HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL - Not for Publication

INDEX TO ISSUE OF JULY 2, 1935

Peak Registration for Colorado N.A.B. Convention
Trade Commission Hits Deceptive Radio Set Advertising
Gary Appears Favored As FCC Counsel
WLWL-WWL Catholic Hearing Goes Over To Fall
Newspaper Transmits Pictures Over Telephone Sound Beam
It Takes More Than Fire To Stop Philco
Suggests We Sign Off With U. S. Anthem
A.P. Answers In Transradio Case
New Tube Line Developed By Arcturus
Industry Notes
Applications Granted By FCC Broadcast Division

No. 839



July 2, 1935.

PEAK REGISTRATION FOR COLORADO N.A.B. CONVENTION

More than 250 delegates will attend the convention of the National Association of Broadcasters at Colorado Springs, July 7. This means that including others connected with the industry, the wives and so on, the attendance may approach 500 - a new record high. Chairman E. M. Spence, of WBAL, reports reservations at the Broadmoor Hotel exhausted and that the overflow will be taken care of at the Antlers.

Mr. Spence said that in view of the great importance of a thorough discussion of the copyright situation, a better understanding of what may or may not be broadcast in the matter of commercial advertising, and other paramount questions, that some of the set features may be cancelled. Insofar as the advertising is concerned, Chairman Anning S. Prall, of the Federal Communications Commission, who has ordered an advertising housecleaning, will deliver the keynote address.

Those to be heard from in the copyright discussion will be Isaac D. Levy, of WCAU, Philadelphia; Philip Loucks, retiring Managing Director of the Association; and Joseph E. Hostetler, NAB Copyright Counsel.

It seems to be a foregone conclusion that James W. Baldwin, formerly Code officer of the Broadcasting Industry, will succeed Mr. Loucks as Managing Director.

Andrew Cruse of the Department of Commerce, who has been abroad studying the television situation, if he returns in time, will speak.

The following invitation has been extended to the delegates by Donald Flamm, of WMCA, New York:

"As a national director of the Jewish Consumptive Relief Society, I want to extend an invitation to all members of the NAB to be my guests on a pilgrimage to the Home of this well-known institution at Denver on Sunday afternoon, July 7.

"Automobiles will call for all NAB delegates who wish to make this trip if they will advise me at the Broadmoor Hotel on Sunday morning at 10 A.M.

"The drive to the Home will take about two hours and dinner will be served there after the tour of inspection."

If present plans prevail, a permanent organization of the smaller radio station owners, those of 100 watts or thereabouts will be formed. The organization committee is headed by Edward A. Allen, of WLVA, Lynchburg, Va. These broadcasters claim to represent one-third of the NAB membership but, say, out of a Board of Directors of 15, only two or three of their members have been chosen. They want a larger representation.

A nucleus group of newspaper-owned radio station managers have issued a call for a separate session of the National Association of Broadcasters at the convention. They propose that managers of newspaper-owned stations meet Monday evening, July 8, to discuss the particular problems arising from joint operation of a newspaper and a station.

Lambdin Kay, Vice-President of the N.A.B., and General Manager of the Atlanta Journal's station WSB, denied that the meeting will mark the organization of a separate unit.

Slated for discussion are these topics: newscasting; combination radio and newspaper advertising rates; aerial promotion of editorial features, advertising copy and circulation; legislation affecting newspaper owned stations; commercial copy standards; and an annual prize for distinguished public service over the radio.

X X X X X X X X

TRADE COMMISSION HITS DECEPTIVE RADIO SET ADVERTISING

The Federal Trade Commission has entered into a stipulation with William E. Harrison, of New York City, trading as Harrison Radio Company, in which the latter agrees to cease and desist from advertising that he will refund money paid by dissatisfied purchasers of radio sets, without at the same time disclosing the fact that a deduction will be made for the cost of reconditioning returned merchandise.

Harrison is said to have sold short-wave radio sets and equipment, advertising that dissatisfied purchasers could return the merchandise within five days and receive a refund of their money, but to have failed to make known that it was his practice to deduct ten per cent from the amounts refunded for the cost of reconditioning the returned merchandise.

XXXXXXXX

GARY APPEARS FAVORED AS FCC COUNSEL

Hampson Gary, former member of the Communications Commission, and Frank Roberson, the latter temporarily acting as the successor to Paul D. P. Spearman, General Counsel of the Federal Communications Commission, just resigned, are among those most strongly mentioned to succeed Mr. Spearman. At the present writing, the odds seem to be in favor of former Commissioner Gary. A successor to Mr. Spearman is expected to be named by the Commission at an early date.

Those who contend that Hampson Gary will be named base it largely on the fact that when Gary stepped out, before the completion of his term, to make way for Anning S. Prall, the present Chairman of the Commission, that President Roosevelt said at that time that he wanted Gary back on the Commission. This is the first major vacancy and would seem to be the opportunity for the President to do something for Gary inasmuch as the salary is practically the same as that of a Commissioner, his friends argue. The General Counsel receives \$9,000 a year and a Commissioner gets \$10,000.

Mr. Roberson, who has been serving in the capacity of Assistant General Counsel at the Commission, was formerly Attorney General of Mississippi, but resigned in 1923 to go to New York as Assistant General Counsel of the National Board of Fire Underwriters, and was there up to the time of his coming to Washington recently. While Attorney General of Mississippi, Mr. Roberson waged a fight against the telephone company and secured a substantial reduction in the rates. He is 53 years old and up to the time that Mr. Gary's name was mentioned, with such apparent substantial support of the President, Mr. Roberson was said to have the backing of Senator Wagner, of New York, and of at least four of the seven members of the Commission.

X X X X X X X X

TWO YEARS MORE U.S. TAX ON RADIO SETS

Without increase in present rates, Federal excise taxes including the 5 per cent radio, 2 per cent automotive, and 5 per cent tax on electrical refrigerators will be continued for another two years, Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, reports. All were due to expire on June 30 but now are continued until June 30, 1937. Since the 5 per cent radio tax became effective, June 20, 1932, radio manufacturers have paid, up to May 30, 1935, total excise taxes of \$8,788,559.71.

Expectations of the Treasury Department of continued good business for the radio industry, also sales of mechanical refrigerators and, in fact, of most business subject to the excise taxes were disclosed in the congressional proceedings. Citing revenue of \$3,150,000 secured from the radio tax during the fiscal year ending June 30, 1934, the Treasury estimated receipts of \$3,583,000 from radio taxes for the fiscal year ending June 30 next, and \$3,700,000 from radio excise taxes for the fiscal year ending June 30, 1936.

U. S. Treasury collections of the 5 per cent excise taxes from radio and phonograph manufacturers during May 1935 were \$291,536.71, as compared with \$234,010.60 during May 1934.

X X X X X X X X

WLWL-WWL CATHOLIC HEARING GOES OVER TO FALL

After two days' session last week, the hearing in the case of the Paulist Fathers' station, WLWL, in New York, seeking unlimited time on 810 kilocycles, which would involve moving of WWL, Loyola University, New Orleans, operated by the Jesuit Fathers, moving to 810 kc. and operating simultaneously with WLWL, has been adjourned until October 24th. Some six or seven other important stations are likewise involved in this case and at the rate it began, there was evidence that it might go along half the Summer.

At any rate, George O. Sutton, counsel for Father J. B. Harney, of WLWL, feeling that it was impossible to present his side of the case before the 4th of July adjournment, and because of other adjournments likely to occur, due to the vacation season and so on, declined to continue.

Because of the known unwillingness of WWL, at New Orleans, to change its present frequency in order to accommodate Station WLWL, of New York, numerous reports were in circulation regarding the seriousness and degree of differences between the two Catholic stations. One rumor was that the case had probably gone over because those involved realize that the two stations could never be reconciled to the present proposed solution even if the other stations concerned in the moving were agreeable. According to this source of information, there has arisen quite a controversy with the Jesuit Fathers backing up their radio station on the one hand, and the Paulist Fathers fighting for theirs on the other.

XXXXXXX

NEWSPAPER TRANSMITS PICTURES OVER TELEPHONE SOUND BEAM

The first practical demonstration of a journalistic adaptation of photo transmission over a telephone sound beam was made last week when the <u>New York Mirror</u> published two pictures sent from Albany to New York City by the new process, <u>Editor & Publisher</u> reports.

The equipment, developed by Walter Howey, director of International News Photos and newly appointed editor of the Mirror, can be used to transmit a picture from any point where a telephone connection can be made. When the International laboratories have turned out sufficient machines so that they can come into general use by the Hearst enterprises, the transmitter will be the size of a large suitcase and weigh little over 50 pounds.

Simple in construction, both transmitter and receiver will be produced for a few hundred dollars and will be actuated by ordinary 120-volt A.C. current. Mr. Howey said. Carried to the spot where a story is breaking, the machine needs only to be plugged into a light socket, a telephone connection to the home office secured and within 12 to 14 minutes an 8 x 10 photo can be transmitted. Mr. Howey, who has been working diligently in this field for 35 years, hopes to cut that time in half when greater experience has been attained.

X X X X X X X X

PRALL'S BRAWL PROVES QUITE A SUCCESS

The party to celebrate the reappointment of Anning S. Prall as Chairman of the Federal Communications Commission, arranged by Martin Codel and Sol Taishoff, was apparently enjoyed by all present. Everyone connected with radio in Washington seemed to be there. Features of the evening were several Gridiron skits, including a supposed meeting of the Broadcast Division of the Commission in which John Littlepage took the part of Judge Sykes, Phil Loucks, Commissioner Prall; and Martin Codel, Commissioner Case. Paul Segal impersonated Paul Spearman as General Counsel.

There was considerable razzing of Chairman Prall on account of recent advertising restrictions and John Littlepage, accompanied by his brother Tom on the piano, got a real laugh by singing a song "Marmola" to the tune of "Marcheta".

If the story Chairman Prall told about Father Harney and President Roosevelt is original with Mr. Prall, it is liable to make him famous as a humorous for unquestionably it provoked more mirth than any one other thing during the evening. Marvin H. McIntyre,

IT TAKES MORE THAN FIRE TO STOP PHILCO

Not even fire stops Philco. There has been no interruption to Philco production - rumors to the contrary notwithstanding - despite the fire last week on one floor of Plant #6 at Allegheny Avenue and C Street, Philadelphia, a separate building devoted to the manufacture of parts.

Already the debris has been cleared away and stout timbers have been swung into place for the fourth floor. In fact, employees are working on production on the lower floors of the building as the machinery there was quickly protected by waterproof covering even before the Philadelphia Fire Department had the fire under control.

The 150 workers effected are being quickly absorbed by other departments, and the 8500 employees in the Philco plants in Philadelphia are busily engaged in meeting a record-breaking demand for Philco home and auto radios, aerials, and parts.

Larry E. Gubb, President of the Philco Radio & Television Corporation, after carefully surveying the situation, stated:

"Despite the fact that the fire occurred just when Philco plants are bending every effort to fill the largest orders in history, there will be no delay in the shipment of our 1936 Philco models and no interruption in Philco's record of continuous employment of the largest organization of skilled radio workers in the country."

X X X X X X X X

STANDARD TIME THROUGHOUT THE WORLD

The rapid development of modern means of national and international communication has brought about a greater realization of the difference in time between different geographic centers. To answer the many demands for information on standard time, the Bureau several years ago published a pamphlet entitled, "Standard Time Throughout the World", the latest revision of which has just been issued under the designation Circular C406. This circular gives a brief historical sketch of the development of the standard time system, time-zone maps of the United States and of the world, a list of stations transmitting radio time signals, a list of the times used in several large cities, a list of the legal times used in most of the countries of the world, and other information regarding standard time.

Copies of this publication are obtainable from the Superintendent of Documents, Government Printing Office, Washington, D.C. at 5 cents each.

SUGGESTS WE SIGN OFF WITH U. S. ANTHEM

That we adopt the custom of other nations who sign off with their national anthems and that we play the "Star Spangled Banner" at the conclusion of our international broadcasts is the suggestion made by Representative Virginia E. Jencks, of Indiana, to Anning S. Prall, Chairman of the Federal Communications Commission.

"A big thrill which one gets, listening to short-wave radio broadcasts, is hearing the various countries conclude with their national anthems", Mrs. Jenckes said in a letter to Chairman Prall.

"It is most impressive, for instance, at the end of a broadcast from Great Britain to hear the majestic rendition of 'God Save the King'. The British broadcasting stations are so punctilious about this and so particular that the national anthem is heard after every program that recently even on the experimental broadcasts which England engaged in with Western Canada, Station GSL, London, at four o'clock in the morning, concluded just the same with 'God Save the King'.

"Likewise the 'Marseillaise' thunders through from Paris, and the German National anthem from Berlin.

"My object in turning to you is to ask that you suggest, if they are not already doing it, to our own American short-wave stations that in broadcasting international programs they sign off with 'The Star Spangled Banner'. This would include the Westinghouse, the General Electric, the National Broadcasting Company, the Columbia Broadcasting System, the Crosley stations and possibly others.

"I understand, of course, that these short-wave stations are privately owned, whereas those abroad are operated by the governments. Nevertheless, I feel certain that the operators of our stations, being patriotic Americans, would readily respond to the suggestion.

"It is a regrettable fact that 'The Star Spangled Banner' is seldom heard even over our own domestic networks during the evening hours when everyone is listening. When radio broadcasting first came into our homes we joyously heard the National Anthem opening and closing the program.

"Is it not rare today - except, possibly, by the service bands of the Army, Navy, or Marine Corps - to hear our National Anthem over the radio?

"I think, nevertheless, that it is even more important to 'show our colors' on foreign broadcasts. Knowing your own patriotism, I feel confident you will acquiesce in the suggestion herein made."

A.P. ANSWERS IN TRANSRADIO CASE

Answers filed last week in the United States District Court for the Southern District of New York by the American Newspaper Publishers' Association and the Associated Press denied that the Press-Radio Agreement constituted a conspiracy in restraint of trade and denied that Transradio, the plaintiff was entitled to any damages.

Commenting upon the radio-news situation Newsdom, of New York, says, editorially:

"The press-radio dispute is still up in the air. Charges and counter-charges are being hurled. At times it appears that the disputants are willing to discuss a workable agreement in the matter of broadcasting news only to shrink like the proverbial violet when any possibility of an agreement looms in sight.

"Few will admit that the Press-Radio Bureau solves the problem. It is so much sawdust thrown in the hole in the dike until a more practical measure is agreed upon. Meanwhile independent radio press services and press news gathering associations are entrenched like soldiers in modern warfare. Neither side will give in, and the war becomes one a fight to the finish.

"But all is not tear gas, howitzers and barbed wire. The <u>Philadelphia Daily News</u> and the <u>Philadelphia Record</u> have just signed an agreement with WFIL whereby the radio station will exchange spot announcements in its news broadcasts for advertising in those dailies. In this manner listeners are given a news bulletin and are informed that further details and complete information may be obtained in the current edition of the <u>Record</u> or the News.

"This may be a decided advance toward reconciliation between the newspapers and the radio. At least it is sounder in principle than a war to the death between the two principal mediums of news dissemination."

X X X X X X X X

RATES OF PAY FOR GOVERNMENT COMMUNICATION BY TELEGRAPH

General Order No. 15, comprising 15 mimeographed double spaced pages, has just been issued by the Telegraph Division of the Federal Communications Commission and sets forth the rates of pay for Government communication by telegraph as ordered at a special meeting of that division on June 27th.

NEW TUBE LINE DEVELOPED BY ARCTURUS

The Arcturus Radio Tube Company, Newark, N. J., has developed and marketed a new line of tubes, designated as the "G" series, which is claimed to be identical in electrical characteristics and pin connections to the all-metal tubes.

"It is stated that several of the larger set manufacturers and many smaller ones have already developed circuits employing these new "G" tubes. Early announcement of some of these radio receivers is expected", a press release from Arcturus sets forth.

"Carrying the same type numbers as do the all-metal tubes, the letter "G" is suffixed to denote the glass envelope type. The "G" line follows conventional tube manufacturing processes which have been perfected and overcomes the difficulties invariably associated with not only new designs, but also with a totally new development. The "G" line is as perfect as radio tubes can be made today and enable set manufacturers to design immediately an all-metal tube set without further waiting upon the limited production of all-metal tubes."

X X X X X X X X

CANADIAN RMA ORGANIZES LIKE OURS

Canadian radio manufacturers at their annual meeting May 30 in Toronto reorganized their trade association and followed substantial features of the American RMA. President A. S. Edgar was reelected to head the Canadian RMA and R. A. Hackbusch was reelected Director of Engineering. The RMA division organization was followed by the Canadian manufacturers. Their new organization comprises a Set Division and a Parts, Cabinet and Accessory Division, like that of the American association. Canadian importers, however, are eligible to membership of the latter division and the Canadian dues are on a higher basis than those of RMA.

The RMA is advised, through cooperation with the Canadian RMA, that Canadian sales of receiving sets for the month ending April 30, 1935, totaled 8,877 with a list value of \$762,411. Of these 5,643 sets, valued at \$532,506 were A.C. sets; 1,224, valued at \$105,312 were battery sets; and 2,010 automobile sets, valued at \$124,593, a decrease in A.C. sets as compared with the previous month and a considerable increase in sales of battery and automotive sets.

X X X X X X X X

				9	0
	VCIDITICITY	MODIFIC			
	INDUSTRY	MOLFD	ü	•	

In a summary of corporation news prepared by Standard Statistics Company, of New York, and syndicated to newspapers throughout the United States, the Zenith Radio Corporation of Chicago has started production of new models with initial orders of \$1,200,000 on hand.

W.G.H. Finch, Assistant Chief Engineer, Federal Communications Commission, is smiling broader since the birth of a 7-pound daughter.

Alfred Wallenstein, a member of the Board of Directors and first cellist of the Philharmonic-Symphony of New York, and known as conductor of the Wallenstein Sinfonietta, has been appointed General Musical Director of WOR. Wallenstein will succeed George Shackley, pioneer WOR musical director.

X X X X X X X X X X X

THREE NEW ALL-WAVE ANTENNA SYSTEMS

The results of several years of laboratory and field tests with countless all-wave sets, using hundreds of different arrangements and combinations of aerials, downleads and coupling devices, are said to be condensed in three new antenna systems just announced by Technical Appliance Corporation, 27-26 Jackson Avenue, Long Island City, N. Y. For the convenience of the user as well as for utmost efficiency of the installation, these systems come in kit form, complete with all accessories and fully wired and soldered at the factory, ready to be strung up.

"The V Triple Doublet (Taco No. 70), the Double Doublet (Taco No. 80) and the Single Doublet (Taco No. 90) are the ultimate refinements of the well-known Taco H-F all-wave antenna-system which revolutionized the antenna art last year", a statement from the Technical Appliance Corporation, reads. "These systems incorporate the latest developments in noise reduction through proper design and matching of antenna and set transformers, combined with a special twisted-pair transmission line. All set transformers are fully automatic, requiring no manual switching for different frequency bands. The antenna transformers obtain maximum noise reduction without resorting to an external ground or counterpoise on the roof. The improved

efficiency is particularly noticeable on the difficult shortwave bands. Greater signal strength permits receiver operation well below r.f. and detector limits, thereby making for higher fidelity reception.

"The components of these kits, used in connection with a multiple-position double-throw switch, are ideal for the store demonstration antenna system so necessary for the sale of the all-wave radio sets of today."

X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WAZL, Hazleton Broadcasting Service, Inc., Hazleton, Pa., extension of special temporary authority to operate daily a maximum of 4 hours simultaneously during daytime with WILM, Wilmington, Del., for a period of 3 months from July 1; WPG, WPG Broadcasting Corp., Atlantic City, N. J., consent to voluntary assignment of license to the City of Atlantic City; WBZ, Westinghouse E & M Co., Boston, Mass., C.P. to make changes in equipment; KLZ, Reynolds Radio Co., Ltd., Denver, Colo., modification of CP to change transmitter site to new location to be determined subject to approval of the Commission, increase day power from 2½ to 5 KW, extend commencement date to 60 days after grant and completion date to 180 days thereafter; KSD, The Fulitzer Publishing Co., St. Louis, Mo., Mod. of CP to extend completion date from July 7 to 90 days thereafter; KOMO, Fisher's Blend Station, Inc., Seattle, Wash., amended CP to move transmitter locally, install new equipment and increase day power from 1 to 5 KW.

Also, WOR, Bamberger Broadcasting Service, Inc., Newark,

Also, WOR, Bamberger Broadcasting Service, Inc., Newark, N.J., license to cover CP authorizing move from Kearny, N.J. to Carteret, N.J., installing new equipment and increasing power to 50 KW; KINY, d/b as Northwestern Radio Advertising Co., Juneau, Alaska, license to cover CP authorizing erection of new station; 1310 kc., 100 watts, unlimited time; WCAD, St. Lawrence University, Canton, N. Y., Mod. of Lic. for increase of specified hours of operation; WREN, WREN Broadcasting Co., Lawrence, Kans., Mod. of CP to make changes in eqpt. and increase in daytime power to 5 KV; WJR, WJR, The Goodwill Station, Detroit, Mich., C.P. to make changes in eqpt. and increase power to 50 KW; WADC, Allen T. Simmons, Tallmadge, Ohio, Auth. to determine operating power by direct measurement of antenna input.

$X \times X \times X \times X \times X$

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL - Not for Publication

" 0 10 11 12 1 2 3 3 5 6

INDEX TO ISSUE OF JULY 5, 1935

U. S. Observer Unenthusiastic Over European Television2
Talk Revived Of Judge Sykes Going On Bench
Gary Again Seems Headed Towards Commissionership6
Radio Should Be Paul Revere Of Advertising, Prall Says7
FCC Comes Through With 69 Page Interlocking Alibi9
N.Y. Dealer Cited For Misleading "All Wave" Advertising10
Cleveland Wired Radio Decision Soonll
Industry Notes

No. 840

418

U. S. OBSERVER UNENTHUSIASTIC OVER EUROPEAN TELEVISION

Reporting to the convention of the National Association of Broadcasters at Colorado Springs, on what he saw in Europe while investigating the progress of television, Andrew W. Cruse, of the Bureau of Foreign and Domestic Commerce, Washington, told our own people that he believed they were on the right track but in continuing their present line should closely watch what England, France and Germany are doing.

"I think you would be wise to appoint a committee here, at this Convention, whose duty it would be to keep you advised of these developments. I might even go so far as to suggest the employment of an observer in Europe as an assistant to such a Television Committee", Mr. Cruse advised. "One comforting thought is that American interests in Europe are in the very forefront of the entire European Television picture. Electrical Musical Industries in England, Lorenz in Germany and Standard in France can be relied upon to keep pace technically with the best of them. But in operating practice - the actual presentation of programs - that's where we must keep abreast of their progress - and that's what you must observe.

"In Europe, the governments are directly or indirectly supporting and operating broadcasting and television - in the United States it is my own personal belief that the interests of both broadcasting and television can best be served without government assistance. With recovery and when you feel that the time is ripe for it - you will undoubtedly be able to add television to your present service and present television programs in the same thorough fashion in which you are now presenting your broadcasts. In the meantime let us be patient observers!"

Mr. Cruse said, in part:

"In England, the British Broadcasting Corporation are now offering low definition television programs lasting from 1/2 to $\frac{3}{4}$ of an hour twice each week. These programs are transmitted on a wavelength of 261 meters with the accompanying sound on 398 meters using two broadcast transmitters, one for the picture and the other for the accompanying sound. The Baird system employing mechanical scanning giving a 30 line picture 12 frames per second is used for this purpose. In this connection I wish to say that I think the BBC is doing an excellent job on these programs and I was pleasantly surprised to discover that despite the low definition and objectionable flicker, these programs do have an entertainment value for short periods - let us say of the order Live talent is used exclusively on these proof a half-hour. grams and everything from a condensed version of 'Carmen' to vaudeville acts is offered.

