# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL - Not for Publication

NATIONAL EROLDEASTING CO., INC.

LEGAL DEPARTMENT

DEGE VE

N
FEB 5 1936

7 3 2 19 11 12 1 12 3 4 5 6

INDEX TO ISSUE OF FEBRUARY 4, 1936.

Inquiry Bug Appears To Have Seized FCC; Congress Waits2
Revised Press-Radio Plan Drafted As News Sources Fight3
President Given New Radio With Hint To Tune In Opera4
FCC Explains Grounds For New Transcription Order5
Secret Service Head, Radio Hostess Are Married6
Excise Tax Collections Up 26% Last Year
NAB Meets On Copyright As Remick Corp. Sues CBS8
Testimony Via Radio Starts Congress Thinking
Private Radio Stimulates Interest In New Zealand
Industry Notes
CBS Wins Six Of Ten "Firsts" In Program Poll

No. 899

PARY CMI

February 4, 1936.

INQUIRY BUG APPEARS TO HAVE SEIZED FCC; CONGRESS WAITS

While House leaders are holding off the demands of a handful of members for a thorough investigation of the Federal Communications Commission, the FCC is getting the habit of launching a formal inquiry at the least complaint, apparently with the aim of convincing Congress it is protecting public interest.

The latest FCC probe is into the unrestrained language of Governor Eugene Talmadge, of Georgia, outspoken critic of the New Deal and President Roosevelt. While impartial observers believe that the FCC could do little to shut up Talmadge even though it found his language objectionable, the Commission's Legal Department "is looking into the matter".

The complaint was registered by the National House-wives, Inc., of Baltimore, and called attention to the Georgia Governor's "abusive language" in political broadcasts and cited his conduct as "a concrete example of what seems to us the misuse of radio facilities of the nation."

Chairman Anning S. Prall, who is responsible for most of the recent FCC inquiries, referred Talmadge's address to the Macon convention of "Jeffersonian Democrats" to the Legal Division for an opinion on whether it violated any provisions of the Communications Act.

Meanwhile the FCC is engaged in an investigation of rumors that one of its own members has been submissive to undue political influence, and the Justice Department is making a second probe after dismissing the original report as baseless.

The Connery resolution for an investigation of the FCC meanwhile is being held up by the House Rules Committee with no indication as to when it may be reported, if at all.

House leaders are known to be trying to discourage all Congressional inquiries during this session because of the approaching elections, and they are particularly anxious to avoid any probe that might affect their relations with the broadcasting networks and large independent stations, upon whom they will depend largely for carrying political addresses during the next nine months.

X X X X X X X X X

#### REVISED PRESS-RADIO PLAN DRAFTED AS NEWS SOURCES FIGHT

The Press-Radio Bureau plan of providing restricted news to broadcasting stations is being revised to overcome present objections as wire services now selling news to radio grumble at a speech made by E. H. Harris, Chairman of the Publishers' National Radio Committee, suggesting that newspapers penalize the news agencies.

The new Press-Radio plan will be submitted to the meeting of the ANPA Board of Directors in New York City the middle of February, after it is passed upon by Jerome D. Barnum, ANPA President.

Harris' attack on the sales of news for radio sponsorship by the United Press and the International News Service brought a quick retort from Hugh Baillies, President of United Press, while Joseph V. Connolly, President of I.N.S., declined to answer Harris on the ground he was not speaking officially as Chairman of the Publishers' National Radio Committee.

While even many publishers consider that the Press-Radio Bureau plan has already practically expired from lack of support, the attack made by Harris in a Harrisburg speech appears to have split the publishing and news-furnishing ranks further.

Newsdom, a rival organ of Editor & Publisher, which is supporting Harris and the Press-Radio Bureau, in an editorial suggests that Harris seems more interested in the Associated Press because of its advertisements calling attention to its refusal to sell news to radio stations.

After pointing out that no one denies the U.P. and I.N.S. are run for profit, Newsdom says:

"When it comes to action, the diehards and those professionally jealous of their more enterprising rivals, assume the role of obstructionists. That appears to us to be the crux of this press-radio controversy.

"It is not, as foes of newscasting contend, that radio is slowly strangling the press; that the publishers will soon be playing second fiddle to the men who run the radio stations; that news bulletins are killing off newspaper circulation. The contrary is true - if 'the blind who will not see' will takethe trouble some rainy Sunday afternoon to look at the figures.

"Wake up, Mr. Harris, and if you find a microphone under your bed, do not run away from it - speak right into it. Anddon't squirm uneasily in your armchair when you hear more than one or two news bulletins coming out of your radio. It should be a reminder to you that the two largest independent press associations in the world, and the many other dependable news gathering groups, are on the job."

