flow of news and sports bulletins and comments and music the operators of the Ticker News Co. propose to proceed with the utmost caution. It feels that the owner of a restaurant will have no objection to the receiving set advertising a brand of cheese or sardine but that he would resent a service for which he is paying \$180 a year plugging a cosmetic or hair-oil to his customers.

"Ticker News Co., which does its broadcasting by telephone wire and has 400 clients in New York and 200 more in Philadelphia, now includes a copyrighted music in its fare under an experimental license granted it by the Music Publishers' Protective Association and the American Society of Composers, Authors and Publishers.

"Service has asked the music industry to license it permanently on a per installation basis, with the fee suggested being \$15 a year for each receiving set. A license of this type would relieve the Ticker News Co. of the necessity of manufacturing its own musical recordings and paying \$5 a tune on each master and 25¢ or 50¢ for each composition when and as used."

X X X X X X X X

EXHIBITORS PLEASED AS N. Y. RADIO SHOW ENDS

Opinions gathered as the 1935 National Electrical and Radio Exposition closed last week at the Grand Central Palace after ten busy days in which more than 150,000 visitors viewed the new merchandise, indicated that business had equaled or exceeded the expectations of exhibitors, according to the N. Y. Times.

One indication of returning prosperity, pointed out by several radio makers, is that the higher priced machines have caught the fancy of most people. Midget receivers were pushed

10/1/35

further and further into the background as the exposition progressed, indicating that inquiries centred around the larger and more expensive models. The same trend was reported by sales representatives of other electrical lines.

The chief worry of many manufacturers, according to their representatives, would be the filling of orders on time to meet the sudden demand. As a result, nearly all the exhibitors already have increased their factory production.

X X X X X X X

::: _____ :::
::: INDUSTRY NOTES :::
::: _____ :::

WPRC, Providence, R. I., on September 29 became associated with the Yankee Network as an alternate outlet with Station WEAN.

A list of importers and dealers of radio and radio equipment in Argentina has been compiled in the Commercial Intelligence Division from data prepared and submitted by American consular officers abroad under the direction of the Secretary of State. Copies of this circular may be obtained from the Bureau of Foreign and Domestic Commerce or from its district and cooperative offices at 50 cents each.

A new type microphone - non-directional and streamlined - has been introduced by WOR, Newark. Bell Telephone Laboratory-Western Electric engineers were the designers.

It is reported from Athens that the Government has now broken off the negotiations with an English and a German company regarding the construction of broadcasting stations and is inviting tenders for the work. The stations will be operated by the State, which will defray the costs of construction.

X X X X X X X X

TEN FCC ATTORNEYS RETAINED DESPITE LOW RATINGS

Because the Federal Communications Commission insists their services are vitally needed in the approaching American Telephone & Telegraph Company inquiry, ten FCC attorneys are to be retained on a permanent basis although passing marks they made in Civil Service examinations were below those of competitors.

An Executive Order was signed by President Roosevelt just before his departure for the West, it was learned today (October 1) after Chairman Anning S. Prall had made a special call to the White House.

These lawyers were appointed when the FCC was organized on a temporary basis. Early this year they were required to take Civil Service examinations and, although all of them passed, some outsiders made better marks.

The Civil Service Commission was at first insistent that the higher grades be given precedence, while the FCC argued that the incumbents were entitled to preference because they had a few months' experience. Finally, the Commission agreed to accept an Executive Order to give the lawyers permanent jobs.

Herbert L. Pettey, Secretary of the FCC, said that they are engaged only in the preliminary phases of the A. T. & T. inquiry but are all assigned either to the Telegraph or Telephone Divisions.

X X X X X X X X

RADIO SIGNALS FROM BALLOON AID WEATHER FORECASTS

A complete system, based on the Olland telemeteorograph, for obtaining signals by means of a radio transmitter from instruments attached to free balloons has been constructed at the U. S. Bureau of Standards.

The Standards Bureau is working in close cooperation with the Weather Bureau in the belief that the system will prove valuable for obtaining meteorological data at great altitudes.

The complete radio apparatus for attachment to a balloon weighs less than two pounds, and preliminary trails show that the signals can be heard clearly at altitudes of 14 miles and at distances of 80 miles, according to the Standards Bureau.

By employing a method of direction finding for the pulses emitted by this radiometerograph the location of the balloon can be ascertained at the instant any pulse is sent out.

X X X X X X X X