"When I inquired about the number of television receiving sets in service in the British Isles I received estimates which ranged from zero to 10,000. The British Post Office people, however, who are in the best position to make an estimate, gave the figure of less than one hundred. Please bear in mind that these B.B.C. low-definition programs which are offered twice weekly and received by a maximum of one hundred receiving sets comprise the only public television service now being offered in Great Britain. Both the Baird Company and Electrical and Musical Industries (EMI) are transmitting experimental high definition television but inasmuch as no high definition receiving sets can now be purchased, these transmission can in no way be considered as a public service."

"The chances are that late this winter or early next spring high definition television service will be inaugurated by B.B.C. using alternately the EMI 405 line 50 frame interlaced and the Baird 240 line 25 frame sequential transmitters. proposed to operate one hour each morning and two hours each evening using 6.6 meters for vision and 7.2 meters for the associated sound signals. High definition television receiving sets capable of receiving programs sent by either transmitter, i.e., Baird 240 or EMI 405, are expected to make an appearance about the time the bids for the transmitters are actually accepted - which will probably be some time this fall. It is anticipated that their minimum price will be the equivalent of \$250. I honestly believe that the British public want television although I would hesitate to say that they are insisting on it! Some over-enthusiastic writers have given the impression that the receiving sets will be sold for approximately \$100 and I strongly suspect that when the public discover that sets will cost more than twice that figure - whatever enthusiasm they may now have for the new television programs will be lost to a considerable extent.

"The British Radio Manufacturers' Association have consistently refused to have anything whatever to do with television on the grounds that the attendant publicity has already reduced their sale of radio receiving sets materially. However, my conversations with several of the larger manufacturers gave me the impression that the total sale of these sets for 1935 will be fully up to the 1934 figures - in spite of television. As a matter of fact I understand that the RMA is now considering the idea of allowing manufacturers to actually show television receiving sets at their August Radio Show.

"The British Post Office are firm in their belief that a television Patent Pool is essential and preliminary negotiations are now being carried on by the principal patent holders."

"The ultimate plans of the British Post Office call for the erection of twelve transmitters to cover the principal population centers of Great Britain and it is confidently predicted that 4 or 5 of these will be in service by the end of 1937. The confidence of the prospective manufacturers of television receivers is reflected in their prediction that 50,000 of those sets will be in service by the end of 1936 and from five to ten times that many more by the end of 1937.

"One thing which impressed me greatly was that in all of these rather optimistic plans for the future of British television, the ability of the B.B.C. to provide interesting programs seems to be taken for granted. To my mind the whole success or failure of the project hinges on this point. One engineer estimates that if all of the motion pictures produced in England and all of the films imported by them from other countries were to be presented to the television audience, they would still only have enough material from that source to provide a program ten minutes per day. That, according to their present schedule, would still leave 170 minutes each day where live talent would have to be used! To be sure, the studio technique which B.B.C. has developed in their presentation of their low definition programs will certainly stand them in good stead but at the same time I could not blame them if they viewed with alarm the task of having to provide material for 21 hours per week as against their present maximum of 3 hours."

"From London I went to Berlin where they are giving 180 line 25 frame sequentially scanned transmissions from a 7 meter transmitter in Berlin. The Broadcasting Company of the Ministry of Propaganda provides a two-hour program three nights a week and the Post Office supplies programs in the mornings and afternoons and on alternate evenings. Several places are provided in Berlin where the public may view these programs and they are proving most popular. Inasmuch as practically all the program material is provided by films, repetition is not infrequent and occasionally an old film leaves much to be desired. Generally speaking, however, the quality of these transmission is excellent and impresses one with the high entertainment value which can be secured with a 180 line picture."

"A patent pool is being formed and negotiations in this direction are proceeding very smoothly indeed. While natural competition exists between the various German radio manufacturers they seem to be able to get together in the solution of their mutual problems in a very commendable fashion. It is anticipated that television receivers which will be adaptable to the 270 line standard will sell for from \$240 to \$500."

"The Broadcasting Company have a very interesting piece of equipment which they call their television truck and which they use to cover news events. This truck, which was first used at the May Day ceremony at the Templehof Aerodrome at which Chancellor Hitler spoke, consists of a low powered ultra short wave transmitter for both sound and television using the intermediate film method."

"Television is moving ahead in Germany on what certainly appears to be a most thorough basis and the cost is being carried by the license fees plus an additional governmental appropriation.

"In France, the Ministry of Posts and Telegraphs is extremely interested in having their country match the television developments in England and Germany and are doing everything in their power to speed up this work realizing that they are behind those two countries in this respect. They have started experimental 60 line 25 frame transmissions on 175 meters but no regular schedule is maintained. The French hope to be able to go to 90 lines and then to 180 lines as quickly as practicable but I seriously doubt if much progress in this direction will be made before 1936."

X X X X X X X X X X X

TALK REVIVED OF JUDGE SYKES GOING ON BENCH

The death of Associate Justice William Hitz of the District Court of Appeals, has revived the talk of the possibility of Judge E. O. Sykes, of the Federal Communications Commission, being appointed to that position. It is known that Judge Sykes would welcome a judicial position and if President Roosevelt were inclined to appoint him the District Court would seem to be the logical position. All radio cases are appealed to this Court and Judge Sykes being the only surviving member of the original Radio Commission and having passed on all radio cases during that time, would appear to be well qualified for the work.

If Judge Sykes were appointed to succeed Judge Hitz, President Roosevelt, after objections raised by Senator Wheeler, of Montana, because there are no Western men on the FCC, would unquestionably consider appointing someone from the West.

XXXXXXXX

BOND IS A GRANDDAD!

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, the newest member of the Ancient and Honorable Order of Grandfathers, was kept busy buying cigars at the National Association of Broadcasters' Convention at Colorado Springs, due to the fact that a daughter had been born to his son and daughter-in-law, Mr. and Mrs. Bruce Geddes, two days before Bond left Washington for the West.

XXXXXXXX

GARY AGAIN SEEMS HEADED TOWARDS COMMISSIONERSHIP

It would not be surprising if the appointment of Hampson Gary this week as General Counsel of the Federal Communications Commission did not eventually lead to his again being appointed a member of the Commission upon which he served for six months at its beginning. Mr. Gary resigned to make way for the appointment of former Representative Anning S. Prall whom the President desired to take care of at the request of Senator Wagner, of New York. When Mr. Gary stepped aside so gracefully, the President, who knows him so well that he calls him by his first name, expressed his appreciation and indicated that Gary himself would be well taken care of in the future.

It is probable that the next man appointed to the Commission will be from the West to appease Senator Wheeler, of Montana, but after tha, assuming President Roosevelt is reelected, it is believed that Gary's chances to again become a Commissioner are excellent, despite the fact that he hails from Texas, and that another Texan, Dr. Irvin Stewart, is already on the Commission.

Mr. Gary, who has a very attractive personality, and is probably one of the most popular men who has ever served on the Commission, is 62 years old and first came to public attention as a Colonel of the Third Infantry regiment of Texas in the Spanish-American War. He was standing master in chancery for the U.S. Court for two years and his decisions were rarely appealed. He was counsel in much important litigation, practicing in both the state and federal courts.

In 1914 he was made special counsel to the Department of State and later became a solicitor of same. After the entrance of the United States into the World War in 1917, President Wilson sent him as our envoy to Egypt. While serving at Cairo, he was in charge also of American interests in Palestine, Syria and Arabia, and was at the front beyond Jerusalem with Field-Marshal Lord Allenby for a while in the World War, and in 1919 was called to Paris for technical work with the American Commission to Negotiate Peace.

Switzerland was the next field of Mr. Gary's service, his years of training in the law and in the State Department, practical experience as our diplomatic representative at Cairo, and the added insight gained in questions of world wide significance at the Peace Conference caused the President to nominate him to be Envoy Extraordinary and Minister Plenipotentiary to that country. For several reasons the post was at that time one of the most important in the whole foreign field. The aftermath of war had brought to Berne and Geneva problems touching nearly every nation in the world. They raised difficult questions of international law and diplomacy. Mr. Gary was able to take care of every interest of the United States and received the high commendation of his Government.

RADIO SHOULD BE PAUL REVERE OF ADVERTISING, PRALL SAYS

Radio should be the modern Paul Revere and be used to warn the public against the fake advertiser, Anning S. Prall, Chairman of the Federal Communications Commission, declared addressing the National Association of Broadcasters' Convention in Colorado.

"Particularly gratifying to us has been the leadership of the nation-wide networks. They have responded admirably, and we hope they will continue to lead the way in this sensible self-regulation movement. Otherwise", Chairman Prall warned, "there is strong possibility that Congress itself will step in and take a hand, and perhaps write into the law program restrictions with which stations will be forced to comply."

A large portion of his speech had to do with the advertising cleanup which he described as "a bit of New Deal injected into radio", and he concluded by saying:

"It is my hope that when you convene again, one year hence, you will report the broadcasting industry without an exception as having attained the goal of clean programming. Having accomplished that purpose, you should then take up for consideration and presentation to the Commission your claims for granting longer term licenses."

"There is now pending before the Commission a resolution introduced by Commissioner Brown to extend the broadcast license term to one year. I have not discussed this resolution with any of the Commissioners and cannot even venture an opinion of what action they may take when this matter comes before us for adoption. I know, hoever, that you are vitally interested in this phase of your business and I can see no good reason, when once the industry has established itself on a sound program basis, why the Commission should not give the proposal serious considerations."

Launching into the advertising situation, Mr. Prall said the industry "can rely upon the strong arm of the Commission to protect it against its unscrupulous brother within its own ranks who seems to disregard the idea that immediate profit must at times be subordinated to public service."

To him the speaker said "radio was (and still is) an ultra-modern combination of journalism, the theatre, the public rostrum and the school house."

Chairman Prall said "the wholesome cleaning up" has not been completed "for our records show that there are still some one hundred station citations pending involving programs. These are not confined to medical continuities. They include lotteries, astrology programs, and other seeming violations of broadcasting 'in the public interest.'"

"We do not have in mind the deletion of stations which can show that the programs complained of did not constitute the major part of their schedules, or which have since taken steps to clean up; but we will not condone gross and wilful infractions. Stations have been deleted in the past due to program shortcomings, and it may be that a few of the pending cases will necessitate this drastic action. I hope not.

"It can be said, also, that the Commission has not and does not intend to prohibit the advertising of any and all medical products over the air."

Figuratively shaking his finger at the advertiser, and his advertising agency, Mr. Prall warned "He should not attempt to foist upon stations and their listeners advertising copy that cannot be placed in newspapers and magazines. He should realize that while he may sell his goods effectively over the radio by going to high-powered extremes in his sales talks, he is at the same time creating ill-will among those who are informed. In the long run he will lose and perhaps the station will be found in the ruins."

NAB and the
Referring to the cooperation between the/Association
of National Advertisers with the Association of Advertising
Agencies, in forming a bureau to authenticate station coverage
and listener data, Chairman Prall suggested:

"Why not go further? Here are the three principal trade associations of the three industrial groups most vitally concerned with radio as an advertising medium. Why can't they enlarge the scope of their activity to include a cooperative movement for safe, sane, clean, and dependable continuities on the air? There need be no mandatory rules. Perhaps the writing of trade practice provisions to cover these points would suffice."

The speaker also said the suggestion was plausible that had been made to set up within the industry an agency whose task it would be to advise stations and advertisers whether particular accounts are construed to be ethically and otherwise acceptable and to check with the Commission on this.

"Having served the city of New York as President of the Board of Education, with an enrollment of more than a million boys and girls in the public schools, I am naturally interested in what is going over the air under the guise of children's programs. Caustic complaints have come to me to the effect that many children cannot eat or sleep after hearing some of these blood and thunder broadcasts. Good judgment would have prevented this, and can prevent it", Mr. Prall went on.

Speaking of the newspaper phase of the situation, the speaker continued:

"Naturally, we cannot expect this fifteen year old infant, which some of my newspaper friends call 'audible journalism', to do what the publishers have accomplished only after four centuries; but it can profit and happily is profiting by the experience and background of the 'Fourth Estaters'."

"I find that news reports consume infinitely more time than they did only a few short months ago. That is an interesting and important development and may have a far reaching bearing upon the future status of the broadcasting stations.

"Broadcasters, as they become more alive to their editorial responsibility, I believe will soon find themselves establishing editorial standards. By that I do not mean that they will identify themselves with politics, for that would be wrong and deplorable. It is my view that they will become more intimately identified with the civic activities of their own communities, that there will be more forums on the air, and that they will awaken the interest of their listeners in an entirely new sphere of editorial activity."

X X X X X X X X X X

FCC COMES THROUGH WITH 69 PAGE INTERLOCKING ALIBI

The Communications Commission has issued a 69 page, legal size, double-spaced, mimeographed opinion upon which it based its recent decision that a person may not hold the position of officer or director of more than one carrier. This includes a 13-page statement of facts and grounds for the decision, a specially concurring opinion of Commissioner Walker, 12 pages, a dissenting opinion of Commissioner Stewart, 37 pages, and a dissenting opinion of Commissioner Brown, 7 pages. It is the bulkiest opinion ever submitted by either the old Radio Commission or its successor the FCC.

The conclusion in the statement of facts and grounds for decision is that

"Section 212 of the Communications Act makes it unlawful for any person to hold a position of officer or director of more than one carrier subject to the Act, unless such holding shall have been authorized by order of the Commission. Under this section the applicant bears a very serious burden to show the Commission, beyond doubt, that neither public nor private interest will suffer.

"In each of these applications the applicant has failed to meet this burden. It will be necessary briefly to discuss some of the facts relating to each individual application."

Following this the cases of Messrs. Gifford, of the American Telephone & Telegraph Company; Sosthenes Behn, International Telephone & Telegraph Company; Edwin F. Carter, American Telephone & Telegraph Company; E. F. Chinlund, Mackay Radio and Telegraph Company; Joseph J. Halpin, Mackay Radio & Telegraph Company; Newcomb Carlton, Western Union Telegraph Company; E. Y. Gallaher, Western Union Telegraph Company; David Sarnoff, R.C.A. Communications, Inc., and Lewis MacConnach, R.C.A. Communications, Inc., are discussed separately.

Note: Copies of this decision may be had upon application to the Federal Communications Commission or to this writer.

R. D. Heinl

X X X X X X X X X X X

N.Y. DEALER CITED FOR MISLEADING "ALL WAVE" ADVERTISING

Misleading representations in the sale of radio receiving sets and equipment will be discontinued by Miodrag Jelisjevich of New York City, a manufacturer trading as Pioneer Sound Laboratory.

Entering into a stipulation with the Federal Trade Commission, Jelisjevich agrees to stop employing the words "all wave" as descriptive of his products when they are not capable of reception over the entire meter range covering all broadcasts and commercial transmissions, and to cease implying in advertisements that users of his radio receiving sets can have world-wide or foreign reception at will and with satisfactory volume.

"The respondent's advertising was said to be misleading and deceptive to the purchasing public, who are not aware that there are no receiving instruments that will give easily tuned, satisfactory reception over short waves from foreign countries under all conditions", the Trade Commission's statement concluded.

X X X X X X X X

CORRECTION

In the account of "Prall's Brawl Proves Quite A Success", the party given to celebrate the appointment of Anning S. Prall, Chairman of the Federal Communications Commission, in the issue of July 2, the last line should have read, "Marvin H. McIntyre, secretary to President Roosevelt, presided."

X X X X X X X X X

7/6/35

CLEVELAND WIRED RADIO DECISION SOON

Following a three months' test of wired radio in Cleveland - entertainment via the electric light wires - meters are being checked and it is expected that definite results will soon be known.

"If the results satisfy the wired radio big-wigs, the service will be offered local listeners on a city-wide scale", Norman Siegel, Radio Editor of the Press, said in sizing up the situation. "If the results say 'No', wired radio will be put back on the shelf to be forgotten until somebody again thinks the public wants it.

"Wired radio, the transmission of voice over electric light wires, has been waiting for eight years to get out of the laboratory and compete with space radio for listener interest. It finally was given its first workout here on March 15.

"The test was conducted in the western half of Lakewood. During the three months it has been in operation, sets were placed in 700 homes for three-week trials. Programs were wired from a studio at 13000 Athens Avenue and relayed through an illuminating company sub-station. Listeners were given a choice of three programs. Meters on the sets tabulated the number of hours each of the three different channels were listened to. The hope of Muzak Corp., which conducted the test, is that the sets were used more hours per day than space radio receivers.

"Although a report isn't due till early in July, this writer in a check of his own finds that the sets were listened to on an average of four hours a day, and that the channel bringing rhythmic dance music was favored . . . and that the 'Isle of Capri' was the tune most requested by Lakewood listeners.

"Giving you some more advance reports, we learn from a questionnaire sent to the 700 families selected for the test that: News flashes, news commentators and sports broadcasts are their favorite space radio programs . . . and that Ben Bernie is their favorite ethereal entertainer. Yowzah, Ben, the aged baton wielder.

"Harris D. H. Connick, Vice-President of Wired Radio, Inc., and H. D. Duncan, the outfit's chief engineer, arrived in town to complete the test and assist in the tabulation. In a couple of weeks they'll let you know whether you can buy wired radio programs free of commercial advertising at so much per month. The decision will be made without the aid of the Supreme Court."

		TNDHEMDY	MOMES	٠	
		INDUSTRY	MOLFO		
۰					

Monday night, July 8, at the Broadcasters' Convention at Colorado Springs, representatives of the Inter-City stations will attend a conference presided over by Donald Flamm, of WMCA, New York City, at which time plans for the further development of the group's activities will be discussed. A conference of western stations interested in forming a similar group has been scheduled for Tuesday night, a press release sets forth.

A favorable recommendation has been made to the Commission by Examiner Melvin H. Dalberg in the application of George B. Bairey, of Valley City, North Dakota, for a 100 watt station on 1500 kc.

F. P. Guthrie, Manager of R.C.A. Communications, in Washington, attended the Detroit Convention of the Institute of Radio Engineers.

A dispatch from Kansas City said that Police Chief Coffee's libel suit against Time magazine for its "March of Time" broadcast of April 6, 1934, has been settled for \$20,000.

Chief Coffee, appointed only a short time before, filed suit against the Columbia Broadcasting System, Remington Rand and KMBC, asking for \$250,000 damages. Attorneys would not disclose who paid the money, but Time magazine had representatives in Kansas City negotiating the settlement.

According to NBC Sales Department, Jack Benny's Jell-O program commands the largest listening audience of any program on the air. It is produced for General Foods Corp. by Young & Rubicam, Inc., Advertising Agents, of New York, Chicago and Detroit.

The Federal Government's anti-trust action against the Radio Corporation of America and RCA Communications, Inc., ended at Wilmington, Del., July 2, when Judge John F. Nields in Federal District Court issued a consent decree disposing of the communications agreements of the two companies with foreign countries, including China, Poland and Czecho-Slovakia.

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

S/ C

CONFIDENTIAL - Not for Publication

STADEA SE : ON

INDEX TO ISSUE OF JULY 9, 1935

Government Official Waxes Facetious Over Television2
Another N.Y. Radio Dealer Under Fire
G. E. Exhibits All-Metal Tubes In New York
New Book Tells Story Of Radio News
Favorable Outlook For Canadian Radio Industry Reported8
Industry Notes9
Cable & Wireless (Holding), Ltd., To Reduce Capital10
NBC Equipment Lost In Vesuvius Blast
Order No. 16 of the Telegraph Division, FCC

No. 841



July 9, 1935

GOVERNMENT OFFICIAL WAXES FACETIOUS OVER TELEVISION

It isn't often that a humorous note is allowed to creep into a Government report but there was a good laugh in the introduction of the account Andrew W. Cruse, of the Bureau of Foreign and Domestic Commerce, gave of his European television investigation to the National Association of Broadcasters' Convention at Colorado Springs yesterday (Monday).

"It was early in 1925 that Baird in England and Jenkins in this country succeeded in demonstrating the practicability of television and almost hourly since then we have read that 'Television in the home is just around the corner!'", Mr. Cruse said. "For some unaccountable reason this mirage of visual transmissions which has been dangled before the eyes of the public has failed to lose its novelty despite this repetition - and any writer has always been sure of attracting a large number of readers through the simple expedient of developing a new angle on the 'Television Story.' In this respect the 'Television Story' has always reminded me of an old wooden theatrical property horse which was constantly being relegated to the limbo of the dusty old cellar - and just as constantly being dragged out, dusted off and paraded around before an ever-enthusiastic public whenever there has been a dearth of news. I think that I can say without fear of contradiction - serious or otherwise - that from a news viewpoint - television has been the most successful scientific development of all time!

"On the 14th of May 1934, a new note crept into this Ravel's Bolero of the 'Television Story', when the British House of Commons announced the appointment of a Committee:-

"To consider the development of television and to advise the Postmaster General on the relative merits of the several systems and on the conditions under which any public service of television should be provided.'

"This theme was built up to a terrific crescendo when, on January 14th of this year the British Television Committee rendered its report. The corner had been turned, the wooden horse had blinked his eye, the public cheered, the bearings of the typewriters ran hot, television stocks boomed - in short, a scientific sensation was created which would have dwarfed the story of catching the Loch Ness monster on a bent pin!

"But in the background of the cheers in the United States could be heard the - 'Walla-walla-walla' - of those incredulous persons who were - and for that matter still are - demanding the answers to their questions - 'What are we going to

do about it? - When are we going to have television in our homes? -What is to be our answer to this challenge of our recognized leadership in the field of science?

"That, in brief, was the situation when early in May the United States Department of Commerce decided to make a study of the television situation in Europe because by this time Germany and France were also in the television picture - and advise the electrical and radio industries in this country the exact state of affairs in a fair, unvarnished, uncolored, unbiased fashion."

When Mr. Cruse discussed the British situation he said, "You will note that the Postmaster General refers to this as the 'proposed experimental television service.'" Also another bit of humor creeps into the report when Mr. Cruse tells that preliminary negotiations are being carried on for a television patent pool and adds:

"There can be no doubt of the successful conclusion of these negotiations - but I assure you that any mediation board which must determine how royalties will be distributed certainly has my sympathy."

The final bit of humor crept into the report when the Government investigator, referring to what France was doing in television said:

"I was very much amused to read a handbill which was passed out at a recent Radio Show by the French Radio Manufacturers and which translated read:

"'Television is not here and even if it was here receiving sets would be too expensive for you to buy.
"'All of this television propaganda which you hear is

being started by the German, von Ardenne.
"'If you could buy television receiving sets they would use extremely high voltages of from 4,000 to 5,000 which is the same as is used to kill criminals in New York. '

"The effectiveness of this appeal is demonstrated by the fact that it was necessary to install a moving carpet before the cnly television receiver shown - in order to prevent a traffic jam!"

Seriously speaking, Mr. Cruse referred to a number of phases of television. Of coaxial cables, he said:

"Experimental work is being carried on in the field of coaxial cables for the land line relay of television programs from one city to another and there is one unconfirmed report that the British Post Office hope to have a coaxial cable link between London and Birmingham before our New York-Philadelphia coaxial cable is placed in service. In view of the fact that they speak of their cable as being capable of handling a frequency band of

but 1.5 megacycles I seriously doubt if they can, or will, plan to use it for television relay work."