The statement of Mr. Baillie follows in part:

"It was no action on the part of the U.P. or I.N.S. which 'nullified' the efforts of the Press-Radio Bureau.

"The Press-Radio Bureau never prevented the broadcasting of sponsored news. Many independent stations which declined to take the Press-Radio Bureau service obtained news for sponsorship from such sources as Trans-radio Press, Radio News Association, Intercontinental and Yankee News Service. Of course, to the extent that this was so, the efforts of the Press-Radio Bureau were not effective.

"If Mr. Harris has any program by which radio stations might be prevented from obtaining news for broadcasting under commercial sponsorship he has failed to mention it. I put in more than a year with Mr. Harris and other distinguished colleagues on the Press-Radio Committee studying the problems and nobody had the answer. Experience amply demonstrated that if advertisers want to sponsor news they will get news to sponsor. They will either get it from the established press associations or radio will build up powerful press associations of its own which will be entirely independent of the newspapers.

"If Mr. Harris has any formula which merely contemplates shutting the U.P. and I.N.S. off the air, it doesn't meet the problem."

#### X X X X X X X X X X

#### PRESIDENT GIVEN NEW RADIO WITH HINT TO TUNE IN OPERA

The White House, already well equipped with radio receivers, gained a new set on President Roosevelt's birthday. a group of the Chief Executive's friends who helped him in his campaign for the vice-presidency in 1920 gave it to him.

The President, in revealing the gift at a press conference, explained that the donors thought he should listen to more grand opera. He only laughed when someone suggested that he might want to tune in political speeches, as he reputedly did when Al Smith made his address to the American Liberty League.

It is expected, however, that the President will continue to dodge questions regarding political attacks on the New Deal on the ground that he didn't hear the speech delivered.

#### X X X X X X X X

### FCC EXPLAINS GROUNDS FOR NEW TRANSCRIPTION ORDER

Following the issuance of a new and more liberal order affecting the use of transcriptions on the air (see last release), the Federal Communications Commission on February 1st issued a statement explaining the grounds for its decision.

The order was an outgrowth of prolonged hearings and investigation brought about by the petition of the World Baordcasting System, Inc., for an amendment to, or clarification of, Paragraph 176 of the Rules and Regulations. The petition was filed October 17, 1934. The American Federation of Musicians filed a brief in the case.

The Commission's ground for its decision is explained, in part, by the following statement:

"It appears from this record without contradiction that mechanical reproductions are a necessary established service and of value to the programs of a broadcast station. also appears that for economic reasons the smaller stations find it necessary to use transcription service and phonograph records because live talent is not always available to them, and in many cases where live talent is available the continuous use of it is quite costly. Under the existing rule, the use of mechanical reproductions is widespread, and has existed for some length of time; a modification so as to require less frequent announcements would not necessarily increase the use of mechanical reproductions. In clarifying or modifying the rule it would seem necessary to make a clear statement of requirements to make possible the conveyance to the listener by the station of such information that the listener will know the origin of the program, will not be deceived and at the same time not tired by too frequent announcements. It is believed that the rule herein announced will accomplish such purposes.

"There is no doubt but that the listener's interest is enhanced by the knowledge that the artist is performing simultaneously with the reception in the home. Likewise it is most important to guarantee the continuance of such appearances both from the standpoint of the public and from the viewpoint of continuing the gainful employment of the artists who have contributed so much to the art of broadcasting. Indeed radio broadcasting would lose much of its appeal to the public if the rendition of live talent programs is in any way curbed.

"A resolution was presented from the National Association of Broadcasters, in which it is alleged that the use of the transcription method of broadcasting programs is generally accepted by the stations and listeners and has become an important economic factor in the operation of broadcasting stations; that the existing requirements of therule result in loss of income to stations; that the broadcasting industry would be greatly benefited by the removal of existing restric-

tions. The National Association of Broadcesters urges the Commission to alter the existing regulations.

"It is a well established principle of administrative law that primarily an administrative ruling must be reasonable. While the Commission considers the economic situation of the broadcasting industry of the country as an element of reasonableness in promulgating its regulations, nevertheless, the fact that stations experience a loss of income cannot be determinative of public interest where the regulation is designed, as is Rule 176, to protect the public from deception.

"From the record before the Commission, it is of the opinion and finds:

- "(1) That some regulation in the nature of the existing Rule 176 is necessary to protect the listening public from deception and the artists and producers from unreasonable injury.
- "(2) That at the same time the economic situation from the stations' standpoint (which involves the furnishing of a free service to the public) must be recognized.
- "(3) That in all cases, save a few as specifically set out in the rule as amended, the use of mechanical reproductions of any duration should be announced in accordance with reasonable standards.
- "(4) That requirements for the announcement of mechanical reproductions are necessary and in the public interest; and,
- "(5) That public interest, convenience and necessity will be served by a clarification or amendment of Rule 176."