"While the German engineers expect to carry on their experiments using 180 lines, they plan to eventually go to 270 line pictures. This latter figure has been arrived at as the most economically satisfactory standard taking into consideration transmission costs and land line relays using coaxial cable. They are confident of their ability to manufacture long haul cables of this character capable of handling a band of 3 megacycles. The maximum frequency band which they have been able to handle by cable so far is 5 megacycles and that, they quite frankly admit, could only be accomplished over a distance of approximately 100 meters. The Post Office is considering the laying of a 3 megacycle cable between Berlin and Frankfort some time in the future and expect to use this cable for the relay of television programs.

"The German Ministry of Propaganda is most interested in securing broadcast coverage in those areas which are now in 'dead spots.' In view of the fact that practically all of the frequency bands available to that country are now in use, they expect to cover those 'dead spot' areas with ultra-short wave, probably using seven meters, and equipping each new location with both sound and television transmitters at the same time. In order to secure television coverage of the principal population centers of the entire country, it is estimated that twenty-five 20 kw ultra short wave transmitters will be required."

Mr. Cruse seemed a trifle skeptical when it came to the question as to how the terrific cost of television is to be met and apparently thought this question might even "rock the boat" when the British Broadcasting Corporation comes up for a renewal of its license next year.

"In considering television from this angle the question logically arises - 'Who is going to pay the bills?'" the U. S. investigator observed. "It should be remembered that approximately seven million listeners are now paying license fees of two dollars and a half per year of which the B.B.C. receives a dollar and twelve cents and the balance goes to the treasury. It is now proposed to increase the B.B.C. share of the license fee to two dollars and twenty-five cents, thus giving them approximately \$15,750,000 annually on which to operate both sound and visual services. It is most interesting to note that this new proposal has caused practically no adverse criticism from license holders in areas not to be served by the television programs.

"As you probably know, the British Broadcasting Corporation's charter expires December 31, 1936, and it is going to be most interesting to observe what effect this venture into this new field will have upon its future!"

In conclusion the comment of Mr. Cruse with regard to the programs of television in the United States is not the least interesting. "The technical development of television is still in a state of flux and much work in the laboratory still remains to be done", he said. "You of the Broadcasting Industry must develop studio technique before you can hope to satisfactorily enter this field."

X X X X X X X X X

ANOTHER N.Y. RADIO DEALER UNDER FIRE

False and misleading advertising of radio receiving sets and radio equipment is alleged in a Federal Trade Commission complaint against Try-Mo Radio Co., Inc., New York City.

Advertisement of "All-Wave Receivers", "Powertone World Wide Short-Wave Products" and "Powertone World Reception" is alleged to be false and misleading in that none of the respondent's products makes it possible for the operator to receive through a single instrument either-the domestic broadcast band or the foreign broadcast band at his pleasure.

The Commission has designated Friday, August 2, for the respondent to show cause why an order to cease and desist from the practices charged in the complaint should not be issued.

X X X X X X X X

THREE NEW STATIONS FOR BRAZIL

Petition has been filed with the Department of Posts and Telegraphs of Brazil for the operation of the following radio broadcasting stations, Assistant Trade Commissioner Aldene A. Barrington, Rio de Janeiro, advises:

Name and Location	:Call	Letters	Frequency	:Wave	elength:Power
	:			:	:
Sociedade Radio Farroupilha	a i		•	:	:
Porto Alegre	:	PRH2	600 kc.	: 500	meters 25 kv
Sociedade Radio Mantiquera	,:			:	
Cruzeiro-S. Paulo	:	PRG6	1500 kc.	: 200	" :0.25 "
Radio Ipanema, Rio de	:			:	:
Janeiro	:	PRH8	835 "	: 360) ": 5 "

Final authorization for operation is awaiting technical formalities of the petitioned department.

XXXXXXXX

1/3/00

NEW BOOK TELLS STORY OF RADIO NEWS

A new book, "News While It Is News", "The Real Story of the Radio News" has been written by Leland Bickford, Editor-in-Chief of the Yankee Network News Service, in collaboration with Walter Fogg, author of "One Thousand Sayings of History".

In the preface Mr. Fogg explains that the book "takes the host of followers of the Radio News behind the scenes. It affords them the opportunity of sharing in the orderly bustle and tireless endeavor which render it possible for the twelve Yankee Network broadcasting stations in the six Northeastern states to keep them intelligently and promptly informed of the sharply-shifting kaleidoscope of fire and flood, politics and courts, industry and the arts, religion and reform, peace and war, sports and social whims."

The book is dedicated to John Shepard III, of Boston, founder of the Yankee Network News Service, and is as follows:

"He opened up a new field in radio - the collection and dissemination of local, national, and world events by means of regular news broadcasts. Taking as his slogan, 'News While It Is News', he dared to go ahead, at great expense and against discouraging obstacles, with the object of giving to the public, in full, a service of which they would have been deprived.

"The Yankee Network News Service, as it stands today, firmly implanted in popular favor, is a fitting monument to the keen foresight and fearless determination of the man who directs this outstanding New England organization."

"News While It Is News" is published by G. C. Manthorne & Co., of Boston, and the price of the book is \$1.50.

XXXXXXXXX

GERMAN RADIO EXHIBITION AT RADIO CITY

Following the Polish Radio Exposition shown recently at Radio City, Rockefeller Center, New York City, the National Broadcasting Company is showing various German receiving sets together with some pictures and charts showing both the technical development of German Broadcasting and the increase in receiving sets used by German listeners who, as in England, must pay a small monthly "listening fee" part of which goes to the stations for program expenses while the rest goes to the Government for lines, machinery, etc. This fee incidentally enables an accurate check on the number of sets in use.

Shown among other sets is the well-known "Volksempfaenger" (The People's Receiving Set) in a magnified form as it is

being used in meeting places for mass receptions of important events. In its regular size it is used by many German listeners on account of its cheap price.

The "German Exhibit Room" on the 9th floor of the RCA Building is part of the permanent Radio Show through which many daily tours are being conducted by guides of NBC.

X X X X X X X X

FAVORABLE OUTLOOK FOR CANADIAN RADIO INDUSTRY REPORTED

Prospects for Canada's radio manufacturing industry for the current year appear to be better than 1934 when 189,000 receiving sets were produced, according to a report from Consul Damon C. Woods, Toronto, made public by the Commerce Department.

Changes and improvements, it is pointed out, will follow closely those in the United States, as the Canadian companies, with one exception, are branches or affiliates of the large American manufacturers.

All-wave sets, which led the uptrend last year, will again be featured and two-band reception will be on all but the "midget" sets. Metal tubes will appear early this Fall.

Sales of receiving sets in the Dominion during the first quarter, the report states, amounted to approximately 25,000 units, with a retail value of \$2,300,000. About 85 per cent of the sets now sold are all-wave. The actual demand for battery sets from householders without electric wiring is running well ahead of last year, particularly in the rural sections.

Sales of radio sets for automobiles in Canada are comparatively small, as compared with the United States. This situation is due partly to their greater cost and also to the fact that the open weather season is shorter than in the United States. Automobile sets sold in Canada during 1934 numbered 13,235 units, as compared with 700,000 sold in the United States.

X X X X X X X X X X X

	-	_			-	٠.	
9	8						
		9	INDUSTRY	MAMER		٠	
			TWICOUNT	MOTED			

The twelfth Paris International Radio Show, organized by the "Society pour la Diffusion des Sciences et des Arts", will be held in Paris from the 5th to the 15th of September, 1935, at the Grand Palais, in the Champs Elysees, Assistant Trade Commissioner Lestrade Brown at Paris advises.

Dr. John R. Brinkley, goat gland specialist, whose bouts with the United States and Mexican governments have kept him in the headlines for years, ran into trouble with Canadian authorities at Halifax, N. S., July 5, when, what is described by the Associated Press as his palatial yacht, the "Dr. Brinkley II", was seized by the sheriff.

A salvage suit for \$5,000, entered by the owners of the Nova Scotia motor vessel "Shanalian", which refloated the big yacht after she struck Chebogue Point, Nova Scotia, in fog several days ago, led to the seizure.

Because of the lengthy references to <u>Broadcasting Magazine</u> in the speech of Chairman Anning S. Prall, at the Broadcasters' Colorado Convention, Martin and Solly are being kidded considerably and asked if maybe they didn't have a hand in writing the speech for "Annie", as close associates of the Chairman call him.

The Chamber of Deputies of Chile has given its approval to a bill authorizing the Government to install two radio telegraph stations, one in Santiago and one in Magallanes, at a cost not to exceed 1,295,000 pesos. The stations are to be operated by the State Post and Telegraph Department. The bill now goes to the Senate where it will undoubtedly be approved, Acting Commercial Attache Harold M. Randall, at Santiago, reports.

A permanent Mutual Broadcasting System sales organization for the handling of Mutual business has been established. Three salesmen selected to represent the network are T. Wylie Kinney, the WOR Sales Promotion Manager, and David D. Chrisman, WOR salesman, who will be eastern sales representatives. Ade Hult, formerly of the WGN sales staff will act as mid-west representative.

Lists of importers and dealers handling electrical supplies and equipment in the following countries have been compiled by the Commercial Intelligence Division from data prepared and submitted by American consular officers abroad under the direction of the Secretary of State. Copies of these circulars may be obtained from the Bureau of Foreign and Domestic Commerce, or from its District and Cooperative Offices. Price 50 cents each:

Siam Janaica
Trinidad (including automotive equipment)

Similarly, a list of importers and dealers handling radios and radio equipment in Nicaragua has been compiled by the Commercial Intelligence Division, copies of which may be obtained from the Bureau of Foreign and Domestic Commerce, or from its District and Cooperative Offices at 50 cents each.

Nikola Tesla, physicist and inventor of modern power transmission methods, promised on the night of July 7th that on his 79th birthday, which is tomorrow, (Wednesday, July 10), he will announce a new invention which he said experts had been seeking "for the past 100 years", an A.P. report sets forth. From his guarded statements it was believed that the new invention would have something to do with wireless transmission of power. He said his newest is his greatest invention.

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

CABLE & WIRELESS (HOLDING), LTD., TO REDUCE CAPITAL

The Court of Directors in England has considered the possibility of applying part of the liquid resources of the Group in reduction of the amount of the paid uppreference capital of the company and has decided that without prejudice to the business, and after providing for all probable contingencies, $\pm 7,739,625$ could be so applied, the <u>Electrical Review</u> of London reports. Inasmuch as the $5\frac{1}{2}$ percent cumulative preference stock is entitled to priority over other stock, any repayment of the capital from the assets of the company must be a repaying of a proportion of such stock. The company now offers to purchase at par (up to June 25) one-third of the $5\frac{1}{2}$ percent cumulative preference stock, together with all arrears of dividends thereon, and the stock so purchased will be cancelled and the capital of the company reduced accordingly.

X X X X X X X X

NBC EQUIPMENT LOST IN VESUVIUS BLAST

When Mt. Vesuvius erupted on July 3, John F. Royal, Vice-President of the National Broadcasting Company in charge of programs, who is now abroad, narrowly missed a spectacular conclusion of his colorful career.

He and Max Jordan, NBC Central European representative, accompanied by engineers and officials of the Italian Broadcasting Company, climbed to the rim of Vesuvius on the evening of July 2 and broadcast its grumblings to the United States. Just a few hours later the spot on which they had worked was scattered all over the Bay of Naples.

The eruption, the most devastating of recent years, came so soon after the broadcast that the NBC microphones were still in the crater. One was blown to pieces, and the stream of molten lava ate up all the wires as well as other equipment.

"Yes, it would have been one of the greatest broadcasts in radio", was Royal's comment.

"Fireworks, you might say, are natural to Royal" was the conclusion of an NBC press bulletin. "He was born on July 4 and things have been popping for him ever since."

X X X X X X X X

MARMOLA AGAIN CITED BY TRADE COMMISSION

The Raladam Co., of Detroit, manufacturers of "Marmola" tablets for fat reducing, and the Conde Nast Publications, Inc., of New York, both charged with practicing unfair competition by the Federal Trade Commission, have elected to fight the complaints, they stated in answers to the Commission.

The Marmola Company, long a subject of investigation by the FTC and Federal Communications Commission for alleged misleading advertising campaigns on the reducing qualities of its products, has denied the FTC charges that its advertising has been misleading and that the tablets are dangerous to the health of the user. A public hearing will follow possibly in the early Fall, at which time the charges will be examined by the Commission.

The Marmola company was cited by the Communications Commission along with 21 radio stations carrying its advertising programs. As a result of the FCC action, the radio stations have refused to carry further programs sponsored by Marmola and all but five were freed of the charges.

X X X X X X X X

ORDER NO. 16 OF THE TELEGRAPH DIVISION, FCC

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

- (a) The name of the organization operating the other end of each circuit designated in the license sought to be renewed and (to the best of applicant's information and belief) its relation to other communications operating or holding companies in the same country and any affiliation which it may have with any communications operating or holding companies or administrations in other countries.
- (b) the number of paid words of public correspondence transmitted during the month of July 1935, to each point specifically designated in the license sought to be renewed.
- (c) the name of each point of communication specifically designated in the license sought to be renewed to which no paid words of public correspondence have been transmitted during the license period, prior to the date of this order.
- (d) the name of each point of communication specifically designated in the license sought to be renewed, to which paid correspondence was transmitted at some time during the license period but to which no such paid correspondence was transmitted during the month of July, 1935.
- (e) the reason for not handling paid words of public correspondence with each point that may be listed under (c) or (d) above.
- (f) the reason for desiring to continue inactive points of communication in the license.

It is further ordered that the aforementioned common carriers shall at the same time file an additional statement showing the number of paid words of public radiotelegraph correspondence received by them in the United States during the month of July, 1935, from each fixed point outside the United States from which messages are received.

XXXXXXXX

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL - Not for Publication



INDEX TO ISSUE OF JULY 12, 1935

Broadcasters Favor Government Pressing Copyright Suit2
Broadcasters Adopt Revised Code Of Ethics4
Industry Feels Secure With Prall, NAB Convention Told5
Fitzpatrick, WJR, Detroit, New NAB President6
Wired Radio Ticker News Service Contemplated8 Small Station Applicants Fail To Appear8
Broadcast Advertising Ahead Of Last Year9
Broadcaster-Educator Committee To Be Announced Soon
Industry Notesll
McCosker's Contract Extended As WOR President

No. 842



BROADCASTERS FAVOR GOVERNMENT PRESSING COPYRIGHT SUIT

The upshot of all the discussion of the copyrighted music situation at the National Association of Broadcasters' Convention at Colorado Springs was affirming the action of their Board of Directors taken in New York last month that while the Board reiterated the so-called "per piece" or "measured music" plan of payment, it believed that every broadcaster must himself come to a decision as to whether or not he desires to extend his present contract with the American Society of Composers for a five year period beyond 1936.

At the same time, however, the Broadcasters at their Colorado Springs meeting passed two resolutions, one approving a condemnation of the activities of Attorney General Cummings against the ASCAP and expressing appreciation and gratitude to the Attorney General, and another which read:

"RESOLVED, That the officers and directors of the National Association of Broadcasters be instructed to support the suit of the United States Government against the American Society of Composers, Authors and Publishers, The Music Publishers' Protective Association and their affiliated defendants, to the end that royalties for the public performance of music may be determined by free and open competition among copyright owners."

The NAB commended the efforts of Joseph Hostetler for his endeavors to "obtain relief for the broadcasting industry from the ravages of the ASCAP" and recommended that he be given the opportunity to continue as copyright counsel.

Another resolution was that the Board consider the establishment of one or more annual NAB awards for conspicuous examples of public service rendered by American broadcasting stations.

Among the other resolutions adopted at the Colorado Springs Convention were:

"Resolved, that the NAB go on record as favoring the issuance of radio station licenses for a term of at least three years."

"Resolved, That the NAB hereby petitions the Congress of the United States speedily to enact Senate Bill No. 3047, generally known as the Duffy Copyright Bill, which brings the Copyright Act of 1909 into conformity with the pending Treaty which would permit American entry into the International Copyright Union, and which will afford relief to broadcasting stations,

hotels, restaurants, public gatherings, valet shops, and so forth, by eliminating the minimum statutory damage provision and permitting the Court to determine the amount of damages."

"Resolved, That the action of the Managing Director in authorizing the Technical Director of the Association to cooperate actively with the FCC and the stations contributing to the conduct of the Secondary Coverage Survey be and the same is hereby approved; and that the Managing Directore be and he is hereby authorized to continue such participation particularly during forthcoming conferences at which the results of the survey are to be considered."

"Resolved, That the Managing Director be and he hereby is authorized to take such steps as may be necessary adequately to represent the best interests of the broadcasting industry in the forthcoming conferences preparatory to the Fourth Meeting of the CCIR (International Consulting Committee on Radio), scheduled for the Spring of 1937 (probably at Bucharest) and in the meeting of the CCIR."

"Resolved, That the President be and he hereby is authorized and directed to appoint a committee of three, one of whom shall be the Managing Director, to determine the procedure for most effective presentation of the United States' position and proposals to the next administrative International Conference scheduled to be held in Cairo early in 1938."

"Resolved, That the Managing Director be instructed to proceed immediately with the creation of a bureau of agency recognition in accordance with the plan approved and recommended by the Commercial Committee, with the understanding that the said bureau will be finally established only if the cost of its first year of operation is underwritten by the stations proposing to avail themselves of its services."

"Resolved, That the National Association of Broadcasters reaffirm its willingness to cooperate with the advertisers and agencies in the creation of a cooperative bureau, and that the President of the Association be directed to appoint a committee of not less than five members, to be approved by the Board of Directors and to be responsible to it, the said committee to conduct such activities as may be necessary to the establishment of such a bureau and to represent the National Association of Broadcasters in any discussions or negotiations with advertisers and/or agencies."

Also resolutions were passed commending the services of Philip Loucks, who has just retired as Managing Director; Henry A. Bellows, for his work as Chairman of the Legislative Committee; and Chairman Prall of the Federal Communications Commission, who addressed the Convention, and Andrew Cruse, of the Commerce Department for his television report.

BROADCASTERS ADOPT REVISED CODE OF ETHICS

The following revised Code of Ethics was adopted by the Colorado Broadcasters' Convention:

- 1. Recognizing that the radio audience includes persons of all ages and all types of political, social and religious belief, each member station will endeavor to prevent the broadcasting of any matter which would commonly be regarded as offensive.
- 2. When the facilities of a member station are used by others than the owner, the member shall ascertain the financial responsibility and character of such client, that no dishonest, fraudulent or dangerous person, firm or corporation may gain access to the radio audience.
- 3. Matter which is barred from the mails as fraudulent, deceptive or obscene shall not be broadcast by a member station.
- 4. Each member station shall refuse any advertising matter regarding products or services injurious to health.
- 5. Each member station shall maintain a public record of its current rates charged to advertisers for the use of broadcasting time together with all discounts, rebates, refunds and agency commissions which shall be allowed to the users of such time or to their recognized agents.
- 6. Each member station shall refuse to accept any business on a cost per inquiry, contingent, or percentage basis, or to accord free time for commercial use.
- 7. No member station shall permit the broadcasting of advertising statements or claims which he knows or believes to be false, deceptive or grossly exaggerated.
- 8. No member station shall defame or disparage a competitor, directly or indirectly, by words or acts which untruthfully call in question such competitor's business integrity, ability to perform contracts, credit standing or quality of service.
- 9. No member station shall claim for its service a character, scope or quality which cannot be substantiated, nor shall it claim as regular characteristics of its service features which it knows to be purely temporary or accidental.
- 10. Where charges of violation of any article of the code of ethics of the National Association of Broadcasters are filed in writing with the Managing Director, the Board of Directors shall investigate such charges, give opportunity for hearing and afterwards notify the station of its findings.

INDUSTRY FEELS SECURE WITH PRALL, NAB CONVENTION TOLD

That the broadcasting industry is breathing somewhat more easily under the new FCC regime with Anning S. Prall, as Chairman, is apparent from the tribute J. Truman Ward, President of the National Association of Broadcasters paid to the latter at the Broadcasters' Convention at Colorado Springs.

"Practices of the governing body of radio, the Federal Communications Commission, are fast becoming stabilized under the valiant leadership of Chairman Prall", Mr. Ward said. "It is my belief that the individual broadcasters and the industry as a whole, feel more secure in their position today operating under the new Commission, than at any time in its history."

Also, Mr. Ward spoke in reassuring tones with regard to the educational situation. as follows:

"Whatever may have been our fears before, in the end I am sure every station participating welcomed the opportunity to testify before the Commission. Stations participating presented their cases in a most interesting manner and all rallied to the leadership of NAB, making possible the presentation of a case which could not be broken. When the facts were known, I am quite sure the industry as a whole, was surprised to know that such a vast amount of time was being given to subjects of a general educational or informative nature. You are all aware of the favorable report given to Congress by the Commission, which in substance upheld the American system of broadcasting. May I pause here to pay my respects to Phil Loucks and Henry Bellows for their leadership and the admirable manner in which they conducted the case for the industry? Henry Bellows had a gigantic task in collecting all the data and putting it together into a most beautiful and logical summary of the case. "

Mr. Ward also paid a high tribute to Phil Loucks, who is retiring as Managing Director of the Association, for his able work, in general.

With regard to the Copyright situation, Mr. Ward said:

"The American Society of Composers, Authors and Publishers has offered to the industry a renewal of their present contract for a period of five years. This contract, while it may not be desirable to the industry as a whole, does at least protect the industry from a further increase in payments to ASCAP for a period of five years from the expiration of our present contract, and would become void should the Government win its case before its expiration or a more desirable plan of operation be entered into between the industry and ASCAP."

1/ 12/00

The speaker concluded:

"We need much closer cooperation in our industry with the advertising agencies, represented by the AAAA, the AFA and the ANA, and through them, with the advertiser. Definite information must be compiled and made available for the time buyer."

"During the past year our industry has prospered business has continued to gain during 1935 - gross time sales during the first four months of the current year, were approximately 20% greater than during the corresponding period of 1934. Particularly, encouragement is to be found in the use of radio advertising by retail establishments. Radio advertising of this type was 48.6% greater during the first quarter of 1935 than during the same period of the preceding year. April retail volume was 71.1% ahead of the same month of last year. Department store volume has exceeded that of the previous year by about 50%. The total gross revenue from the sale of broadcasting facilities representing only gross time sales for the year 1934, amounted to \$72,887,000. This equalled and probably exceeded the previous estimated peak which occurred in 1931. There has been an increase in the number of receiving sets, slightly more than 4,000,000 new sets being sold in 1934. There were approximately 21,000,000 radio homes in this country on January 1, of this year, representing a potential listening audience of approximately 70,000,000 people. This does not take into consideration the ever increasing number of automobile radios being sold. There are approximately 21,430,000 passenger cars in use today, representing a very fertile field for the continued sale of auto receiving sets, bringing with it a greatly increased constant listening audience."

"With general improvement in business conditions throughout the country, I am confident that our industry is on the threshhold of a very profitable future, which will enable us to be of greater service to our country and its people."

X X X X X X X X X

FITZPATRICK, WJR, DETROIT, NEW NAB PRESIDENT

Leo J. Fitzpatrick, Vice-President and General Manager of WJR, Detroit, was elected President of the National Association of Broadcasters at the Colorado Springs Convention. Mr. Fitz-patrick has been the radio advisor for Rev. Charles Coughlin for many years and he is credited, to a large degree, for the latter's success over the radio. Mr. Fitzpatrick succeeded J. Truman Ward, President of WLAC, Nashville, who was not a candidate for reelection.

Edward A. Allen, President of WLVA, Lynchburg, Va., was elected a Vice-President. WLVA is a 100-watt station and Mr. Allen's election is looked upon much as a concession to the complaint registered by the newly organized group, of which Mr. Allen

is President, composed largely of 100 watt stations, that the smaller stations were not adequately represented on the Board or among the higher officers of the NAB.

Quite a hot fight was waged over the treasurership with Isaac D. Levy, of WCAU, Philadelphia, reelected over John Shepard III, President of the Yankee Network, of Boston. The fact that any contest developed over the treasurership was attributed to the stand which Mr. Levy took in the copyright controversy.

There was a dramatic moment when Levy personally took the floor to explain his position on this, according to a dispatch from Colorado Springs, which states that he began by sarcastically intimating that not 20% of the membership understood the ASCAP problem. He had heard the stories about his selling them down the river, he stated, and then for 45 minutes he presented his side of the case. He referred to the weakness of the government's suit against ASCAP and the practical common sense of accepting the best terms possible. Levy stated that while the treasurership of NAB was a burden, he would stand for reelection.

At the conclusion of the session and after answering questions fired at him from all directions, Levy received a vote of confidence.

Apropos of the defeat of John Shepard by Levy for the treasurership, it was said that they had had previous business differences.

As had been anticipated, James W. Baldwin, former Secretary of the old Federal Radio Commission, and later Code Officer for the Broadcasting Industry, was appointed Managing Director to succeed Philip G. Loucks, who has resigned to return to law practice. Mr. Baldwin is a native of Indiana and had previously been connected with the National Association of Broadcasters. It is expected that Mr. Loucks will be retained in an advisory capacity by the Association, perhaps as counsel in copyright matters.

Although official figures are not as yet available as to the number of delegates who actually attended the convention, a new record was set with more than 300 registered at the Broadmoor Hotel and an estimated registration at other hotels which would probably bring the attendance up to 450.

A large proportion of the close to 100 stations which are owned and operated by newspapers were represented at a gettogether meeting to organize a separate section of the Broadcasters' Association. Walter Damm, Dean Fitzer, and Lambdin Kay were appointed as a committee to perfect the organization of this group.

A warning against gradual assumption by Federal Communications Commission, indirect censorship powers and prediction that this indirect government censorship will result in legislative action was contained in report of NAB Legislative Committee read before the convention Monday afternoon. The report declared recent wholesale citations in "Marmola" case raises the question whether Commission may use authority to revoke or renew broadcasting licenses for purpose of controlling programs' quality or character. If the Commission can, the conclusion is inescapable, it is in effect, censoring radio programs.

The Commission, the report admits, may have this right but broadcasters are entitled to know what standards it proposes set up. The Legislative Committee thinks it is utterly illogical that a station be threatened with loss of license by reason of broadcasting programs which so far as is known are not against existing laws. If the advertisement is illegal the same methods which would bar its publication in newspapers should be adequate to prevent its being broadcast.

X X X X X X X X X X X

WIRED RADIO TICKER NEWS SERVICE CONTEMPLATED

According to reports from New York, the Ticker News Service, Inc., known as the Lang-Worth Feature Programs, Inc., will soon begin and experiment with wired radio in Philadelphia and New York. This will be a bulletin service intended for grills, restaurants, hotel bars and other places where the usual ticker news service is found. The International News Service will supply ticker news with general news and bulletins.

The Ticker News Service claims 600 subscribers in New York and about 200 in Philadelphia.

X X X X X X X X X X

SMALL STATION APPLICANTS FAIL TO APPEAR

Apparently some of the applicants for 100 watt station licenses are not so eager to press their cases when they find out what they must go through with before starting up. An instance of this was M. B. Scott, of Prescott, Arizona, who applied for an operating assignment with a power of 100 watts on 1500 kc. and Radio Service, Inc., of Las Vegas, Nevada, on 1200 kc. No one appeared at the Commission in behalf of either station and both applications went by default.

In the case of Eugene DeBogory, of Brownsville, Texas, asking for 100 watts license on 1370 kc., at Brownsville, Texas, and 1420 kc. at Denton, Texas, Ralph L. Walker recommended that

7/12/35

BROADCAST ADVERTISING AHEAD OF LAST YEAR

Broadcast advertising volume still remains materially ahead of last year's level, according to the National Association of Broadcasters.

Broadcast advertising in May exhibited the usual seasonal trends. Total gross time sales during the month amounted to \$7,546,285, a decline of 6.4% as compared with April volume. National network advertising decreased 7.2%, national non-network volume 8.2%, and local broadcast advertising 4.1%.

Regional network advertising alone increased rising 5.5% as compared to April.

The Association has issued a special report on the subject of retail broadcast advertising. Despite the fact that retail institutions were among the first to own broadcasting stations, retail advertising over the radio, until recently, has progressed more slowly than has its national counterpart. Retail broadcast advertising during the current year, however, has shown a large gain over the same period of 1934. Department and general store advertising has increased particularly.

In spite of the fact that the highest proportion of retail to total advertising is found on the local stations, it is the regional stations - the 250-1,000 watt group - on which the majority of retail advertising is placed. It is estimated that in 1934, approximately \$4,000,000 was spent by retailers over stations of this class. Approximately \$1,750,000 was spent over the 100 watt stations, while the remaining \$1,400,000 was placed over stations in the high power group.

The average expenditure by retailers over each class of station, reveals another aspect to the situation. Respectively, for each class of station, this is as follows: over 1,000 watts, \$22,000; 250-1,000 watts, \$13,000; 100 watts, \$7,000. The concentration of the larger retail establishments on the higher powered stations, and the effect of the higher station rates, are clearly illustrated.

The question is asked "how much retail advertising is there?" And the NAB answers it as follows:

"In 1934 total gross time sales to retail establishments amounted to \$7,183,000, or 44.9% of all local broadcast advertising. The retail classifications used in arriving at this figure were conservative, only indisputably retail establishments being classified as such. If all advertisers, invested with any retail interest whatsoever - as for example, bakeries, or dairy companies selling through retail establishments as well as through their own wagon routes or outlets - had been

included in the classification, it is probable that more than 60% of local broadcast advertising would have been included under the retail heading. Retail broadcast advertising in 1934 constituted 24.3% of all non-network gross time sales, and 9.9% of all advertising over the radio."

X X X X X X X X X X

BROADCASTER-EDUCATOR COMMITTEE TO BE ANNOUNCED SOON

One of the first things the Federal Communications Commission will turn its attention to after various officials from the Broadcasters' Convention in Colorado Springs have returned, will be the appointing of new committees of broadcasters and educators to cooperate with the Federal Communications Commission in educational broadcasts.

This matter is now being considered by John W. Studebaker, U.S. Commissioner of Education, and Judge E. O. Sykes, Chairman of the Broadcast Division of the Commission. They will submit a tentative list of broadcasters and educators to the full Commission which will undoubtedly be approved and announced at a fairly early date.

X X X X X X X X X X

FCC COMMISSIONER IS CAVALRY COLONEL

Commissioner Norman S. Case, Vice Chairman of the Broadcast Division of the Federal Communications Commission, a Colonel in the Reserve Corps of the Army, is at present in camp at Fort Ethan Allen in Vermont, in command of the 351st Cavalry. Colonel Case will not return to Washington until about July 23rd. Inasmuch as Chairman Prall is at the Colorado convention of the National Association of Broadcasters, Chairman E. O. Sykes of the Division has been authorized to pass on all pending matters.

Colonel Case, in addition to the time he has devoted to military affairs, was also formerly Governor of Rhode Island.

XXXXXXXX

		_					
	_	-			-	-	
			INDUSTRY	MOMEG			
•			TWDODIVI	MOITED	•		
	9						
		-			_		

E. C. Grimley of New York has been elected President of the RCA Victor Company, Ltd., in Canada, succeeding B. Gardener of Montreal. He was for many years connected with the Radio Corporation of America and prior to that with the Victor Talking Machine Company.

The Columbia Broadcasting System has announced the appointment of the following to serve as an Advisory Committee on children's programs: Mrs. Henry Breckinridge, Chairman of the Municipal Arts Committee; Mrs. Harold V. Milligan, Chairman of the Women's National Radio Committee; Mrs. William Barclay Parsons, Jr., President of the Parents League; Newel W. Edwon, National Chairman of the Social Hygiene Committee of the National Congress of Parents and Teachers, and Gilson Gray, Commercial Editor of the Columbia System.

The earnings of the Radiomarine Corporation of America for May and five months were:

	1935	1934
May gross	 \$76,864	$$76,\overline{331}$
Net income	 9,915	8,897
Five months' gross.	 370,931	368,015
Net income	 47.704	37,165

Radio's war against the American Society of Composers, Authors and Publishers moved last week to the western front, when Attorney General G. W. Hamilton of the State of Washington obtained in the superior court at Olympia an order temporarily restraining ASCAP from making any further collections from the users of copyright music in the State. This action is believed to have been pushed by Kenneth C. Davis, Managing Director of the Washington State Broadcasters' Association who won for the Bellingham station, KVOS, its news suit with Associated Press last Fall.

At a meeting in New York of stockholders of the Sonotone Corporation, an issue of 50,000 shares of cumulative preferred stock was approved by the stockholders.

Dr. Hugo Lieber, President, said sales for the first half of 1935 were \$870,000, a gain of 37 per cent over the 1934 period.

 $X \quad X \quad X \quad X \quad X \quad X$

7/12/35

MC COSKER'S CONTRACT EXTENDED AS WOR PRESIDENT

The contract of Alfred J. McCosker, President of the Bamberger Broadcasting Service, Inc., owners and operators of radio station WOR, has been given a long term extension beyond February 1, 1936. The extension was announced in the following statement:

"McCosker, in addition to being President of the Bamberger Broadcasting Service, Inc., is also Chairman of the Board of the Mutual Broadcasting System, Inc. and Vice-President of Radio Quality Group Service, Inc.

"McCosker, who has been with WOR twelve years, has been President of the Bamberger Broadcasting Service, Inc. since October, 1933. Before that time he was Director and General Manager of WOR for seven years. He has served two terms as President of the National Association of Broadcasters, being elected in 1932 and reelected the following year. In 1933 McCosker was also appointed a member of the Executive Committee of the NRA by President Roosevelt.

"Before joining WOR, McCosker was a daily newspaper and magazine editor and on entering the broadcasting industry his success in applying newspaper practices to the then infant radio field was largely responsible in his being appointed the station's director and general manager.

"McCosker was the first to inaugurate the 'spot' feature type of broadcast and to install remote control lines in almost every possible source of such programs. He brought the last three Presidents before the station's microphones, as well as kings, queens, statesmen, persons high in diplomatic circles and many other world-famous figures.

"McCosker was the first radio executive to be appointed a member of the Board of Directors of the Advertising Federation of America. He is a member of the Advertising Club of New York, the New York Athletic Club, the New York Electrical Society, the Economic Club and many others. Recently McCosker was appointed Chairman of the National Association of Broadcasters Committee to devise methods by which the advantages which accrued from the NRA code may be retained."

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 JULY 16, 1935.

Stations Get Refunds When Code Authority Liquidates
Philco And RCA Interested In Coaxial Cable
Would Censor Radio Talks By Foreign Representatives
NAB Defeated On Copyright; Otherwise O.K
Sacramento Station Increased From 100 to 5000 Watts
U. S. Compiles World Radio Statistics
Japan Moves For Radio Supremacy
House Sub-Committee Appointed On Food & Drug Bill
W.U. Protests Interlocking Directorate Ruling
Industry Notesll
New St. Nazaire Radio Station

No. 843



July 16, 1935

STATIONS GET REFUNDS WHEN CODE AUTHORITY LIQUIDATES

As his last official act before taking over his new duties as Managing Director of the National Association of Broadcasters, James W. Baldin, Code Authority of the Broadcasting Industry mailed refund checks aggregating \$10,502 to 485 contributing members of the industry. Detailed financial statement accompanied the rebates.

The Code Authority report on financial operations from Dec. 11, 1933, to May 27, 1935 - from the date the pact went into operation until the Supreme Court ended the NRA - shows total receipts of \$34,239.43. Up to June 29, expenses were \$23,736.54. Refund for the entire period amounted to 30.67% of collections.

Refunds were made on a pro-rata basis covering two separate fiscal periods - from Dec. 11, 1933, to Dec. 31, 1934, and from Jan. 1, 1935, to May 27, 1935 - to compensate for the fact that some stations which kicked in for the first year did not come through for 1935 and vice versa. Actual amounts were based on excesses for the 1933-34 period and the five months of 1935.

Auditors' statement showed that Code Authority income amounted to \$23,553.76 from Dec. 11, 1933 to Dec. 31, 1934, and \$10,685.67 for the period in 1935. Expenses for comparable periods were \$14,992.78 and \$8,743.76 making the surpluses \$8,560.98 and \$1,941.76. Refund for the first period amounts to 36.346% of the receipts and for the second period to 18.173%.

During the approximately 18 months the Code was in effect, codists spent \$9,937.02 for salaries, \$7,901.17 for office expenses, \$4,228.30 for travel expenses, and \$1,670.05 for general expenses, making the total outlay for administration of the Blue Eagle pact \$23,736.54.

Office expenses were broken down as follows: Rent, \$1,419.50; equipment (net price) \$725.86; equipment expenses, \$30.15; telephone and telegraph \$1,183.89; postage, \$1,061.37; stationery, supplies, and maintenance, \$1,536.04; printing and mimeographing, \$1,686.73; subscriptions and periodicals, \$257.63. The bulk of the general expenses went to auditors, who drew \$1,535 for tedious job of checking accounts.

Travel expenses for Code Authority meetings aggregated \$3,310.04, covering \$1,615.04 for transportation and \$1,695 for subsistence of members attending seven sessions. For attending various conferences, the bill aggregated \$918.26, covering \$478.66 for transportation and \$439.60 for subsistence.

7/16/35

Aside from contributions, codists collected sundry amounts such as \$300 for sale of office furniture and equipment, \$18 for sales of code bulletin, and \$14.36 for copies of hearings.

The detailed report sent to all industry members by Mr. Baldwin records every check drawn between Jan. 20, 1934, and June 29, 1935, giving the exact amount and the name of the payee. Statement also shows exact contribution for 1934 and 1935 of every industry member, along with the amount refunded and the number of the check.

X X X X X X X X

PHILCO AND RCA INTERESTED IN COAXIAL CABLE

It developed in the testimony of Dr. Frank B. Jewett, the American Telephone & Telegraph's research star, at the Federal Communications Commission hearing on the application of the telephone company to construct a coaxial cable between New York and Philadelphia, over which telephone messages, and telegraph and television could be transmitted simultaneously, that negotiations had been made between Philco and RCA for its use in television. Dr. Jewett said it was the only type of cable which could carry the new high fidelity television images now being produced in the laboratories of these concerns. He said, however, that no agreements had been reached between the A.T.&T., Philco and RCA in the matter. There would be no monopoly, Dr. Jewett added, the cable would be rented to anyone who had a television transmitter which met the standard requirements.

The hearing last Monday came to an abrupt conclusion when first the Western Union and later the Postal withdrew their opposition to the project. The telegraph companies were apprehensive that the new cable which is capable of carrying 2400 telegraph messages at the same time (as well as 240 telephone messages or 2 television programs) might be used to compete with the telephone business. They were assured by Dr. Jewett that the cable was purely experimental, whereupon the Western Union counsel withdrew their opposition saying his company did not desire to oppose progress. Postal counsel expressed the same opinion.

James W. Baldwin, new Managing Director of the National Association of Broadcasters, made his debut at the Telephone hearing by asking the Commission to watch its step in granting any television application. Evidently the new NAB executive regarded television as a competitor to broadcasting.

Because of the many dry hearings the Commission has to sit through the testimony of a brilliant scientist, such as Dr. Jewett, was apparently enjoyed by the Commissioners as well as the spectators. Dr. Jewett said that when not carrying the voice or Morse code, the pipes can transmit electrical transcriptions or television.

The coaxial pipes will carry a band of frequencies of at least one million cycles in the first of the experiments. They can be stepped up much higher through a series of repeaters that will be erected about every ten miles.

"Anybody who would oppose this experiment would be opposed to progress per se, or else have a grievance against the American Telephone and Telegraph Company", A. J. McBean, the company's counsel, told the Commissioners.

Dr. Jewett denied that the cable was conceived principally as a means of television transmission. He said it was plain that future expansion would tax the limit of existing wire facilities, and he urged permission to begin actual experiments.

He told of two previous improvements that were tried out in the laboratories with excellent results, but when put into field use caused widespread grief.

"We have reached the point where field trials are essential", he said. "The cable has met every test in the laboratory, but we will find many things wrong when we put it into actual service."

X X X X X X X X X X X

WOULD CENSOR RADIO TALKS BY FOREIGN REPRESENTATIVES

The consent of the State Department would be required for anyone to speak on the radio in this country as a representative of or in the interest of a foreign government if bills which Senator Walsh, of Massachusetts, and Representative McKeough introduced in the House and Senate yesterday (Monday) are passed.

Senator Walsh and Representative McKeough said they and other members of Congress "have received from time to time criticism of broadcasts which were in the nature of propaganda by foreign countries in the interest of some activity in opposition to the fundamental political principles of the American Government."

They said there was "no desire" on their part to prevent any American citizen or American official from "exercising the widest latitude of free speech in their radio addresses or radio programs", but that agents of foreign governments should be censored.

X X X X X X X X X

NAB DEFEATED ON COPYRIGHT; OTHERWISE O.K.

It seemed to be the opinion of those who had attended the Colorado Springs Convention of the National Association of Broadcasters that though the Association had failed to win its copyright fight with the American Society of Composers, that all danger of this causing a split in the Broadcasters' ranks was passed,

"The fact is that the Broadcasters were outsmarted on all fronts in copyright renewal by Claude Mills", one eminent broadcasting authority, just back from Colorado, observed, referring to E. C. Mills, General Manager of ASCAP, who, despite the efforts of the Association, successfully succeeded in splitting their ranks by making separate agreements with the networks, Ike Levy, of WCAU, Philadelphia, and "Hollywood" McCosker, of WOR.

Another thing to which the National Association of Broadcasters as an association, looked forward to with some apprehension was the organization of the independent broadcasters but the good political move of electing their President, Edward A. Allen, of WLVA, Lynchburg, to the office of Second Vice-President of the NAB evidently pacified this group to a certain extent.

Specific instructions were given when the newspaperowned broadcasting stations organized themselves into a separate
group at the Colorado Springs Convention and their committee,
composed of Walter Damm, of WTMJ, Milwaukee Journal; Dean Fitzer,
of WDAF, Kansas City Star; and Lambdin Kay, WSB, Atlantic
Journal, devised a plan of activity which is in no way to conflict with the purposes and policies of the National Association
of Broadcasters. It is expected that membership in the new
group at the beginning is to be limited to members whose stations are owned 51% by newspapers but that later an affiliated
group will be admitted.

The Legislative Committee report, with Henry A. Bellows as Chairman, commented on the small amount of legislation actually passed which directly affected broadcasting, but strongly urged a permanent body to properly meet the "inevitable" tendency to "restrict and handicap the conduct of broadcasting by State legislation," which Mr. Bellows feels is "bound to increase."

"It has always been recognized", he said, "that there is an inevitable conflict between censorship provision of the law and the Commission's established policy of interpreting 'public convenience, necessity and interest' broadly enough to include consideration of program service. The proposal of the Commission for a conference under its direction, on the subject of programs indicates a tendency to extend this interpretation still further. It may, therefore, be confidently expected that the issue of indirect government censorship of broadcasting will take a more

conspicuous place than ever before in the deliberations of the next session of Congress, and may even result in legislative action.

"Your committee holds no brief for any form of fraudulent or misleading advertising, and certainly none for advertising which may be injurious to health, but it urges very strongly on your association the importance of finding out where radio broadcasting is to be regulated as to its advertising by the same laws which apply to other media, or whether it is willing to admit that the FCC has the right to use its licensing power as a means of indirect censorship over radio programs . . . If an advertisement is illegal, the same methods which would prevent its publication in a newspaper ought to be adequate to prevent its being broadcast."

Mr. Bellows concluded pointedly on lack of organization in the radio industry by saying that differences among broadcast units is inevitable, "but if you are blind enough to let these differences destroy your fundamental unity, you may as well prepare yourselves for the complete destruction of your industry as such."

The following NAB Directors were elected at Colorado Springs for a three-year term:

Ed Craig, WSM, Nashville; Ralph Brunton, KJBS, San Francisco; Tom W. Symons, Jr., KFPY, Spokane; W. Wright Gedge, WMBC, Detroit; Gardner Cowles, Jr., KSO-KRNT, Des Moines, was named Director until the next convention by the Board of Directors to fill the remaining vacancy.

X X X X X X X X

SACRAMENTO STATION INCREASED FROM 100 TO 5000 WATTS

The Broadcast Division of the Communications Commission has entered its final order granting Station KFBK, of Sacramento, Calif., owned and operated by the James McClatchy Company, c change of frequency from 1310 to 1490, and an increased power from 100 watts to 5000 watts, unlimited time.

Following the hearing in this case last February, an Examiner's report recommended that the application be denied. Exceptions were filed by the Sacramento station and L. B. Wilson Co., Inc., owner of Station WCKY, at Covington, Ky., a respondent, the only station now assigned to the frequency of 1490 kc., requested an oral argument which was heard by the Commission last month.

It was noted that WCKY is 1965 miles from Sacramento, while the separation recommended by engineers as necessary to avoid objectionable interference is 1,600 miles. The Commission

found that the only station in Sacramento was KFBK, and the next nearest station was Stockton, 45 miles away operated during daytime only with 1000 watts power. It was found that Oakland and San Francisco probably render some service to rural sections around Sacramento during the day but is subject to fading and distortion at night.

Whereupon the Commission ruled that "Undoubtedly, on the record before us, the public interest, convenience and necessity of the people of the area to be served by the proposed increase in power of Station KFBK demands the granting of this application, and this can be accomplished without interfering in any way with the service of any existing station.

"Where, as in the case before us, we have a need for additional service clearly and affirmatively shown, in an area which includes the Capital City of a State which, as compared with the rest of the States in the Fifth Zone, is only slightly overquota, and an applicant ready, willing and able to fulfill that need, we believe some further slight departure from mathematical exactness of assigned quota is justified."

Accordingly, the Commission entered the final order.

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

U.S. COMPILES WORLD RADIO STATISTICS

A multigraphed pamphlet, as a part of the Radio Markets series, a supplement to the statistical issue, has just been issued by the Bureau of Foreign and Domestic Commerce entitled "Radio Markets -- World Radio Set Statistics." There are given the estimated number of sets in use, sales, U.S. exports in 1934, total imports and domestic production.

It is explained that statistics are official counts in the few cases where such figures are available. No conclusions are drawn by the Bureau of Foreign and Domestic Commerce as to the number of sets in use in any country even though the U. S. 1934 exports are shown to be a greater figure than the total estimated in use.

It is also explained that official statistics and estimates on set production are rare and most of the important foreign manufacturing countries are not covered by available data.

Editor's Note:

A copy of this report may be obtained by writing to Mr. Lawrence D. Batson, Electrical Division, Bureau of Foreign and Domestic Commerce, Washington, D. C., or to the writer.

R.D.H.

7/16/35

JAPAN MOVES FOR RADIO SUPREMACY

Besides its efforts to reach the United States and the other principal countries of the world with short-wave programs, Japan is engaged in a great program for the enlargement of radio in that country. In the near future the main Tokyo station is to be increased to a power of 150 kilowatts and other stations to 100 kilowatts, thus rivalling in range the largest stations in the world. At the present time, of the 25 stations, seven are rated at 10 kilowatts and 18 at from 3 kilowatts to 300 watts.