#### X X X X X X X X X

SECRET SERVICE HEAD, RADIO HOSTESS ARE MARRIED

Col. Edwin W. Starling, stalwart Chief of the White House Secret Service force, and Mrs. Ida Lee Bourne White, hostess at the Washington offices of the National Broadcasting Company, were married February 1st.

This is not the first time that Colonel Starling has figured in radio news. When Hoover was President, he devised a microphone manuscript holder for the convenience of his chief.

# EXCISE TAX COLLECTIONS UP 26% LAST YEAR

Increase of 26 per cent in Federal Excise Taxes collected on radio and phonograph apparatus in 1935 over 1934 graphically records the substantial improvement in the radio industry, according to Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association. In December 1935, the radio 5 per cent tax collections were \$730,002.69, an increase of 28.5 per cent over the December, 1934, collections of \$568,117.99, and brought the total collections for the calendar year 1935 to \$4,436,423.34.

The improvement in radio sales indicated by the RMA tabulations especially is striking in comparing taxes of 1933, the 1935 collections being 70.85 per cent larger. Another interesting note is that taxes were smaller in January and February of 1935 than 1934. In 1935 sixty-two per cent of taxes were collected during the last six months of the year, with December taxes the largest of any month during the life of the law. Since the law became operative June 20, 1932, the industry has paid total radio taxes of \$11,738,401.16, exclusive of additional automotive taxes.

#### X X X X X X X X X X X

#### FLAMM LAUDED BY COLUMNIST FOR SPEECH AT DINNER

Donald Flamm, President of WMCA, New York, was given a paragraph in Louis Sobol's column, "The Voice of Broadway", in the New York Journal, on January 30 for a witty speech at the New York Hershfield dinner, attended by Federal Communications Commission Chairman Anning S. Prall; David Sarnoff, President of the Radio Corporation of America; Alfred McCosker, President of WOR, Newark, and others in the radio industry. Sobol wrote:

"Donald Flamm is the young President of Radio Station WMCA - and like Al McCosker, President of WOR, a former newspaperman and press agent. There is no more affable fellow than Flamm and he is quite well liked but no one, I venture to say, would ever accuse him of being a sparkling or witty conversationalist. I don't recall that he has ever been guilty of a single funny gag or quip in all the time I have known him. Sunday night after Comedian Bobby Clark had convulsed the assembly at the Hershfield dinner in the Astor - after Comedian Phil Baker had tied them up in knots as the saying goes - after Gene Buck had wrung tears from us with his sentimental references - Donald Flamm was called upon. He delivered what is generally conceded by all who heard him as a show-stopping line of chatter - a belly-laff in every line. He topped one laugh with a bigger laugh - and kept it up for fifteen minutes. A distinguished gentleman sitting on the dais turned to a reporter next to him and murmured: 'I have heard Cantor and Benny and Phil Baker on the air - but I don't remember ever hearing that young man or seeing him on the stage. Somebody is missing a good bet if they don't put him on the air, don't you think?'"  $\mathbf{X} \times \mathbf{X} \times$ 

# NAB MEETS ON COPYRIGHT AS REMICK CORP. SUES CBS

While the Directors of the National Association of Broadcasters were meeting in a special session in Chicago on the copyright situation, the Remick Music Corp., subsidiary of Warner Brothers, filed suit for \$670,000 February 3rd in U. S. District Court in New York against the Columbia Broadcasting System.

The suit, which followed a half-dozen actions against individual stations, alleges that CBS, through its chain of 67 stations, violated the copyright law by broadcasting two songs controlled by Remick without permission.

James W. Baldwin, Managing Director of NAB, asked instructions of the Directors at the Chicago meeting before he proceeded further in the copyright scrap in which ASCAP and Warner Brothers have clearly won the first rounds.

As the situation now stands, some 240 independent stations have signed separate contracts with Warner Brothers for three months, ending March 31, whereas ASCAP has obtained 558 license renewals on a five-year basis.

CBS officials said they welcomed the Remick suit because it "provided the means for a judicial determination of the position of the broadcasters as affected by the purported withdrawal of the Warner group of publishers from the ASCAP." They explained CBS's defense would be that it was relicensed by ASCAP for five years at a time when Warner Brothers' music publishing houses were still members of the Society, or prior to January 1, 1936.