The extension program also includes the construction of a large building for each of the studios in Tokyo and Osaka, which will incorporate the latest type of broadcasting equipment selected after extensive research and which will equal any such similar installations in any part of the world. These two cities will thus continue to be the broadcasting centers of the Empire.

Large central broadcasting stations are located in the principal metropolitan centers of Tokyo, Osaka, Nagoya, Hiroshima, Kumamoto, Sendai and Sapporo. To supplement these main stations, 18 others have been established at important points throughout the nation.

Another indication of the phenomenal development of radio broadcasting in Japan is the fact that at the present time the Corporation has a total of over 2,000,000 officially listed subscribers. This total has been reached after gradual but steady growth, which bids fair to continue into the future.

Japan has exchanged international radio broadcasts up to the present time with the United States, Great Britain, Germany, France, Italy, the Netherlands and Switzerland. Thirtynine of these broadcasts alone were exchanged during 1934.

X X X X X X X X X

CORRECTION

In the story, "Broadcasters Favor Government Pressing Copyright Suit", in the issue of July 12th, the second paragraph, 3rd line should read: "a continuation of the activities of Attorney General Cummings."

X X X X X X X X X

HOUSE SUB-COMMITTEE APPOINTED ON FOOD & DRUG BILL

Representative Sam Rayburn, of Texas, Chairman of the House Interstate and Foreign Commerce Committee, has appointed the following sub-committee to consider the Food & Drug Bill:

Representatives Virgil Chapman, of Kentucky; William P. Pole, of Maryland; Edward A. Kenney, of New Jersey; James Wolfenden, of Pennsylvania, and B. Carroll Reece, of Tennessee.

While this Bill is not on the "Must" list, it is understood that the President favors its passage. Therefore while every effort no doubt will be made by those interested to put the measure through, there is no degree of certainty as to whether it will become a law at the present session. It was passed by the Senate on May 28th without a dissenting vote.

X X X X X X X X X

PROPRIETARY ASSOCIATION OFFERS SERVICES TO BROADCASTERS

Frank A. Blair, President of the Proprietary Association, has invited the broadcasters to cooperate with the Advisory Committee on Advertising of that Association in the control of statements regarding the therapeutic merit of products advertised on the air.

In making this offer Mr. Blair sent the following telegram to the National Association of Broadcasters:

"To help radio stations in deciding problems of advertising of package medicines, we offer the services of our Advisory Committee on Advertising and our Scientific Section. The former committee, aided by outstanding scientific experts familiar with problems of industry and requirements of the Government, has reviewed copy and continuities of all types of products in this field. The Scientific Section uses extensive laboratory facilities of our membership to determine technical issues involved in advertising. These resources are placed without charge or obligation at the disposal of your members."

XXXXX XXXXX

W.U. PROTESTS INTERLOCKING DIRECTORATE RULING

Newcomb Carlton, Chairman of the Board of Directors of the Western Union Telegraph Company and President of the Mexican Telegraph Company, and E. Y. Gallaher, Vice-President of the Western Union and Director and Vice-President of the Mexican Telegraph Company, petitioned the Federal Communications Commission last week to modify its decision prohibiting them from serving on the Boards of both companies.

In a recent ruling the Commission held that these two officers, together with eight others, could not serve adequately two different companies within the meaning of the Communications Act.

Roy B. White, President of Western Union, supported the petition and said that Western Union owned 60 per cent of Mexican Telegraph Company stock, International Telephone and Telegraph Company holding the remaining 40 per cent. He also said that the Mexican company would have to employ a President and Vice-President at extra cost, as the incumbents are serving with only nominal Director's fees.

X X X X X X X X

WAS IT A TYPOGRAPHICAL ERROR?

Considerable interest was occasioned when a Washington newspaper printed a list of guests at the party given to President Roosevelt at the Jefferson Island Club last Sunday, which paper said was attended by "Cabinet members, Senators, Government officials - and just Democrats." But the name of George H. Payne, Republican member of the Federal Communications Commission was listed. Even though Mr. Payne is known to be an excellent politician, a Bull Mooser under Theodore Roosevelt, and appointed to his present office by the Democratic President, Franklin D. Roosevelt, much surprise was created by the fact that Mr. Payne should be invited to this Democratic party to the apparent seclusion of the numerous deserving Democrats on the Commission.

Exactly what the answer is, deponent sayeth not.

Incidentally, Mr. Payne was listed as a member of the "Federal Trade Commission" which may have been another typographical error.

				-		
				•		
			INDUSTRY NO	OTES :	:	:
				•		
				•		
4	4	4			•	•

Sol Taishoff, Associate Editor of <u>Broadcasting</u> Magazine, is on a two or three weeks' business trip to the Pacific Coast, following the Colorado NAB Convention.

Joseph J. King, a Rochester (N.Y. carpenter, filed a \$50,000 damage suit against Walter Winchell, Broadway columnist, and the Andrew Jergens Company, of Cincinnati, sponsors of a radio broadcast featuring Winchell, in Rochester, July 9. The plaintiff alleges that Winchell repeated over the radio a slanderous story to the effect that the Rochester carpenter, while sitting on a limb of a tree, sawed the limb off, with the result that "the limb came down and so did King." The carpenter asserts that the story, which Winchell was said to have picked up from a "kidding" item in a newspaper, made him appear ridiculous to his friends.

Representative Sam Rayburn, of Texas, Chairman of the House Interstate Commerce Committee, submitted a favorable report of his Committee which would authorize the Federal Communications Commission to employ a Chief Accountant and not more than three assistants, to assist in the A. T. & T. investigation. Chairman Prall explained the provision had been omitted apparently by an oversight.

The vast library of copyrighted music represented by the American Society of Composers, Authors and Publishers and its European affiliates has been acquired by the principal broadcasting chains and many leading independent radio stations under a renewed license contract for five years from next January 1st, according to a statement by the American Society of Composers, "and listeners—in are assured of the continued use of the best classical and popular music. No increase in royalty rates has been made except for the sustaining programs of certain key stations of the larger chains.

"Available to these stations, as well as to the theatres, hotels, cabarets, restaurants, summer resorts, and other commercial users of music are the performing rights to the compositions of more than 1,100 leading American writers and about 45,000 European composers and authors."

NEW ST. NAZAIRE RADIO STATION

The French Post Office has just inaugurated a new radio transmitting and receiving station at St. Nazaire for communication with ships. It will replace the service now conducted by Radio Havre. When the station is completed, in about 2 years, it will be of the multiplex type, sending and receiving simultaneously on several wavelengths, according to the Electrical Review of London. For the present the service will normally operate on a wavelength of 2,439 meters and will use 2,100 meters between the thirtleth and thirty-fifth minutes after each even hour. Radio telegrams are to be sent on 2,884.6 meters. The transmitting and receiving stations are about 18 miles apart and are connected by an underground cable. The normal power furnished to each antenna of the transmitting equipment at Severac is 15 k.w. A short-wave telegraph transmitter is being installed at Severac which will develop a power of from 15 to 20 k.w. Reception will be by two 20-valve short-wave sets. This work is to be completed during the present year, and the installation of sets permitting bilateral radiotelephone communication is expected to be done some time next year. The receiving station is at Donges.

X X X X X X X X X X X

TALK-BACK SYSTEM BEING INSTALLED AT WOR

The WOR Engineering Department, under Jack Poppele, Chief Engineer, and Ray Lyon, Development Engineer, is at present installing new talk-back facilities in the studios and studio control rooms.

An attention bell is to be placed in the studios to notify performers they are about to go on the air or that rehearsals are about to resume. In conjunction with this feature a red light is being installed to work alternately with the bell, so that an orchestra or singer who might be performing will be notified of time by an announcer or production man.

X 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 JULY 19, 1935

Broadcast Programs Now Available To 193 Millions2
Station Fees Being Studied By FCC
Would Put A Crimp In Propaganda Broadcasts4 Caldwell Leaves McGraw-Hill To Start Radio Magazine4
N.Y. Police Commissioner Praises Boston Two-Way Police Radio.5 NAB Sets New Convention Attendance Record
Composers War On Duffy Copyright Bill
Would Close Kansas Station For Brinkley Talks
Listener Bureau Committee Named9 A New Station For Bagdad - Maybe9 Norman Baker Nailed In Iowa9
Industry Notes10
RCA Has Direct Ethiopian Connection
Applications Granted By Broadcast Division Of FCC12

No. 844



BROADCAST PROGRAMS NOW AVAILABLE TO 193 MILLIONS

At the end of 1934 there were, roughly, 48,300,000 radio receiving sets in homes throughout the world, thereby making the broadcast programs available to 193,000,000 people, according to A. R. Burrows, Director, International Broadcasting Office, Geneva. Mr. Burrows figures there is now a global potential audience of 200,000,000 persons to the world's broadcasting stations.

The Geneva table credits the United States with 20,750,000 sets (not including 2,000,000 sets installed in automobiles). According to the Geneva figures we lead the world with about three times as many sets as either Great Britain or Germany which are second and third respectively, each having approximately 6,000,000 licensed sets.

The United States also is first in the number of sets per 1,000 population, with Denmark secone, and Great Britain third. Russia with a population of 168,000,000 has only 13.8 sets per 1,000 population. However, French Indo-China with a population of 22,107,000, with only 966 sets, was lowest of any country in the world.

Comments upon the compilation of the International Broadcasting Office in a statement of the British Broadcasting Company says:

"Great Britain and Northern Ireland had, on December 31 last, first position in the world in respect to the total number of licensed receiving sets, though the United States of America still holds first place on estimated returns, and also for the relation of receiving sets to the population."

The Geneva table follows, in part:

Country	Number of Sets	Number of Sets <pre>Per Population(1000)</pre>
U. S. A. Denmark Great Britain Sweden Holland Australia New Zealand Germany Switzerland Canada Austria Belgium	20,750,000 568,175 6,780,569 733,190 909,127 681,634 148,284 6,142,921 356,866 813,000 527,295 603,860	162.2 160.0 147.2 118.0 108.8 101.8 95.5 94.2 87.7 78.5 78.0 73.5

Country	Number of Sets	Number of Sets Per 1000 Population
Norway Union of S.A. Czecho-Slovakia France Argentine Japan Ireland U.S.S.R. Italy Newfoundland Spain Palestine Hong Kong Yugoslavia Portugal Siam Honduras Egypt Malaya Ceylon Kenya Dutch East Indies	157,434 98,562 693,694 1,755,946 500,000 1,951,858 60,000 2,323,000 430,000 2,632 213,004 5,900 4,201 66,530 27,895 24,202 1,500 25,170 2,526 2,342 1,152 17,950	54.8 53.9 47.1 41.9 41.5 21.5 20.0 13.8 10.0 9.9 8.9 5.7 4.9 4.7 4.0 2.0 1.7 1.7 0.8 0.5 0.3 0.2
Madagascar India French Indo-China	269 1 6,250 966	0.07 0.05 0.04

X X X X X X X X

STATION FEES BEING STUDIED BY FCC

It was denied at the Federal Communications Commission that an amendment to the Radio Act calling for the imposition of a tax on the wavelength assignments of commercial stations will be submitted to Congress for consideration as soon as the Communications Commission has developed a satisfactory scale of fees.

It was said at the Commission that while the question of taxing broadcasting stations was being studied that no decision had been reached as to whether or not the Commission would advocate to Congress that a license fee be charged to the stations.

"We are simply making a careful study of the situation", a high official of the Commission said, "so as to be ready if Congress should ask our opinion on this or if the Commission itself should decide to make any recommendations with regard to what it would consider a proper fee of stations taxed.

"You will remember sometime ago we got up a report for Senator Dill during the existence of the old Federal Radio Commission and the work we are doing now is simply bringing these figures up-to-date to be used when, if, or as needed."

X X X X X X X X X

WOULD PUT A CRIMP IN PROPAGANDA BROADCASTS

Much sentiment is apparent favoring the passages of the identical bills which Senator Walsh, of Massachusetts, and Representative McKeough, of Illinois, introduced this week which would require the approval of the State Department on all speeches broadcast from stations in the United States by representatives of foreign governments. Should Congress remain in session long enough, there is just a chance that they may go through this session.

The full text of these bills follows:

"That the Communications Act be amended so that any radio address or radio program broadcast by or for or in the interest of any foreign government, or subdivision thereof, or person interested therein shall not be broadcast by any licensee until such radio address or radio program has been submitted to the Department of State and the approval of the Secretary of State has been secured in writing and is filed with such licensee. Any licensee permitting the broadcasting of any radio address or radio program by or for or in the interest of any foreign government, or subdivision thereof, or any person interested therein, without having on file, prior to such broadcast, the written approval of the Secretary of State, shall be penalized by the immediate revocation of such license."

X X X X X X X X

CALDWELL LEAVES MC GRAW-HILL TO START RADIO MAGAZINE

O. H. Caldwell, formerly Federal Radio Commissioner, along with M. Clements, founders of the McGraw-Hill radio magazines, "Radio Retailing" and "Electronics", have left the McGraw Hill Company to found a radio magazine of their own which will be called "Radio Tuday". In doing this, they will take with them many of the contributors to the McGraw-Hill radio publications, including John F. Rider, William Alley, Dr. F. S. Irby, R. R. Irwin, and J. W. Howe.

Mr. Caldwell said that the new magazine, "Radio Today", which has offices at 613 Grand Central Palace in New York, will bring to all groups in radio, --dealers, distributors, manufacturers, service men, and broadcasters, -- the terse and complete news of the radio business, radio developments, broadcasting, television, facsimile, and the new electronic services being built around the radio tube.

"'Radio Today'", Mr. Caldwell concluded, "is designed to become this central industry organ of radio, serving as a clearing house for all information of importance to all the diversified business groups and workers who now supply the American public with broadcasting, radio sets, and radio service,—the men who will undoubtedly handle the new services of television and facsimile when these are ready for the public."

X X X X X X X X X X

N.Y. POLICE COMMISSIONER PRAISES BOSTON TWO-WAY POLICE RADIO

Police Commissioner Lewis J. Valentine of New York City, Chief Inspector John J. Seery and other New York officials gave high praise to the Boston police two-way radio communication system during a tour of inspection at the Boston head-quarters this week.

The New York Commissioner while riding in the radio car in Boston expressed the desire "to talk with New York." In less time than it would take to make an ordinary telephone call, Valentine was talking with one of his secretaries in his New York office.

Speaking of his Boston experience with two-way radio, which was developed by General Electric engineers in Schenectady, he said: "It is one of the marvels of the age. It is the most astounding experience I have ever had. I'm going to thoroughly look into this two-way radio system when I get back. We haven't anything like it in New York."

Commissioner Valentine said he would send Chief Inspector Seery to Boston for a 10-day study of the two-way communication system.

X X X X X X X X X X

NAB SETS NEW CONVENTION ATTENDANCE RECORD

According to official figures submitted by James W. Baldwin, the new Managing Director of the National Association of Broadcasters, the 13th Annual Convention of the Association held at Colorado Springs recently was the largest convention in the history of the Association. The total registration was 485 as compared to 375 at the Cincinnati convention last year which up to that time was a record.

XXXXXXXX

COMPOSERS WAR ON DUFFY COPYRIGHT BILL

The American Society of Composers is making a hot fight against the Duffy Copyright Bill which eliminates the \$250 minimum damages for copyright infringements which bill is endorsed by the National Association of Broadcasters. Gene Buck, the President of the ASCAP has addressed the following telegram to Senator William E. Borah, of Idaho:

"Dear Senator: Every author, composer, playwright, dramatist, and writer in Nation is opposed to United States Senate bill S.3047. This bill revises entire Copyright Act, to detriment of American creative workers, and for benefit of users, such as broadcasters and other allied industries. It gives to foreign composers and playwrights rights denied American creative workers. Authors' League of America, American Society of Composers, Authors, and Publishers, Dramatists' Guild, Song Writers' Protective Association, and all other societies and organizations of creative workers of America are unanimously opposed to this legislation."

The following telegram was sent to Senator Wagner, of New York, by John Erskine, the well-known author:

"Senator Wagner: I sincerely hope you will oppose copyright bill S. 3047. The bill gives foreign authors basic copyright without formality, but denies it to American authors. The bill seems to protect chiefly the commercial enterprises which live on the authors."

Senator Wagner also received telegrams protesting against the passage of the Duffy Bill from the following songwriters: Lew Brown, formerly DeSylva, Brown and Henderson, Gus Edwards, and Irving Berlin.

X X X X X X X X

CZECHOSLOVAKIA RADIO PRODUCERS FORM A CARTEL

The 14 largest Czechoslovak producers of radio receiving sets recently formed a cartel valid as of July 1, 1935, for a period of one year, Acting Commercial Attache Basil D. Dahl, of Prague, advises the Commerce Department. The cartel agreement covers production as well as prices and discounts granted to dealers. The Radiotechna and the local Philips branch, which represent the local Patent Pool, are members of this cartel and grant to other members considerable reductions on license fees and on prices of radio tubes. These 2 members of the Patent Pool are the only producers of tubes in Czechoslovakia.

WOULD CLOSE KANSAS STATION FOR BRINKLEY TALKS

If the recommendation of Commissioner Thad H. Brown, of the Federal Communications is followed, Station KFBI, of Abilene, Kansas, operated by The Farmers and Bankers Life Insurance Co., will be closed down for broadcasting a program of Dr. J. R. Brinkley and transmitting these programs to Station XEPN, Piedras Negras, Coahuila, Mexico, in violation of the newly enacted clause of the Radio Act which forbids programs originating in the United States to be transferred to foreign radio stations.

Station KFBI is the successor to Station KFKB, the station once owned and operated by Brinkley, but put off the air by the Radio Commission because of "monkey gland" and other objectionable medical broadcasts. It is a station of considerable size, 5000 watts power, operating on a frequency of 1050 kc. limited time.

According to evidence submitted by Mr. Brown, the licensee of the station has suffered a deficit of from \$45,000 to \$50,000 a year, with approximately \$6,000 received from the Brinkley account during 1934 when the deficit was only \$16,500. This account was characterized by the station manager as the most remunerative carried on the station.

There was a contract arranged October 1, 1934, by Howard K. Wilson, agent, and K. W. Pyle, director of KFBI, for the broadcasting of programs for the Brinkley hospital, Del Rio, Texas, over KFBI, daily except Sunday, "Till Forbidden." The series of broadcasts was started October 6, 1934, with fifteen-minute lectures daily, read by a Harry Peck.

Commissioner Brown reported that the following telegram had been dispatched by Brinkley to KFBI:

"PYLE RADIO STATION KFBI ABILENE KANS

PLEASE WIRE RADIO STATION XEPN PIEDRAS NEGRAS COAHUILA MEXICO STATING THAT DR J R BRINKLEY IS BROADCASTING ONE HOUR DAILY OVER YOUR STATION STOP ADVISE THEM THE HOUR OF BROADCAST AND ALSO THAT MORE TIME IS AVAILABLE TO ME IF I WANT IT STOP THE REASON FOR THIS REQUEST IS THE MEXICAN STATION SAYS THEY CAN BROADCAST ANYTHING THAT IS BEING BROADCASTED IN UNITED STATES"

The manager of KFBI made the following telegraphic reply:

"RADIO STATION XEPN PIEDRAS NEGRAS COAHUILA MEXICO

DR J R BRINKLEY IS CARRYING ONE HOUR OF PROGRAM OVER KFBI FIVE THIRTY TO SIX THIRTY AM AND WE ARE REARRANGING OUR SCHEDULE TO CLEAR MORE TIME FOR HIM

K W PYLE, DIRECTOR KFBI"

"There is no question in view of the evidence but that both Dr. Brinkley and certain of his agents did broadcast over Station XEPN, Mexico, from studios in Eagle Pass, Texas. They were seen and heard making such broadcasts in January, 1935, by witnesses who testified in this proceeding. It is a matter of record that no license or other authorization for such studio or broadcasts has been issued by the Commission", Commissioner Brown said.

"The broadcasts of one 'Omar' were carried by station KFBI from March 25, 1933, to May 14, 1933. He offered membership in the Omar Club and an Omar Birth Chart for the price of \$1.00 and also two books on 'How to Make Use of the Subconscious Mind' and 'Omar's Wonder Ritual.' The announcement of the program carried the statement that Station KFBI fully guarantees it. 'Omar' and the station participated equally in the division of the income from the programs.

"The programs from one styling himself as 'Koran' were presented over Station KFBI from June 7 to August 12, 1934, during which time 6,198 pieces of mail were received. 'Koran' answered questions relating to problems of domestic life, love, employment, buying and selling property, vocations, etc. In connection with this program he offered for sale a character analysis for \$1.00.

"There is no scientific basis for such material as was presented on these so-called astological programs. Sales of the publications of these individuals operating under the name of 'Koran' and 'Omar' have all the elements of fraud. It is to be noted that it was 'Koran's' difficulties with the Post Office Department that led to the discontinuance of this radio program at KFBI."

In conclusion recommending that the application for the renewal of the license of the Station KFBI be denied, he said:

"It must be noted that the character of the four programs, including those of Dr. Brinkley, 'Koran', 'Omar', and Dr. Ford reducing tea, are definitely not of a type that serve public interest, convenience and necessity. The Brinkley program in particular has been found on previous occasions not to be in the public interest by the Federal Radio Commission and the Commission was sustained in this action by the Court of Appeals of the District of Columbia. The applicant, as successor to KFKB Broadcasting Association, Inc. had ample notice of these findings. Any one of these programs is objectionable in itself and collectively they present strong evidence that they are not in the public interest. The licensee has been derelict in the performance of the trust imposed upon it by the licensing authority in turning over the complete control and management of the station together with the formulation of its broadcast policy to the station manager. It must also be noted that there is already abundant broadcast service available at Abilene, Kans, so that if the renewal of this license were to be denied by the Commission, the service of radio listeners in this area would not be unduly curtailed."

LISTENER BUREAU COMMITTEE NAMED

President Leo J. Fitzpatrick of the National Association of Broadcasters, has named, with the approval of the Board of Directors, the following committee to continue the work of the Association with regard to the possible establishment of a cooperative bureau of listener data and similar information to be maintained jointly by the broadcasters, advertisers and advertising agencies: Arthur B. Church, Chairman, Edgar Kobak, J. O. Maland, H. K. Boice, and A. J. McCosker.

J. V. L. Hogan, consulting radio engineer has been appointed an advisory member of the Committee on Engineering matters. Dr. Herman S. Hettinger, NAB Research Director and University of Pennsylvania faculty member, will continue to advise the Committee on Research and similar matters.

X X X X X X X X X X X

A NEW STATION FOR BAGDAD - MAYBE

Construction of a broadcasting station in Bagdad is now under consideration by the local authorities, it is pointed out. Two radio operators have been sent to England and the United States at the expense of the Government to qualify as radio engineers. It is understood that the station will be constructed as soon as the required funds become available, the report states.

The factors that have stimulated the demand for radio sets in Iraq, the report states, have been the opening of the Cairo broadcasting station last year and the broadcasting in Arabic from an Italian station.

X X X X X X X X

NORMAN BAKER NAILED IN IOWA

Norman C. Baker, one-time operator of KTNT, at Muscatine, Ia., and also operator of XENT in Mexico promoting a cure for cancer, ran afoul of the law when he ventured back to Muscatine to address several friends and former patients.

State has sought Baker since 1931, when he was indicted on charges of conspiracy to practice medicine without a license. The then Federal Radio Commission buttoned up his station in 1931. Since then he has been operating out of Mexico but has been angling for a spot in Muscatine or elsewhere in the States. His trial is scheduled to come up at an early date.

	•					
	9				۰	
:		INDUSTRY	NOTES	•	:	0
				•		

Examiner Ralph Walker of the Federal Communications Commission has recommended that the application of KTFI, Radio Broadcasting Corporation, of Twin Falls, Idaho, for a change of frequency from 1240 to 630 kc. be granted. This would give the station its same operating power of 500 watts at night and 1000 watts in the daytime, it now having the latter experimentally on the 1240 kc. frequency.

Jack R. Poppele, WOR's Chief Engineer set today (July 19) as "Radio Engineers Day at WOR". All of the technical executives of radio stations in the Metropolitan district were invited to visit WOR's new 50,000-watt high fidelity transmitter at Carteret, N. J., to inspect the several new features that are incorporated in the plant.

The General Electric Company received orders of \$104,542,946 in the first six months of 1935, compared with \$92,154,642 in the 1934 period. Gerard Swope, President, announced. Sales billed amounted to \$94,546,274 against \$80,983,094.

ed. Sales billed amounted to \$94,546,274 against \$80,983,094.

Profit available for dividends on the common stock for the six months was \$11,541,429, compared with \$8,175,557 a year before, equal to 40 cents a share, against 28 cents a share, on 28,845,927 shares outstanding in both periods.

An unfavorable recommendation was made by Commission examiner on the application of Carl C. Struble, of The Dalles, Oregon, to operate a new 100 watt station on 1200 kc. frequency.

Highlights of the RCA Manufacturing Co., Inc., convention held in Atlantic City yesterday and today, July 18 and 19, were discussed by John B. Kennedy, NBC commentator, and Ray F. Sooy, Superintendent of the Recording Division, RCA-Victor, in a special broadcast from Atlantic City over an NBC-WJZ Network last night, (July 18).

In the broadcast Kennedy gave a "Preview of Radio Art For The Coming Year" and related with Sooy, the development of sound reproduction from the days of early phonograph recordings to the present day.

David Sarnoff, President of RCA, and E. T. Cunning-ham, President of the RCA Manufacturing Co., Inc. addressed the RCA distributors during a meeting of the convention today.

RCA HAS DIRECT ETHIOPIAN CONNECTION

Presumably as a result of the increasing attention centering on Ethiopia, RCA. Communications, Inc., International radiotelegraph unit of Radio Corporation of America, was notified by Cable and Wireless, Ltd., of London, its British associate, that a direct radiotelegraph circuit had been established between London and Addis Ababa, the Ethiopian capital.

The new circuit eliminates the necessity of a relay through a radio station at Cairo, which has previously been in effect. It will mean a saving of time, especially if a rush of telegraphic correspondence should come. Radiotelegraph messages to Ethiopia from the Central Radio Office of R.C.A. Communications at 64 Broad Street, New York City, go direct to the central radio office in London, and from the same office will be flashed straight to Ethiopia's capital. The same direct route is to be used in handling radiotelegraph messages from Addis Ababa to the United States.

X X X X X X X X

CONTRACTS SIGNED BETWEEN MUTUAL AND CKLW

Station CKLW will become the Detroit-Windsor outlet for the Mutual Broadcasting System on September 29, W. E. Macfarlane announced that the contract between the Mutual group and the Western Ontario Broadcasting Company, which operates CKLW, was signed Tuesday, July 16, by Malcolm Campbell, President of the Canadian organization.

CKLW replaces WXYZ as the Detroit-Windsor outlet for the Mutual Broadcasting System. The new affiliate operates on 5,000-watts power on a clear channel of 1030 kilocycles and is licensed by the Canadian Radio Commission. As a result of the replacement CKLW will, after that date, act as contact point for exchange programs between the Mutual network and the Canadian Radio Commission's coast-to-coast network, in addition to acting as the outlet in the Detroit territory for Mutual.

X X X X X X X

APPLICATIONS GRANTED BY BROADCAST DIVISION OF FCC

WOR, Bamberger Broadcasting Service, Inc., Newark, N.J., C.P. to use present transmitter as auxiliary and move it from Kearny to Carteret, N.J.; WJAX, City of Jacksonville, Jacksonville, Fla., Mod. of CP approving transmitter site and extending commencement date to 30 days after grant and completion date to 90 days thereafter; KGBX, KGBX, Inc., Springfield, Mo., Modification of special authorization to make changes in equipment; KABC, Alamo Broadcasting Co., San Antonio, Tex., CP to make changes in equipment and increase day power from 100 to 250 watts; WNAX, The House of Gurney, Inc., Yankton, S.D., Modification of CP extending commencement date to Aug. 18, 1935, and completion date to Dec. 18, 1935; WPFB, Otis Perry Eure, Hattiesburg, Miss., Voluntary Assignment of license from Otis Perry Eure to Forrest Broadcasting Co.; WSPD, Toledo Broadcasting Co., Toledo, Ohio, Modification of CP to extend completion date from August 1 to October 1, 1935.

Also, WGH, Hampton Roads Broadcasting Corp., Newport News, Va., license to cover CP for new station; frequency 1310 kc., 100 w. night, 250 w. day, unlimited time; KIUJ, J. H. Speck, Santa Fe, New Mexico, assignment of license from J. H. Speck to W. C. Irvin; WNBC, William J. Sanders, New Britain, Conn., license to cover CP for new station, frequency 1380 kc., 250 watts, daytime; WSVA, Shenandoah Valley Broadcasting Corporation, Harrisonburg, Va., license to cover CP, 550 kc., 500 watts, daytime; KFAB, KFAB Broadcasting Co., Lincoln, Neb., license to cover CP covering installation of new equipment and increase in power from 5 to 10 KW; 770 kc., Simultaneously - day, WBBM; S-WBBM, night, Syn. WBBM LS to midnight; KAST, Abraham Shapiro, Astoria, Ore., license to cover CP for new station, 1370 kc., 100 watts, daytime; National Broadcasting Co., Inc., New York City, authority to use studio for production of programs to Canadian radio stations.

Also, <u>KIUP</u>, C. Guy Shepard, Durango, Colo., involuntary assignment of <u>CP</u> from LeRoy Haley to C. Guy Shepard; <u>New</u>, G. L. Burns, Brady, Texas, amended <u>CP</u> for new station to operate on 1500 kc., 100 watts, daytime, and application dismissed from hearing docket; <u>WLW</u>, The Crosley Radio Corp., Cincinnati, Ohio, modification of special temporary experimental authorization to operate with 500 KW at night and conventional antenna for a period of 30 days.

Also, National Broadcasting Co., Inc., Portable-Mobile, license to cover CP for broadcast pickup station, exp. basis, freqs. 31100, 34600, 37600, and 40600 kc., 25 watts, for period ending Oct. 1, 1936; W3XDD, Bell Tel. Labs., Inc., New York City, renewal of license for a period of 90 days from July 29, 1935.

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL - Not for Publication

INI

INDEX TO ISSUE OF JULY 23, 1935.

Pacific Coast Press-Radio Bureau To Suspend2
Recommends Against KSTP For Minneapolis Station3
Canada to Rebroadcast Foreign Programs
Cuban Imports Of Radio Sets Show Decline In June
Call Western Union For S.F. Radio Service
Would Renew Los Angeles Licenses If Medical Ads Off
High Fidelity Radio In Germany8
F'CC Engineer Invents Secret Portable Radio Printer9
More Wireless Communication For Ethiopia
Industry Notesll
Depression Has Stimulated Research, Sarnoff Tells Distributors. 12 World Power Manual And Flectrical Exporters Handbook

No. 845



PACIFIC COAST PRESS-RADIO BUREAU TO SUSPEND

After sixteen months of service, the Coast Press-Radio Bureau in Los Angeles will cease to function August 1st. Announcements to this effect are being sent to the Bureau's 45 subscribers by W. R. Gordon, who organized the Western Bureau in March, 1934, and has served as its editor since then.

Although it has operated continuously at a loss, with the deficit made up by the publishers, the Bureau has enjoyed the confidence of station operators and the public, inquiry in Los Angeles indicated, the <u>Editor & Publisher</u> said.

The following telegram was received by that publication from E. H. Harris, Chairman of the Publishers' National Radio Committee: "The closing of the Pacific Coast Press-Radio Bureau cannot affect the operation of the New York Press-Radio Bureau. The New York bureau will continue to operate so long as the two chains and the independents now supporting the bureau want it to continue. Both chains have indicated that they favor continuing the Press-Radio Bureau and are willing to finance its operation."

Last September it reached its peak with 65 subscribing stations. Since then - partly due to high wire tolls and more particularly since the announcements of the United Press and International News Service at the A.N.P.A. convention that these services, while continuing to cooperate with the Press-Radio Bureau, would offer their report direct to stations and permit commercial sponsorship - about a third of the stations have with drawn. Publishers, feeling that the need of the Bureau no longer exists, say they do not feel that they should continue to make up the difference between the cost of its operation and the revenue derived from the \$12.50 monthly charge for which the service is sold.

With the discontinuance of the Bureau, program listings of KNX, Los Angeles, which were dropped from several local papers last year, probably will be returned. KNX was the standout station locally in refusing to subscribe to the Press-Radio service. Up to the formation of the bureau, KNX took the United Press report, but with cancellation of its contract by the U.P. when the Bureau began to function, it switched to Transradio.

KNX has now signed a new contract with the U.P. starting January 1st on expiration of its present Transradio contract.

W. R. Gordon, editor of the Los Angeles Press-Radio Bureau has accepted a position with the United Press and H. H. Hammer, also of the Bureau, goes to the International News.

The International News Service is now providing WBBM, Chicago, Columbia Broadcasting System outlet, with a full leased wire news report.

Ralph Atlass, Manager of WJJD, local independent station and WIND, Gary, Ind., effective August 30 will receive the full I.N.S. report. At present the stations are receiving Transradio.

X X X X X X X X

RECOMMENDS AGAINST KSTP FOR MINNEAPOLIS STATION

If the recommendation of Melvin H. Dalberg, Examiner of the Federal Communications Commission is followed, the National Battery Broadcasting Co., operaters of Station KSTP, St. Paul, will not be able to gobble up the 100 watt license for a station to be erected in Minneapolis, as evidently that company had anticipated. Instead Examiner Dalberg would give it to Edward Hoffman, who conducts a retail furniture installment business in St. Paul, and also in Fargo, N. D. Tentative arrangements have been made by Mr. Hoffman, if he secures the permit, to erect this new 100 watt station on 1370 kc., to locate the station in St. Paul.

According to his testimony, he holds bonds and securities which can be converted into cash instantly, approximately in the sum of \$20,000 which would be available for the proposed station. It is stated that the station would cost in the neighborhood of \$14,000 and the sum of \$6,000 additional is available should the station not prove profitable during the first year. Applicant proposes that seven employees will be used in the operation of the station and testified that he would personally supervise and direct the same. He estimates the monthly cost of operation as between \$1200 and \$1500.

According to evidence submitted, KSTP, of St. Paul, has assets of \$203,917.32, liabilities of \$19,296.92, and claims to have a net worth of \$184,624.40. KSTP has set aside \$25,000 for the cost of construction and the initial operation of the proposed new station in Minneapolis.

X X X X X X X X X

CANADA TO REBROADCAST FOREIGN PROGRAMS

Final tests are now being made of the Canadian Radio Commission's new station at Ottawa to be used for bringing in programs by short-wave from Great Britain, France, Germany and other countries, and giving them to the Commission's networks covering Canada from coast to coast. This additional service will be inaugurated very soon, and overseas programs will be fed to the networks daily.

During the past eighteen months the Canadian Commission has been exchanging selected programs with the big networks of the United States, and now choice programs from overseas will be made available to Canadians. Hitherto, overseas programs brought in by the Commission have come by way of the trans-Atlantic radio telephone system. Through the new station near Ottawa they will be picked up by the Commission itself.

The short wave receiving equipment of this station is the latest development of the Canadian Marconi Company. The nature of this equipment and the location of the station and the quality of the soil on which it is built ensure practically perfect short-wave reception at all times. It is not subject to interference, fading and other interruptions experienced by listeners using ordinary short-wave receivers.

As the programs are received from overseas, they will be carried by special wires to the Commission studios in the Chateau Laurier in Ottawa, from where they will go to the networks. As the best British and European programs are usually broadcast in the evening hours overseas which are daytime hours here, the Commission will reproduce the programs by its blattner-phone equipment in order that they may be given to Canadians during the evening hours when most people are able to listen and when the Commission networks are in operation. The Commission's blattnerphone apparatus is the only reproducing equipment of its kind on this side of the Atlantic. Identical apparatus is used extensively by the British Broadcasting Corporation.

X X X X X X X X X X X

NAB AND RMA COOPERATE IN RADIO AWARDS

Cooperation between the NAB and RMA in the setting up of annual awards in broadcasting similar to the Pulitzer prizes in the publication field was instituted when President Leo J. Fitzpatrick at the Association's Convention at Colorado Springs was authorized by the Board of Directors to appoint a committee of three to represent the NAB in working out plans with a similar committee from the RMA. The resolution calling for the appointment of the committee followed an invitation to cooperate in the creation of awards extended by Bond Geddes, Executive Vice-President of the RMA. The committee will be appointed soon.

CUBAN IMPORTS OF RADIO SETS SHOW DECLINE IN JUNE

Cuban imports of radio receiving sets registered a decline in June compared with the preceding month and with the same month of 1934, according to a report from Assistant Trade Commissioner K. Molesworth, Habana.

Receipts of radio receiving sets through the port of Habana, the report shows, totaled 1,535 units in June 1935, compared with 1,639 units in May and 1,898 units in June 1934. However, it is pointed out, Cuban radio importations have held up extremely well this year, the total for the first five months being 11,007 units compared with 5,903 units in the corresponding period of 1934, so that the decrease in June is considered to be due to adequate stocks in the country rather than to any actual decline in demand.

The only non-American makes of radios imported into the Cuban market in the month under review were 7 units of the Dutch Phillips radio compared with 2 units in May and 17 in April. From January 1, 1935 through June 30, the total imports of Phillips radios amounted to only 55 units, the report states.

The total value of the 1,535 units imported in June was \$32,465, and approximately 40 different makes were represented. Six outstanding American makes of radio apparatus accounted for 1,009 units, or approximately 65 per cent of the total Cuban imports, the report shows.

XXXXXXX

COMPOSERS APPOINT PRESS REPRESENTATIVE

Joseph R. Fliesler has been appointed to act as press contact for the American Society of Composers, Authors and Publishers and will cooperate with representatives of the press in securing whatever information they may require which the Society has available.

While Mr. Fliesler is not expressly authorized to speak for the Society or any of its members, according to E. C. Mills, General Manager of ASCAP, his services may be had in contacting any of these and securing official statements.

X X X X X X X X X X X

CALL WESTERN UNION FOR S.F. RADIO SERVICE

An organization known as the Radio Manufacturers' Service in San Francisco and the Western Union Telegraph Company in that city have entered into an agreement to provide a quick reliable service for radio owners whose sets may need adjusting or repair, it was announced.

The arrangement enables radio owners to obtain radio servicemen by simply telephoning Western Union. No charge is made for this contact service.

"The Radio Manufacturers Service, created by the Philco Radio & Television Corporation, Philadelphia is", according to an explanation of the service issued in San Francisco, "a nationwide organization of trained, experienced and properly equipped servicemen who are helping radio owners everywhere obtain maximum performance from their sets.

"Their training includes courses from technical books prepared by radio engineers covering all types of installation and service problems on all sets. Their ability to perform their work satisfactorily is guaranteed by endorsement of Philco distributors who pass on their qualifications before they are admitted to membership in the Radio Manufacturers Service. There are 13,000 of these service men in the United States. They are identified by their Radio Manufacturers Service membership cards."

NAB CREATES NEW MEMBERSHIP CLASS

A new class of membership, known as Associate Membership has been established by the National Association of Broadcasters.

Under the new plan, active membership will be restricted to persons or corporations engaged in the operation of radio stations. Other individuals or corporations associated with radio broadcasting and wishing to become members of the Association will be eligible to make application for associate membership.

Annual dues of associate members will be \$250 annually, payable quarterly in advance. Only active members are entitled to voting power in the association.

X X X X X X X

WOULD RENEW LOS ANGELES LICENSES IF MEDICAL ADS OFF

If they will keep clear of objectionable medical and other advertising, about which complaints have been made, Commissioner Thad Brown, after a hearing in that city, has recommended the renewal of the licenses of a group of stations in Los Angeles or vicinity, which were called on the carpet by the Federal Communications Commission.

They were KGFJ, Los Angeles; KFWB, in Hollywood, owned by the Warner Brothers; KMPC, Beverly Hills, KRKD, Los Angeles, and KIEV, Glendale. KFWB also had asked to increase its power from 2500 watts daytime to 5,000 watts.

In recommending that all these stations be allowed to continue, Mr. Brown reached the following conclusions:

The evidence relating to the application of Ben S. McGlashan (KGFJ) for renewal license discloses broadcasts of programs relating to the Alhambra Electronic Institute and a failure to make certain entries in the log book with reference to political broadcasts. The general service of the station is shown to be of acceptable quality and of local public interest. The applicant has shown a disposition to examine advertising copy more thoroughly hereafter with a view to preventing a possible repetition of such broadcasts as those of the Alhambra Electronic Institute. It is also shown that the applicant has corrected its method of keeping the station log so as to comply more strictly with the regulations of the Commission.

The evidence relating to the applications of Warner Brothers Broadcasting Corporation (KFWB) for renewal license and construction permit, discloses broadcasts of programs relating to the Alhambra Electronic Institute. These broadcasts were carried for an extremely brief period, being terminated voluntarily when the character of the programs became evident. A high type of regional service is broadcast by this station. The increased power applied for will, if granted, improve and extend the service without causing any objectionable interference to other stations.

The evidence relating to the application of the Beverly Hills Broadcasting Corporation (KMPC) for renewal license discloses broadcasts of programs relating to the Alhambra Electronic Institute, certain frequency deviations and a failure to make certain entries in the log book with reference to political broadcasts. Also, an operating agreement of doubtful legality was disclosed at the hearing. The Electronic program has been discontinued, and the character of the general service of the station together with the attitude of the applicant affords substantial assurance that there will be no further broadcasts of programs of such doubtful character. It was shown that the question of frequency deviations had been adjusted prior to the

7/23/35

hearing to the satisfaction of the Commission. Omissions in reference to the station log have been corrected. The operating agreement has been terminated and it now appears that the licensee is in active control.

The evidence relating to the applications of Cannon System, Ltd. (KIEV) for renewal license and modification of construction permit, discloses broadcasts of programs relating to the Alhambra Electronic Institute. These programs were carried but a brief period and have not been on the station since June 10, 1934. The evidence shows adequate reasons for applicant's failure to complete construction heretofore authorized within the specified time. An acceptable local program service in the Glendale area is supplied by this station.

The evidence relating to the application of Radio Broadcasters, Inc. (KRKD) for renewal license discloses broadcasts of programs relating to the Alhambra Electronic Institute. It is shown that the station broadcasts a high quality program service and that it is not the policy of the station to accept broadcasts of such doubtful merit.

The Alhambra Institute referred to is alleged to have a device with the aid of which it was claimed the cause of any ailment could be diagnosed and if the Institute failed in that, they would refund \$1,000 in cash. To induce listeners to respond, it was said by paying \$1, the first 10 would receive a \$10 examination.

X X X X X X X X

HIGH FIDELITY RADIO IN GERMANY

Little has been done in Germany to cover the entire country with high fidelity radio, Assistant Trade Commissioner Rolland Welch, of Berlin, reports. The main transmitter in Berlin handles broadcasts ranging from 30 to 10,000 cycles per second. The cables for this transmitter, as well as those connecting it with other transmitters, handle from 50 to 6,400 cycles per second.

The broadcasters feel that this covers the complete range as to fidelity of sound, but unfortunately no receiving apparatus is built in Germany that will give such true fidelity. The buying public does not appear to be interested in improving the quality, and the manufacturers believe that to enter the field of high fidelity reception would increase the cost of receiving sets which are already extremely high.

Patent exchange agreements and foreign exchange regulations make it impossible to sell American receiving sets in Germany, Commissioner Welch concludes.

FCC ENGINEER INVENTS SECRET PORTABLE RADIO PRINTER

For use in news reporting, W. G. H. Finch, Assistant Chief Engineer of the Federal Communications Commission, has invented a "Secret Portable Radio Printer System", which provides typewritten communication between a reporter on a story and the city desk, either for the purpose of receiving instructions or the instantaneous transmission of a story from the scene of action.

A patent was granted to Mr. Finch on this last week by the Patent Office following several others which had previously been granted to him for a radio facsimile newspaper system.

Finch, who was formerly Chief Engineer of the Hearst radio interests, described the portable radio printer as follows:

"My invention relates to novel apparatus for and methods of automatic printing telegraphy and more particularly relates to novel methods of and apparatus for selecting, synchronizing and operating portable and mobile automatic printing telegraph apparatus over radio.

"Heretofore, due mainly to the complications of telegraph printers, they have been considered practical only for fixed station work.

"A great need, however, has arisen for the operation of mobile telegraph printers; that is, printers which are mounted on movable carriers, such as automobiles, buses, trucks, police cars, aeroplanes, ships and the like. Owners of these mobile printers are then supplied with a radio service for sending out recorded instructions."

Mr. Finch said that he had as the main object of his invention the provision of a printing telegraph system operating a mobile printer by radio. Other objects he enumerated were, to use novel mountings and supports for mobile printers; to render the printer characters quickly and readily visible; to provide novel apparatus for and methods, maintaining the telegraph code secret; to provide a telegraph printer in which the characters can be readily interchanged to respond to different codes, to provide type wheel printers in which the characters are responsive to different codes and to provide telegraph printers with removable and interchangeable type characters.

MORE WIRELESS COMMUNICATION FOR ETHIOPIA

Permission has been granted by the Federal Communications Commission to Press Wireless, Inc. to temporarily add Addis Ababa in Ethiopia, as a point of communication. As a beginning, the license has only been issued for a 30-day period but no doubt will be renewed from time to time as long as the crisis in Ethiopia exists. Press Wireless is composed of a number of newspapers, including the New York Times and the Chicago Tribune.

X X X X X X X X

RADIO AND THE HAUPTMANN TRIAL

Perhaps the reply which J. Edgar Hoover, head of the Bureau of Investigation of the Department of Justice, made with regard to the newspapers, also holds good for the broad-casters of the Hauptmann trial. It was apropos the American Bar Association proposing a committee of lawyers and newspapermen and broadcasters to prevent hippodroming of criminal trials. It is suggested that this committee be made up of lawyers and representatives of the United Press, Associated Press and International News Service and the National and Columbia broadcasting companies.

Mr. Hoover termed the Hauptmann proceedings a "Disgusting spectacle" and "a Roman holiday" but absolved the press of all blame.

The press is not to blame. If you put on a freak show the press will report it as such. If you put on a dignified trial, I am convinced the newspapers will cover it as such."

Of course the broadcasting stations could not do otherwise.

Another caustic reply was that of Tom Wallace, of the Louisville Times, who said, "Newspaper men need lawyers' advice when they have stolen something rather than when they are reporting something."

X X X X X X X X X X X

		the state of the s	-	
		INDUSTRY NOTES	:	:
	6			
		The state of the s	_	

Hearings before a sub-committee of the House Interstate and Foreign Commerce Committee are being held on the Copeland, Mead and Sirovich Food and Drug Bills. James W. Baldwin, Managing Director of the National Association of Broadcasters, is attending the sessions but as yet has not asked to be heard.