The songs that are the basis of the suit are "That Old-Fashioned Mother of Mine", broadcast from Station WJR, Detroit, on January 23 through 66 stations of the Columbia network, and "Some Sunny Day", broadcast over 68 stations through station WCAU, Philadelphia, on Jan. 25.

The Remick concern, represented by Wattenberg & Wattenberg, attorneys for the Warner Brothers music companies, demands \$5,000 for each of the 134 alleged infringements. The total sum demanded is the largest on record to be asked in such actions against broadcasting companies in New York district.

Additional complaints, Warner Brothers' representatives said, are being drawn against other networks as well as individual stations which have "made themselves liable for separate infringement suits."

"That Old-Fashioned Mother of Mine", it is explained in the complaint, was copyrighted on Dec. 31, 1913, and "Some Sunny Day" on April 24, 1919.

Sunny Day" on April 24, 1919.

CBS officials said their investigation showed that the disputed songs had not been published by Remick, but were songs of the same titles published by houses which have remained members of the Composers' Society.

# TESTIMONY VIA RADIO STARTS CONGRESS THINKING

The Virginia General Assembly got the drop on Congress and also the headlines for an innovation in conducting committee hearings. As a result members of Congress got to wondering whether its hearings might not also employ radio where witnesses are not immediately available.

A Virginia Legislative Committee desired to hear the testimony of Mrs. Allen G. Hammer on the same day this week that she had to be in Washington. So she arranged to telephone her testimony to WRVA, Richmond, which broadcast it for the benefit of the committee andany others who cared to tune in.

As Congressional committees often have to adjourn for a day or so when witnesses are called suddenly from distant cities, it will not be surprising if the Virginia precedent is adopted as a national policy.

#### X X X X X X X X X X X

#### ADMINISTRATION OF KWKC QUESTIONED BY FCC EXAMINER

A hearing to determine whether KWKC, Kansas City, Mo., has attempted, or is attempting, to transfer its license or operation rights without the consent of the Federal Communications Commission was recommended last week by Examiner R. H. Hyde.

The Examiner recommended denial of the application of the Mid-City Broadcasting Co., of Kansas City, for the facilities of KWKC - 1370 kc., 100 watts, - but at the same time declined to approve KWKC's application for renewal of license.

#### X X X X X X X X

#### RADIO WEEKLY SETS CIRCULATION RECORD

The net sales of the Christmas number of the <u>Radio</u> <u>Times</u>, the official journal of the British Broadcasting Corporation, totalled 3,069,178 copies. This circulation has never been equalled by any other weekly magazine, according to the BBC.

The primary purpose of the <u>Radio Times</u> is to provide listeners with a service of information about BBC programs, in order that they may enjoy their listening more; its secondary purpose is to produce profits which go to the general funds of the BBC, to be used in the interests of listeners.

#### PRIVATE RADIO STIMULATES INTEREST IN NEW ZEALAND

A notable stimulus to radio interest in New Zealand is anticipated as a result of the new Labor Government's determination to permit private radio broadcasting stations to compete on an effective basis with the Government-operated stations, according to a report from the American consulategeneral, Wellington, made public by the Commerce Department.

Up to now, it is pointed out, the policy which has dominated the administration of radio broadcasting in the Dominion has been the desire to make the local system a counterpart of the British Broadcasting Corporation in England. To this end several private stations were closed down and those remaining prohibited from broadcasting advertising. With the usual sources of revenue thus cut off, the few private stations remaining have struggled on through voluntary contributions or through fees paid for membership in radio clubs, according to the report.

While the private stations were being eliminated or restricted, the Government proceeded to install more powerful transmitters in the four principal cities of Auckland, Wellington, Christchurch and Dunedin. There are now two broadcasting stations in each of these four centers. Government broadcasting operations, it is pointed out, are financed by annual license fees collected on each radio receiving set in the country.

It is not yet known how the private broadcasting stations will be financed but the present Prime Minister has given assurances that some means whether from advertising or license fees will be found, it was stated.

There are approximately 180,000 licensed radio sets in New Zealand at the present time, compared with 75,000 sets on March 31, 1932.

#### X X X X X X X X X X

NEW ALBANY, IND., DAYTIME STATION IS RECOMMENDED

Issuance of a construction permit to the North Side Broadcasting Corp., New Albany, Ind., for a new station to operate daytime on 1370 kc., with 250 watts power, was recommended to the Federal Communications Commission this week by Examiner George H. Hill. He urged denial of the application for night-time operation with 100 watts.