Eugene S. Thomas has been appointed WOR Sales Promotion Manager succeeding T. Wylie Kinney, who is now Eastern Sales Representative for the Mutual Broadcasting System. This position is in addition to Thomas's position as assistant to Walter Neff, WOR Sales Manager.

Before going to WOR in July, 1934, in a Sales Promotion capacity, Thomas spent seven years with the Thomas R. Shipp Company, public relations counsels. Four years of this position was spent as Manager of the Atwater Kent National Radio Auditions.

No successor has as yet been appointed to Henry A. Bellows, Chairman of the Legislative Committee of the National Association of Broadcasters. Mr. Bellows is understood to have taken a position with General Mills, Inc., in New York.

Harold Higgenbottom, 30, formerly in charge of television experiments at Kansas State College, Manhattan, died of a disease attributed by physicians to his work with the X-Ray.

Plans are being made for a combined Electrical and Radio Show to be held in Grand Central Palace in New York City, about the middle of September. Although radio is to be only a part of the exhibit, the chances are that it will far outshadow the other electrical devices to be displayed and that a large part of the crowd, as usual, will be attracted by radio. Predictions are that the attendance at the New York Exposition will be unusually large.

X X X X X X X X X X X

DEPRESSION HAS STIMULATED RESEARCH, SARNOFF TELLS RCA DISTRIBUTORS

The chief points of discussion at the RCA Victor Convention of distributors at Atlantic City last week centered around the latest scientific advances in radio technique such as the metal tube which is now being manufactured by RCA for use in its 1935 line of radio receivers, and which, according to RCA, has been adopted by twenty-two of the leading radio manufacturers; the belief of the trade that improved business is in evidence, and that a striking characteristic of 1935 trade conditions is renewed demand for quality merchandise.

"The depression in the United States has stimulated us to further activity in scientific research", David Sarnoff told the distributors. "Necessity may be the mother of invention but invention is the father of necessity. You may be sure that we in the radio industry are cognizant of the steady increase in the demand of our people for the better things in life. In the research laboratories of the RCA, marked progress is being made in the development of television and facsimile, which will ultimately provide new products and services that should add to the nation's prosperity, help to increase employment and advance the forward march of our cultural development.

"Economic cataclysms, because of the profound influence exerted on the social order, may seem to halt the progress of culture, but the truth remains even after civilizations which produced it have disappeared. Great economic upheavals may actually stimulate cultural progress. This has happened in America. More of our people are reading today than ever before. More are listening to the radio. And more are thinking. In our own broadcasting activities, each year has seen marked progress in the artistic value of radio programs."

X X X X X X X X X X X

WORLD POWER MANUAL AND ELECTRICAL EXPORTERS HANDBOOK

The Electrical Division of the Bureau of Foreign and Domestic Commerce has just announced the publication of a "World Power Manual and Electrical Exporters' Handbook." This book will contain such items of interest to electrical export managers and exporters of electrically equipped machinery as the domestic electric current characteristics of all foreign countries (by cities), background material on the electric power industry, power production and consumption statistics, power customers, general wiring regulations and practice, domestic rates in the principal cities, as well as pertinent data concerning the market for electrical equipment throughout the world. The publication will be presented in sectional form, adaptable for loose-leaf binding. The price is \$2.00. (Supplemental sheets will be issued during the year 1935 and that the service will embrace a minimum of 500 pages).

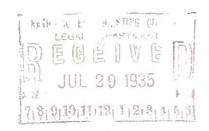
HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL - Not for Publication





INDEX TO ISSUE OF JULY 26, 1935

Lonesome Labradorians Inspired McDonald's Wincharger, 2
Terre Haute Strike Closes Newspapers but Not Radio4 Crosley Files Income Tax Appeal4
Warsaw Meeting of International Broadcasting Union5
Frederic William Wile, Jr., Faces \$75,000 Suit6 Stephens Named Associate Justice D.C. Court of Appeals6
75% Improvement in Radio Copy Seen by FTC
FCC Examiner Recommends Granting of Licenses
Television Cable Authorization Victory for A.T.&TlC Capital Too Cool for JudgelC
Former Music Division Head Protests Duffy Bill

No. 846



LONESOME LABRADORIANS INSPIRED MC DONALD'S WINCHARGER

Back in the Spring of 1923 when Commander E. F. McDonald, Jr., of Chicago, accompanied Commander Donald B. MacMillan, the Arctic Explorer, as far as Labrador, he saw how desperately lonely the people of that country were, separated eight months of the year entirely from communication with the outside world except for the code radio transmitters of the Marconi Company, located at Battle Harbor, Labrador.

Commander McDonald had shipped as one of MacMillan's crew on the "Bowdoin". Two years later he returned to the North with MacMillan and this time was in command of the "Peary". Recalling the loneliness of the Labradorians, Commander McDonald took a number of battery operated radio sets with him which he gave to the missionaries and the governors along the Labrador and Greenland coast. Mr. McDonald also presented the delighted recipients with a good supply of dry batteries, which did not deteriorate rapidly in the extreme cold country.

About eight months after he returned he started getting letters from the people from the north when the first mails came out. There were two or three letters from each one to whom he had given a radio set. The first letters that they mailed told him of the wonderful pleasure they were receiving thru the entertainment and news that was coming in to them in their isolated homes during the long winter nights.

"But the letters which they mailed later told me of how they missed their radio now that their batteries were worn out", Commander McDonald said. "I then realized what an injustice I had done to those people by introducing radio when they would be deprived of them in a short time because of the lack of batteries."

Then and there McDonald, who is the President of the Zenith Radio Corporation, began trying to devise a radio set that would operate without dry batteries of any kind and without the necessity of sending storage batteries out to be charged, especially where there were no facilities.

"When I went down to the Galopagos Islands, later, where a number of people lived and where they have no electric power, I still didn't have the answer as to how the natives could recharge their batteries", Commander McDonald went on, "and because of my experience in Greenland, I did not take any radio sets with me, to give away to those people because I knew the injustice that I would do."

-2-

Being a sailor, incidentally the owner of the "Mizpah", said to be the finest yacht on the Great Lakes, and upon which "Amos 'n' Andy" are frequent guests when they want a real rest, Mr. McDonald naturally followed weather and wind conditions closely. Suddenly, one day the idea came to him wherever people live in the world, there is at one time or another wind, so why not rig up a little wind-mill to recharge the radio batteries? It seemed too simple a solution for so complex a problem yet it was exactly along these lines that he worked.

After solving the mechanical difficulties insofar as a wind-mill operated radio set was concerned, Commander McDonald turned to a large manufacturer of wind-mills who offered to supply radio listeners with a special little wind-mill adapted to that type of radio sets, which Mr. McDonald later had trade-marked as the "Wincharger". While it was the natives of far off Labrador who had inspired the innovation, the great sales possibilities, of course, centered on the farm listeners who are without electricity who could thus secure long distance radio for the very little cost of recharging.

Commander McDonald declared that he found the old style battery radios cost from \$50 to \$95 a year whereas with the windmill recharging device, a radio could be run 10 hours a day, every day at a cost of not over 50% a year. Furthermore the windmill sells for only \$10 and this purchase is made direct from the wind-mill manufacturer, out of which McDonald gets no profit, whereas a set of new batteries costs \$12.00. A light wind charges the battery but a gale can't overcharge it because of a self cutoff generator.

The Chicago manufacturer says that the idea of getting power from the air from a little windmill on the roof with airplane type of propeller, strongly appeals to the farmers and appears to be a solution of that heretofore baffling question.

Mr. McDonald related an amusing incident showing how quickly a farmer's interest was aroused by the device. One of the salesmen had rigged up a windmill on the tonneau of his automobile and the farmer remarked, "Does that fool think that little windmill will help increase the speed of the automobile?" However, the windmill was put on the auto for an entirely different purpose. If there is no wind at the time the salesman calls on the farmer, the latter is asked to jump in the automobile for a little ride at which time he can watch the generator indicator charge a battery as the windmill operates through the motion of the speed of the automobile.

"One hundred and fifty million dollars' worth of free entertainment goes over the roof of every farmer every year and now those who have no electrical facilities will be able to enjoy it just as cheaply and as conveniently as those who have", Commander McDonald said in conclusion. "Likewise with their batteries always

up to concert pitch, they can also tune in on London, Paris and Berlin on the shortwaves just the same as anybody else. I believe the little windmill device will not only be a boon to the farmers everywhere but also an untold blessing to the neglected and lonely in isolated countries all over the world."

X X X X X X X X

TERRE HAUTE STRIKE CLOSES NEWSPAPERS BUT NOT RADIO STATIONS

In the general strike at Terre Haute, Ind., both the local newspapers, the Terre Haute Star and the Terre Haute Tribune, suspended publication giving as their reason, fear of strike sympathizer sympathy. It therefore remained for the local broadcasting station WBOW to flash to the city the first news that the strike had been settled after State troops had been moved into the city.

T. N. Taylor, former President of the Indiana State Federation of Labor, and now an organizer of the American Federation of Labor, said that certain remarks which he had proposed to make over station WBOW, (the initials of which stand for "On the Banks of the Wabash") had been censored by Maj. Earl E. Weimar, of the National Guard. In the speech calling the general strike, Taylor criticized the attitude of Mayor Sam Beecher, and the local administration in their handling of the situation. Such references he was compelled to omit.

Terre Haute is the home of the late Eugene V. Debs, National Socialist leader, after which Station WEVD, in New York City is named. It was perhaps the first radio station in the world to be erected as a memorial to an individual.

XXXXXXXXX

CROSLEY FILES INCOME TAX APPEAL

Powel Crosley, Jr., of Cincinnati, President of the Crosley Radio Corporation, filed an appeal with the U. S. Board of Tax Appeals in Washington because of alleged overassessment of income taxes totalling \$48,391.47. This includes \$41,877.86 for 1929 and \$6,513.61 for 1930.

X X X X X X X X X X

7/26/35

WARSAW MEETING OF THE INTERNATIONAL BROADCASTING UNION

The International Broadcasting Union under the Presidency of Vice-Admiral Sir Charles Carpendale (Great Britain) has concluded at Warsaw its annual summer meeting. Representatives of broadcasting organizations in 22 European states, and also in the United States of America, were present. It was stated during the course of the session that the continued growth of interest in broadcasting was such, that the potential audience of listeners had reached at least 200 millions at the beginning of June.

The new President of the Union, elected by the new Council, is M. Maurice Rambert, Administrateur-Delegue of the Swiss national broadcasting organization known as the Societe Suisse de Radiodiffusion.

Other newcomers to office within the Union are: Vice-Presidencies: Dr. K. von Boeckmann, Intendant of the shortwave transmissions of the German broadcasting organization; M. Sigismond Chamiec (Director-General of Polskie Radjo, Poland); M. Gustav Reutersward, Director-General of the Swedish broadcasting organization, Stockholm. M.M. Pellenc, Inspector-General of Radio-diffusion in the French Administration of Posts, Telegraphs, and Telephones, retains his place during 1935-1936 as a Vice-President of the Union.

Amongst the decisions taken by the International Broadcasting Union at Warsaw was one to invite National and International groups of broadcasting organizations in all countries to a preliminary Inter-Continental Conference in 1936. Paris has been chosen for this preliminary meeting.

Another decision of the International Broadcasting Union has been the institution of what is to be known as "C onferences internationales de l'Union Internationale de Radiodiffusion". It is proposed by means of these discourses - a limited number of which will be radiated internationally each year - to establish direct contact between the greatest contemporary leaders in science and arc and the listeners to the programmes radiated by members of the Union.

The International Broadcasting Union also decided to collaborate in such international studies as may be made by the new-ly created "Association internationale des Loisirs des Travailleurs" in connection with the part that can be played by broadcasting in this new and important question of the leisure hours of workers. It also discussed possible methods of collaboration with the International Institute for Intellectual Cooperation (Paris) in certain official broadcasting studies assigned to that Institute, and with the International Educational Cinematographic Institute (Rome) in the field of Television.

Plans were discussed for an enlargement of the Union's technical laboratory and Central Observation Post at Brussels, so

as to permit of an extension of the nightly observations made upon the technical performances of the European (and certain Transatlantic broadcasting stations), both in the field of stability and of modulation - which latter factor has great influence on the quality of the transmission of a broadcasting station and on those of its neighbors.

X X X X X X X X

FREDERIC WILLIAM WILE, JR., FACES \$75,000 SUIT

Charging he had been illeaglly committed to the psychopathic ward at Bellevue Hospital, in New York, 25-year-old Samuel Lasher, once conductor of a gossip column of the air, brought suit for \$75,000 today against Frederic William Wile, jr., son of the radio and newspaper political commentator.

"Imagine my predicament," Lasher declared through his lawyer, Jay Emanuel, "when I told doctors I wasn't insane and they answered, 'You all say that'".

Lasher said his troubles began in July, 1934, when he was discharged by the Columbia broadcasting system for whom he had conducted a gossip column. He declares he went to consult Wile who had a policeman take him directly to Bellevue.

Wile, through his attorney, has entered a general denial of the charges. He was formerly connected with the publicity department of Columbia but later went to the radio department of an advertising agency.

X X X X X X X X

STEPHENS NAMED ASSOCIATE JUSTICE OF D.C. COURT OF APPEALS

Harold M. Stephens, of Utah, who was named Assistant to the Attorney General only three weeks ago, has been nominated by President Roosevelt for Associate Justice of the Court of Appeals for the District of Columbia. This is the court which passes upon appeals in radio cases, and friends of Judge E. O. Sykes, Chairman of the Broadcast Division of the Federal Communications Commission, sought this position for him.

X X X X X X X X

7/26/35

75% IMPROVEMENT IN RADIO COPY SEEN BY FTC

Quality and truthfulness of radio advertising continuities is seen as improved 75% during the past year. E. J. Adams, chairman of Federal Trade Commission's special board of investigation, reveals that not more than 10,000 of nearly 500,000 continuities examined from July 1, 1934 to July 1, 1935 contained statements or claims subject to severe criticism.

Speaking at the height of the Communications Commission drive to force objectionable programs off the air, the F.T.C. executive told <u>Variety</u> that outrightmisrepresentation of products and duping of the public has been reduced to an almost negligible point through joint efforts of the broadcasting industry and the government agency.

Although restricted solely to the field of unfair competitive practices and lacking authority to criticize either the volume of commercial patter or advertising which is merely offensive to good taste, the F.T.C. feels that substantial headway has been made during the past year in cleaning up radio programs and correcting most serious vices which caused the agency to begin riding herd on broadcasters.

Although lacking exact figures, Adams said it was probable that not more than 100 stipulations -- agreements between the Commish and advertisers to quit objectionable practices -- were necessary to clean up troublesome cases.

Throwing light on the agency's standards and possibly showing the way for broadcasters to pacify the Communications Commission, Adams said that puffing through the use of opinions whether those of the manufacturer or of customers — has been held permissible and in conformity with the law but that factual statements which cannot be 100% supported by the advertiser are being outlawed as misleading and deceptive.

"For example, if a radio announcer declares that something is the best or finest product of its kind, we regard that as a matter of opinion and not an unfair method of competition," Adams explained "But if an announcer says that some shoe is made of whole leather when examination shows this is not the case that is misrepresentation and a violation of the law."

Quack medical products, impure cosmetics, and similar products give the Commission greatest concern, but steady progress is being made in reducing the amount of vicious patter used to advertise such commodities.

Broadcasters, like publishers, are not made defendants in any proceedings as long as they co-operate, and on the other hand are furnished information which, while not specifically advising any policy, are intended to help in deciding whether to carry or to refuse certain types of advertising. But if a broadcaster should decline to observe Commission rulings, "then we would make him a

co-respondent, " Adams warned.

Minor difficulty has been encountered with astrologers and other star gazers, Adams said, placing substantial responsibility for programs of this nature on station managers. Broadcasters are deficient when they permit "rank amateurs" to pose as experts, he said, while most of the programs are illegal from the Commission viewpoint since they involve misrepresentation of booklets or gadgets offered for sale.

Although the big stations are not "entirely pure", most persistent cases involve small, obscure transmitters, Commission has found, particularly in recent months. A small proportion of the small station, Adams commented, are "very careless in criticizing copy submitted to them."

System of calling for continuities from different zones at variable periods is working satisfactorily and probably will continue. No changes in method of procedure are expected, Adams said, noting that chains are steadily forwarding continuities and virtually all commercial stations are responding readily to the periodical summons for transcripts.

$X \times X \times X \times X$

FCC EXAMINER RECOMMENDS GRANTING OF LICENSES

An Examiner of the Federal Communications Commission has recommended that the application of the Lake Region Broadcasting Company, of Lakeland, Florida, for a 100-watt station on 1310 kc. be granted. Also that of G. D. Goff, Tampa, Florida, for the same power station on 1500 kc. and Hazelwood, Inc., of West Palm Beach, Fla., 100 station on 1200 kc.

The Examiner reported unfavorably on the application of H. K. Glass and M. C. Kirkland, of Eustic, Florida, for a 100 watt station on 1310 kc. and Robert Louis Sanders, of Palm Beach, Flatfor a 100 watt station on 1420 kc.

X X X X X X X X

DEFENDS RADIO'S FAIRNESS

When questioned by Representative Michenor of Michigan when testifying before the Judiciary Committee of the House, Representative Wright Patman of Texas had a good word to say for the fairness of radio when it came to presenting both sides of a public question to the people. It occurred when Mr. Patman was discussing what he declared was the control of the disseminations.

Mr. Patman said, "There has been organized what is known as the American Retail Federation. Ordinarily you would think it was harmless; that it did not mean anything; that it was

just some big concerns getting together for the purpose of protecting their own interests with the Government. That was on the surface. But when you look into it a little bit you discover it is a group of 28 people who are really behind this organization and represent \$40,000,000 worth of advertising annually in this Nation; and those 28 people can get together and almost control the means of communication. I do not mean to say every newspaper is going to be subservient to the advertisers' will; I do not charge that. have some good newspapers in this country that are independent and do what they want to; but, at the same time, where newspapers are dependent upon advertising from just a few people for their receipts and this advertising bill determines whether they stay in business or go out of business, I suspect it has a little weight on their editorial policy. Therefore, when this food group and other groups get together and control such an enormous amount of advertising, they in a way, and to a certain extent at least, partially I will say, control the means of communication in this country. And when they do that, you are not going to get all the truth and all the facts to the people; you are going to get colored information to them and biased information."

"How are you going to help a thing like that?" Mr. Michenor inquired. "Take your radio: One group can talk on the holding bill, on one side or the other, and they can talk every night on it, and, if a fellow wants to hear one side, and the fellow wants to pay for it, he pays for the thing he wants to say, and the people only have the one side of it. How are you going to stop that?"

"To a certain extent the radio has been very fair," Mr. Patman replied. "In fact, I think they are fairer than any other means of communication. They have given both sides an opportunity to be heard on their free-time periods. But when it comes to paying for this time only the large concerns can afford to pay for time; the small concerns cannot afford to pay for time. But I think the radio has been pretty fair and pretty liberal with every. body on every viewpoint that they had. Where it was of national public interest I think the radio companies have been mighty fair. But you cannot say that about all the newspapers of the country. know in one place in this country that several thousand dollars' worth of furniture ads were put in every Friday, and one day this newspaper man was told, "Now, you do so-and-so; if you don't these furniture ads won't be in your paper any more." He was an independent newspaper man, and he was not going to be browbeaten in any such manner as that, or intimidated, and he said, "I am not going to do it", and they kept those furniture ads out, and that man came mighty near going broke before he put those furniture ads That is only one little illustration. I do not say it is a general rule, but it can be done when a few large concerns control so much advertising in this country -- control the means of communication."

7/26/35

TELEVISION CABLE AUTHORIZATION VICTORY FOR A.T.&T.

The ease with which the American Telephone & Telegraph Company overcame the opposition of the telegraph companies and won over the Federal Communications Commission in securing permission to install a coaxial cable between New York and Philadelphia for experimental television and multiple telegraph service, was almost a personal triumph for Dr. F. B. Jewett, Vice-President of the Telephone Company and one of the world's outstanding research experts. Dr. Jewett was the principal witness but proved so convincing that before he had completed his testimony, the Western Union and Postal announced the withdrawal of their opposition.

The Commission in granting an experimental license for the coaxial cable made it a condition that all parties having an interest in the transmission of television images should have access to use of the cable during the experiment.

"The commission is of the opinion that the petitioners can not monopolize the experimental advantages, features and uses of the coaxial cable to the disadvantage, exclusion and detriment of other parties," the announcement said.

The cable will transmit at the same time 240 telephone messages in each direction, or 2,400 simultaneous telegraph messages. Television images can be transmitted when the cables are not otherwise in use, but not when voice or electric impulses are being transmitted.

It was said that if sufficient transmitting and receiving devices could be supplied that an entire Sunday edition of the New York Times could be transmitted over this one cable by telegraph in 7 minutes.

XXXXXX

CAPITAL TOO COOL FOR THE JUDGE

One day last week in Washington when the temperature was around 100 and they were frying eggs on Pennsylvania Avenue, Judge E. O. Sykes, Chairman of the Broadcast Division of the Federal Communications Commission, was encountered looking cool as a cucumber.

"I don't think this is so hot", said Sykes, who hails from Mississippi. "In fact it seems to me that it has been a little cool lately. Now that it is warming up a trifle, I am just beginning to feel at home."

X X X X X X X

FORMER MUSIC DIVISION HEAD PROTESTS DUFFY BILL

Carl Engel, former head of the Music Division of the Library of Congress and now President of G. S. Schirmer, Inc., New York, wrote the following letter to Senator Robert Wagner of N.Y.:

"May I take the liberty of adding my emphatic protest to the many others that must have reached you with respect to United States Senate bill 3047, purporting to amend the copywright law?

"My point of view is not biased. While at the head of one of the foremost and of one of the oldest music publishing houses in America, and I am also as a professional musician and writer of music, and as such I am eminently concerned with the fate of the composer and author.

"I am whole-heartedly in favor of our joining the Rome convention, but not at the price of a law that aims at the spoliation of the makers of music to the wholly disproportionate advantage of the users of music.

"In my 12 years (1922-34) as chief of the Music Division in the Library of Congress I have had ample opportunity to form the highest regard for the integrity and wisdom of the former Register of Copyright, Mr. Thorvald Solberg, and of his able successor, Mr. William L. Brown. But if, as I understand, the Copyright. Office lent a hand in the drafting of this bill I fear that it has too readily yielded to the false counsel and mispersentations of obviously interested parties.

"The situation has been most clearly and convincingly set forth in a brief by Mr. Nathan Burkan -- one of the best minds we have on copyright matters -- which he prepared on behalf of the American Society of Composers, Authors, and Publishers. May I recommend Mr. Burkan's brief to your careful and sympathetic study?

"I feel that I am not appealing in vain to your sense of justice, when I ask you to help in preventing the passage of a bill that is the child by marriage between unreason and unfairness."

X X X X X X X

APPLICATIONS GRANTED BY BROADCAST DIVISION OF FCC

KSVO, The Ardmorite Pub. Co. Inc., Ardmore, Okla., mod. of CP authorizing transmitter site and artenna system, and to make changes in eqpt; WMPC, The First Methodist Protestant Church, Lapeer, Mich., license to cover CP authorizing installation of new equipment and increase in day power to 250 watts; 1200 kc, 100 w. night, specified hours; WMFO, James R. Doss, Jr., Decatur, Alabama, license to cover CP as modified for new station to operate on 1370 kc, 100 watts; daytime only; KFAB, KFAB Broadcasting Co., Lincoln, Neb., extension of special exp. Authority to operate synchronously with WBBM after sunset for a period beginning Aug. 1, 1935 and ending January 31, 1936; present assignment, 770 kc, 5 KW night and day. S-WBBM during night, simultaneously day with WBBM.

Also, WBBM/extension of special exp. authorization to operate synchronously with KFAB after sunset for a period beginning Aug. 1, 1935 and ending Jan. 31, 1936. Present assignment 770 kc, 25 KW night and day. (CP for 50 KW night and day). Hours of operation: Simul-Day KFAB, Share KFAB night; Puget Sound B roadcasting Co. Inc., CP for broadcast pickup station, temp. service, for rebroadcasting events over station KVI; freqs. 1646, 2090, 2190 and 2830 kc; 40 w; National Broadcasting Co. Inc., Portable-Mobile, CP for new gen. exp. station to be used as broadcast pickup station, on experimental basis; freqs. 3100, 34600, 37600 and 40600 kc; 25 watts; also license covering same for period ending Oct. 1, 1936; WCFL, Chicago Federation of Labor, Chicago, Ill., spec. temp. authority to use present licensed main transmitter as auxiliary during program test period but for a period not to exceed 10 days.

Also, WSUI, State University of Iowa, Iowa City, Ia. special temp. authority to operate a minimum of five hours daily, instead of unlimited time as at present licensed, but for the period beginning Aug. 23, 1935 and ending not later than Sept. 1, 1935, in order to observe school summer vacation period; KNOW, Kut Broadcasting Co., Austin, Texas, extension of special temp. auth. to use W.E. 8 -B transmitter with special modulation equit. for broadcasting without an approved freq. monitor, at Norwood Bldg. Austin, Tex., using a special antenna, power of 50 w. fo period beginning Aug. 1, and ending not later than Aug. 31, 1937 WABI, Community Broadcasting Service, Bangor, Maine, special temp. auth. to operate from 2 to 6 PM EDST, Aug. 19, 20, 21, 22, 23 and 24, 1935, in order to broadcast reports of racing and other activities direct from fair grounds at the Banof Fair; WICC, Southern Conn. Broadcasting Corp., Bridgeport, Conn., special temp auth. to operate unlimited time for period beginning July 27 and ending not later than Aug 25, 1935, in order to permit WCAC to observe school summer recess; WGNY, Peter Goelet, Chester Township, N.Y., special temp. auth. to operate simultaneously; with WGBB from 1:30 to 3 P.M.; with WFAS from 3. to 5 PM, and with WDRB from 5 to 6 PM, EDST, Aug. 14, 1935; with WFAS from 1:30 to 5 PM, and with WDRB from 5 to 6 PM. EDST, Aug. 15, in order to broadcast Hambletenian Races at Goshen, N.Y.

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



CONFIDENTIAL - Not for Publication

DECENTENT
JUL 3 1 1935 L

INDEX TO ISSUE OF JULY 30, 1935

NEWSPAPERS NOW CONTROL ONE HUNDRED AND FIFTEEN STATIONS. 2
FIGHT WAGED ON NEW STATION NEAR CAPITAL. 3
AN INCREASE OF DAYTIME POWER RECOMMENDED FOR NEWARK STATION. 4
NEW YORK STATION SEEKS DAYTIME POWER. 5
THINK OF BEING BORN THERE! 5
ORMANDY LOSES INFANT SON. 5

ENGLAND AND CANADA WORK TOGETHER ON PROGRAM EXCHANGE. 6
NEW YORK RADIO SHOW IN SEPTEMBER. 6
TELEPHONE ANTI-GIFT ORDER MAKES NO HIT WITH FCC EMPLOYEES. 7
FCC DENIES INTERLOCKING DIRECTORATE REHEARING. 7
NEW 1935-36 RADIOS HERALDED AS NEW ERA. 8
NEW STUDIOS TO BE BUILT BY NBC IN HOLLYWOOD. 9
MEW AUTOMATIC RADIO PROGRAM POPULARITY ANALYZER. 10
BIG PREPARATIONS FOR LONDON RADIO SHOW. 10
MORE HUNDRED WATTERS APPROVED. 11
NEW G-E LINE OF METAL-TUBE RADIO RECEIVERS. 11

No. 847



NEWSPAPERS NOW CONTROL ONE HUNDRED AND FIFTEEN STATIONS

In point of numbers, daily newspapers have become important as licensees of broadcasting stations. The press holds air rights over more than 10 per cent of the available time and channels, through licenses owned by newspapers or their direct subsidiaries, and through co-operative arrangements, probably enjoys the right of reaching the listening public over as many more stations.

The near future will probably see increased power granted to many newspaper stations now working with 100 watts, as they demonstrate their public service, to the communications commission.

It is believed that many more newspapers will acquire broadcasting stations as ultra-short waves are developed. This issue of the <u>Editor and Publisher</u>, largely devoted to radio as related to the newspapers, indicates that most newspaper broadcasters consider their radio news a purely public service, not available for advertising sponsorship. Most of the minority which will permit sponsorship also reserve to themselves one or more news periods daily without any advertising tag-lines. And the great majority of newspaper-operated stations now furnish much more news over the air than was contemplated when the Press-Radio bureau was formed 18 months ago.

Opinion as to the wisdom of permitting sponsorship of news is still divided or unformed, it appears from the comments of newspapermen who have been associated with the radio for various periods, dating back to the pioneer days of 1920. None of those who have given their views specifically approve commercial sponsorship of news. One repudiates the idea emphatically, another considers it unfortunate, others just don't find opinion or action necessary. Some believe that the present volume of broadcast news is excessive and will be curtailed soon because the public will not accept a routine budget.

A small minority sells time on its stations cooperatively with space in the paper, but the majority opinion is that the selling problems are so radically different that separate staffs and separate rate-cards perform best. That radio advertising has not been at the expense of their newspaper columns, but has rather promoted newspaper advertising, seems to be the general conclusion of the leaders quoted. In

- 2 -

1/26/35

any case, operation of a station permits them to offer both horns of the dilemma to the doubtful prospect.

"So run the opinions of people qualified by experience to have them", concludes the <u>Editor and Publisher</u>. "They have changed frequently in the years that have passed since 1920, and they will change often between now and 1940. On one subject, they and Editor and Publisher are in accord -and some of our readers appear to have forgotten that this paper has advocated the idea for more than 10 years --- newspapers by their place in the community and their knowledge of communications processes are better fitted to be broadcasters than any other group which can be named. The field is not yet closed to newspaper participation, and it is not at all unlikely that technical advances will open new air channels for broadcasting. If so, let it not be said again that newspapers 'missed the boat', in not securing more broadcasting station franchises. For, whatever may be the legal status of the radio medium, it is essentially a means of public communication, and neither competitor nor ally, but adjunct of the daily newspaper instrument."

FIGHT WAGED ON NEW STATION NEAR CAPITAL

Radio interests in Washington, D.C. have been aroused by the Federal Communications Commission granting a construction permit without a hearing to the Monocacy Broadcasting Company to erect a 250 watt station on 1140 kilocycles at Rockville, Maryland, which is only 15 miles from the Capital. Already Station WOL in Washington has filed a protest and the NBC and Columbia are expected to follow suit. WCAU of Philadelphia also objects to the granting of a license to the new station. As a result of this the Commission has suspended the grant and a hearing in the case will be held.

"It is just a ruse to get a new station into Washington by way of the back door", one of the protestants said. "There are only 1,422 people in Rockville and anyone knows a town of that size can't support a broadcasting station. Once they get authorization to set up there, the next thing they will be doing will be to get permission to move down to Bethesda which is just across the District Line (i.e., boundary of Washington) and then they will be a full-fledged station competing for the business of the city of Washington which is already served by four other stations."

Also there is a political angle to it inasmuch as it is claimed the new licensees who hail from Frederick, Maryland and are interested in the stations in that city, desire to further the interests of the Democratic party.

The protests of station WCAU in Philadelphia speak of the proximity of the Rockville wavelength to its own, 1170 kilocycles.

X X X X X X X X X

AN INCREASE OF DAYTIME POWER RECOMMENDED FOR NEWARK STATION

The daytime power of Station WNEW, Newark, N.J. will be increased from 2500 to 5000 watts if the recommendation of Examiner Ralph L. Walker of the Federal Communications Commission is followed. In reaching his conclusion, Mr. Walker said that the record discloses that an increase in the signal strength of Station WNEW is necessary to override the high noise level in the area which it serves.

"The use of day power of five kilowatts will not cause objectionable interference within the service area of any existing station, with the possible exception of Station WCAP, Asbury Park", Mr. Walker said. "That station would probably be subjected to slight interference at points between its 500 microvolt and one millivot contours on receivers of relatively poor selectivity, if average conditions prevail. However, average conditions do not prevail inasmuch as attenuation in the area is high."

The operating expenses of Station WNEW for the year 1934 were approximately \$172,000. The technical staff of the station consists of four part time employees on a regular basis and from eighteen to twenty-eight full time employees, involving a weekly payroll of from \$750 to \$1,100. There are from forty-five to sixty employees engaged in the preparation and presentation of programs, including program director, station manager, sales manager, announcers, secretaries, writers, production assistants and others.

The cost of commercial and sustaining talent for the period of one year was \$10,807, in addition to the sum of \$48,067 paid to staff artists. The expense of remote control lines is approximately \$2,000 per month. Transmitter maintenance expenses for the past year were about \$6,000 and the cost of light and power about \$7,200.

X X X X X X X X

. N. Y. STATION SEEKS DAYTIME POWER

Although it has been repeatedly reported that Mayor LaGuardia proposed to dispose of the property of WNYC, municipal broadcasting station of the city of New York, they are seeking a construction permit to install new equipment and to increase power from 1 to 5 kilowatts to sunset N.Y. and from sunset New York use 1 kilowatt power to sunset at Minneapolis, and move transmitter from Centre and Duane Sts. to Victory Blvd. & Travis Ave. New Springville Park, N.Y.

X X X X X X X X X X

THINK OF BEING BORN THERE!

A. E. Johnson, Chief Engineer of the National Broad-casting Company in Washington, was smiling broadly last week.

"You seem to be happy", a friend remarked.

"Yes, I'm going on my vacation to Miami", Johnson replied.

"Isn't this a funny time of the year to go to Miami?" he was asked.

"N ot for me", he replied. "That's my home."

Thousands visit Miami but it is hardly more than once in a lifetime that one encounters a native of that popular resort. The same is true of Niagara Falls, yet just starting for there is Orrin E. Dunlap, Jr., Radio Editor of the New York Times, who was born and raised at Niagara. He never misses spending his vacation there.

It is likewise true that Bob Taplinger, of Columbia, hails from Atlantic City. His father was a friend of William S. Paley, in Philadelphia, nearby, and that's how B ob got into the radio game.

X X X X X X X X X

ORMANDY LOSES INFANT SON

Word has been received of the death in Vienna, Monday July 22, of the infant son of Mr. and Mrs. Eugene Ormandy. Mr. Ormandy is the conductor of the Minneapolis Symphony Orchestra and well known for his radio broadcasts.

X X X X X X X X X X X

ENGLAND AND CANADA WORK TOGETHER ON PROGRAM EXCHANGE

Cecil G. Graves who in the Fall will become Controller of Programs for the B.B.C. has now returned to London after his visit to the U.S.A., Canada, and Newfoundland. While passing through New York, Mr. Graves took the opportunity of making the personal acquaintance of senior officials of the National Broadcasting Company and the Columbia Broadcasting System, with whom he discussed matters affecting these organizations and the B.B.C.

In an interview, Mr. Graves said that the Canadian Radio Broadcasting Commission were co-operating with the B.B.C. in connection with the Empire Broadcasting Service and special receiving equipment was now being installed at Ottawa. Mr. Graves stressed the importance of the development of reciprocal broadcasting between the various countries of the Empire. Canada, he pointed out, had already provided some excellent programs for British listeners.

When Mr. Graves takes up his new duties Oct. 1, the responsibility to the Director-General for Public Relations, together with the editorial control of the Corporation's publications, will be transferred from the Program Division to a separate Controller, Public Relations. Sir Stephen Tallents, at present Public Relations Officer to the Post Office, has been appointed to this post.

To enable the Controller, Programs, to deal direct with the Heads of Program Departments on matters of policy, he will have a staff of two Assistant Controllers, R. H. Eckersley and Gladstone Murray, and a Director of Program Planning, R. E. L. Wellington.

X X X X X X X X

NEW YORK RADIO SHOW IN SEPTEMBER

Plans are being made for a combined Electrical and Radio Show to be held in Grand Central Palace in New York City, about the middle of September. Although radio is to be only a part of the exhibit, the chances are that it will far outshadow the other electrical devices to be displayed and that a large part of the crowd, as usual, will be attracted by radio. Predictions are that the attendance at the New York Exposition will be unusually large.

X X X X X X X

7/30/35

TELEPHONE ANTI-GIFT ORDER MAKES NO HIT WITH FCC EMPLOYEES

There weren't any cheers among the employees of the Federal Communications Commission employees on the order issued by Commissioner Paul A. Walker. It was suggested by reverberations of the lobby investigation and read:

"It is of the utmost importance that persons engaged in the telephone investigation, including that of the manufacturing and other subsidiary companies, so conduct themselves at all times as to avoid suspicion of impropriety, lack of dilligence, or improper attitude toward the work in which they are engaged. To this end, all persons engaged in the telephone investigation under the Federal Communications Commission must be cautioned against conduct which may be prejudicial to the investigation. The acceptance of favors or gifts from company officials or employees must be strictly prohibited. Luncheon, theater, golf, or club engagements, or introductions to clubs or places of amusement, extended as favors from company sources, should be courteously declined. Financial relations with the company, its officials or employees, including loans of money, cashing of checks, etc., must likewise be strictly prohibited.

"The Commission has confidence in the persons employed, and is anxious to assist them in performing the service expected by the country from this investigation. Members of the staff should realize that they are public servants in the highest sense of the word. As honest, sincere, conscientious and industrious public servants, they will wish to give the best of their time and talents to the work of this public investigation. They will therefore so conduct themselves at all times as to reflect the proper attitude toward this public investigation, and honor upon their employment."

"Commissioner Walker must have a fine opinion of us down here", one FCC official remarked. "Also his order cannot be construed as a vote of confidence in the A.T.&T."

X X X X X X X X X X X

FCC DENIES INTERLOCKING DIRECTORATE REHEARING

The Commission denied the joint application of Messrs. Newcomb Carlton and E.Y. Gallaher for a rehearing in the matter of the order of the Commission recently made, denying them authority to hold offices and directorships in the Western Union Telegraph Company and the Mexican Telegraph Company. Commissioner Stewart voted to deny application for rehearing but stated that the original application should have been granted for reasons set out in his opinion.

7/30/35

NEW 1935-36 RADIOS HERALDED AS NEW ERA

Radio is entering a new era, according to Ray V. Sutliffe, editor of Radio Retailing.

"It is clearly apparent," said Mr. Sutliffe, "that the metal tube has taken the industry by storm. It is also apparent that this little device is more than merely the old tube in a new jacket."

Announcement was made during the past week by the Radiotron Manufacturing Company that to date twenty-two leading radio manufacturers have adopted metal octal base tubes as standard equipment.

Features of a 1936 line now being introduced by the Zenith Radio Corporation are listed as: A black dial full faced with transparent white markings illuminated from the rear by red, green and blue lights according to the wave band in use; split-second tuning, overtone amplifier, triple filtering, dimensional tone and a special sounding board mounting for the loud speaker. The sets are all designed for all-metal tubes.

The new Emerson instruments are featuring a "harmonized unit," described as "a revolutionary advance in radio construction." The designers point out that the receiver is pre-built on the principle that no chain is stronger than its weakest link.

Sharp tuning circuits "specially designed to get the most out of the all-metal tubes," according to the engineers, are being introduced by Atwater Kent. The machines range from four to twelve tube outfits, with stress placed upon tone realism.

A wide range of 1936 models with the all-metal chassis are being introduced by Fada. The line includes a high-fidelity console and world-wide short-wave receivers for both alternating and direct current.

The latest Spartons concentrate on what is described as "presence engineering" designed to reproduce a complete range of lower and higher notes. The superheterodyne circuit is used, as is the case in the majority of 1935-36 sets. A tone exactifier is utilized to "unscramble and clarify reception."

Several technical features incorporated in the latest Stromberg-Carlson instruments are listed as: "The clover-leaf arrangement of coils, aligning condensers and range switch." The circuits cover three distinct wave bands, with sensitivity and selectivity on all three rated as exceptionally high. Shallow cabinets and ample vents avert cabinet "boom."

The new RCA-Victor machines, shown to dealers during the past week at Atlantic City, are provided with a "magic eye" to supplement last season's "magic brain" circuit. The "eye" is a unique visual tuner that facilitates accurate tuning without depending upon the ear.

X X X X X X X

NEW STUDIOS TO BE BUILT BY NBC IN HOLLYWOOD

The NBC has completed arrangements for the construction of modern studios in Hollywood.

"After months of investigation and study of suitable locations," Richard C. Patterson, Jr., executive vice president of the National Broadcasting Company, said, "NBC has signed a lease for the entire building of the Consolidated Film Industries laboratories on Melrose Avenue, and construction of modern and efficient broadcasting studios will be started immediately. They will be ready for operation next Fall."

The new broadcasting plant, which will be the most up-to-date on the Pacific coast, will include four studios. Two of these will be of the small theatre type, seating audiences of between 250 and 300 persons.

"The increasing use of radio stars in motion picture productions, and of movie stars in radio, has emphasized the need for more adequate studios in Hollywood," Mr. Patterson said. "Hollywood has become a great reservoir of talent for radio, and we expect that many more programs of national interest will originate in Southern California as soon as we have provided proper facilities."

Taking over of the Consolidated Building by NBC followed an intensive survey bt Don E. Gilman, vice president in charge of the Western Division, and O.B. Hanson, chief engineer of NBC who recently returned from a three weeks trip to the coast.

NEW AUTCMATIC RADIO PROGRAM POPULARITY ANALYZER

A new automatic device for determining radio program appeal has been developed after many months of research by Professors R. F. Elder and L. F. Woodruff of the Massachusetts Institute of Technology.

"As a substitute for and improvement over the fan letter and questionnaire methods of checking listener interest in various programs the new apparatus, a compact electrical device, is designed to give a precise and accurate record of the stations to which a radio receiving set is tuned", says a statement from the Yankee Network.

"The device is readily attachable to any ordinary receiving set, and it will in no way affect its operation or tuning. After a predetermined period of time, records may be removed and analyzed. The device then may be removed and attached to a receiver in another home.

"John Shepard 3rd, President of the Yankee Network, has made an arrangement whereby the Yankee Network will finance the building and instalation of a quantity of the devices developed by Professors Elder and Woodruff. Early in the fall a survey with the new analyzers will be instituted, program preferences will be tabulated, and every effort will be made to furnish better programs, according to the likes and dislikes of listeners."

XXXXX

BIG PREPARATIONS FOR LONDON RADIO SHOW

In anticipation for the London Radiolympia, the annual exhibition of the British radio industry, under the auspices of the British Radio Manufacturers Association, a theatre is being erected inside of the Olympia which will have the largest proscenium arch in London. The stage is described as "enormous".

The London Radiolympia begins August 17 and arrangements are in charge of John Sharon, B.B.C. producer.

XXXXX

MORE HUNDRED WATTERS APPROVED

الم المعاور والمار المدار المد

Favorable examiners reports have been made in the applications of Dr. William J. Reynolds of Selma, Ala., for a 100 watt station in 1500 kc and Head of the Lakes Broadcasting Company, Virginia, Minn., for a 100 watt station on 1370 kc.

Also an examiner has favorably recommended the application of Station KOOS of Marshfield, Ore., to change its frequency from 1200 to 1390 kc daytime only, continuing to use 250 watts power.

XXXXXX

NEW G-E LINE OF METAL-TUBE RADIO RECEIVERS

General Electric's new radio line, embracing eight receivers featuring 100-percent metal tube complements, is announced as follows by the Merchandise Department, Bridgeport, Conn.

"These sets, which include four consoles and four table models, are the first in the history of the industry to incorporate the new metal tube developed by the 'House of Magic'.

"Developed, designed and manufactured by General Electric, the sets incorporate five major developments, in addition to many improvements over conventional types of radio receivers.

"All offer both standard and short wave reception features and several have extended tuning ranges for ultra short waves. One has five bands, two have four bands, two have three bands and three have two bands.

"Outstanding among the developments is the new metal tube, used entirely in these new sets. Other exclusive G-E advances are the sentry box, the permaliner, the stabilized dynamic speaker and the sliding-rule tuning scale.

"The new metal tubes are not only much smaller and more sturdy than conventional glass tubes, but offer many improved electrical characteristics. They provide their own shieldings and, in addition, the metal shell is a better heat conductor and radiator than glass. They are particularly advantageous in the field of short wave reception. The short leads of the tubes permit greater amplification at the higher frequencies and the more effective shielding insures greater stability. Another important advantage of the metal tube is the reduction of space in the receiver ordinarily needed for tubes. Because this tube is smaller and made of metal, the working parts can be built very close to the base, thereby shortening the wire leads within the tube and providing better control of high frequencies. Also the lead wires within the tube are more widely separated.

"Hermetically sealed in steel against air and gas by Thyraton welding, there is no leakage. The new metal tube has one

more pin than comparable glass tubes, all of the pins of the new base being of the same diameter. In the center is a longer, insulated pin which is keyed. By placing this pin in a hole centrally located in the socket and rotating the tube until the key slips into its groove, the tube is quickly and easily inserted. These factors, and many others, contribute to greater stability and longer life, with a corresponding increase in efficiency.

"The sentry box is a sub-assembly containing the radiofrequency circuits of the receiver. It selects and aligns the receiver with the various tuning bands. Its design has made it possible to eliminate connecting leads almost entirely, except those necessary for vacuum tube connections. This has greatly simplified the under-chassis wiring. The coils are mounted directly on the selector switch, assuring the shortest possible paths and connections.

"The permaliner is a new type trimmer capacitor. Sealed against moisture and dirt, it is unaffected by temperature changes, and assures proper and permanent alighment of the circuits of the receiver.

"The sliding-rule tuning scale is a horizontal rotary scale printed on an opaque cylinder, upon which only one scale is visible at a time. It protrudes slightly into the front of the panel and may be seen plainly from either a standing or sitting position. A vertical pointer, operated in each case by the right band knob on the receiver, indicates the frequencies. The scale is softly illuminated over its entire length. A turn of a knob on the extreme left brings a new scale into a visible position and aligns the receiver to another reception band.

"The new G-E stabilized dynamic speaker is projection-welded -- a process which fuses all parts of the metallic framework into one integral piece, thereby insuring accuracy and permanency of alignment of every part of the speaker, and improving it both electrically and mechanically; electrically because there are no magnetic obstructions or losses due to gaps in joints; mechanically because all parts remain rigid and true throughout the life of the set. The voice coil at the end of the cone operates in a limited cylindrical air space and never varies from its path.

"Cabinets of General Electric's new radio receivers were styled by Pay Patten, in collaboration with a group of the foremost furniture designers in the country, and present a new mode in modern design. Engineering advances, making possible a more logical circuit design, have permitted economics and improvements in cabinet construction, with the result that cabinets are sturdy and more compact and lend themselves to a wide variety of decorative arrangements."

X X X X X X X