	:			:	
•	:	INDUSTRY NOTES	:	:	
			:		•

Reviews of the radio markets in the following countries have been issued by the Bureau of Foreign and Domestic Commerce's Electrical Division: Norway, Cube, Spain, Australia, South America, France, Uruguay, and Chile. A report on German television and facsimile developments has also been issued. Copies may be obtained at 25 cents.

CBS is circulating copies of a letter written by Roy E. Larsen, Vice-President of Time, Inc., to Tide Publishing Co., Inc., explaining why "The March of Time" program has returned to a weekly series.

"The daily 'March of Time', far from being a flop", the letter states, "has brought Remington-Rand, so they tell us, and ourselves the best returns we have ever obtained from radio promotion."

The letter added that Time, Inc., now wants to "give the party ourselves" and therefore is returning to the weekly half-hour.

Boake Carter, Philco's commentator on the Columbia Network, has received upwards of 100,000 requests for copies of his talk on the death of King George V, broadcast the same evening the British monarch succumbed, according to the CBS Trade News Division. It constitutes one of the greatest avalanches of mail as the result of a single broadcast in radio history.

## X X X X X X X X X

# KENNEDY EXPLAINS RCA PLAN; 1935 INCOME \$5,100,000

Joseph P. Kennedy, who was employed to work out a new capitalization plan for the Radio Corporation of America, explained a proposal which ultimately will leave RCA with only common stock outstanding on January 31 in the presence of General James G. Harbord, Chairman; David Sarnoff, President, and other officials of RCA.

At the same time, Sarnoff released a statement showing an estimated net income of RCA and subsidiaries for the calendar year 1935 of \$5,100,000, which was \$850,000 more than that of 1934.

In summary, the plan formulated by Mr. Kennedy ot the request of the Directors and approved by them for submission to stockholders at a special meeting to be held on April 7th was as follows:

l - The borrowing of \$10,000,000 from seven banks at  $2\frac{1}{2}$  per cent annual interest for five years, repayable in whole or in

part, at any time prior to maturity, in order to maintain working capital at an appropriate ratio to business turnover.

- 2 The retirement of all the outstanding Class A preferred stock for cash at the callable price of \$55 a share, requiring \$27,257,835, and accrued dividends.
- 3 The exchange of each share of Class B preferred stock, including all accrued dividends at present amounting to \$21.66 a share, for a block of securities consisting of one and one-fifth new first preferred shares and one common share.

#### 

#### CBS WINS SIX OF TEN "FIRSTS" IN PROGRAM POLL

For the fifth consecutive year Columbia talent and programs received more votes in the <a href="New York World-Telegram's">New York World-Telegram's</a> annual radio poll than were given to any other network, according to the CBS Trade News Division. "In the first ten "favorite programs', six were broadcast over CBS last year, three over the NBC Red network, and one over the NBC Blue", the statement goes on.

"Other divisions of the poll, which tabulates the opinions of 239 radio editors in the United States and Canada, reveal the following network preferences:

"Of the 1st ten comedians: CBS 6; NBC, Red, 3; NBC Blue 1; Of the 1st ten dance orchestras: CBS, 8; NBC Red, 3: NBC Blue, 1; Of the 1st ten girl singers: CBS, 6, NBC Blue, 3; NBC Red, 1; Of the 1st ten musical programs: CBS, 4; NBC Red, 4; NBC Blue, 2; Of the 8 dramatic shows listed: CBS, 4; NBC Red, 2; NBC Blue, 2."

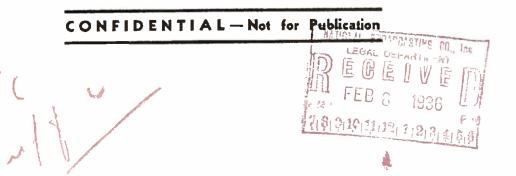
A tabulation of "first places" among all divisions polled also gave CBS 10; NBC Red 8, and NBC Blue 6.

#### X X X X X X X X

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



INDEX TO ISSUE OF FEBRUARY 7, 1936.

Germany Conducts Secret Tests Of Military Television2
Warner Brothers Suits Continue As Staff Checks Radio4 McCosker To Be Dinner Guest At The White House4
"Brooklyn Case" Rehearing Granted Under Capitol Pressure5 WDAS Files Exceptions In Waring Suit Over Recording5
U. S. Educational Radio Project Staff Is Named6
State Department Aid Sees Passage Of Duffy Bill
NAB Directors Adopt Bulk Of Baldwin's Copyright Report8
Survey To Show Use Of Radios In Mation's Schools9
Women Suggest Chains Check Facts In Radio Speeches10-
Sarnoff Decorated By Grand Duchy Of Luxemburg
Industry Notes

No. 900

Ag Rain my

#### GERMANY CONDUCTS SECRET TESTS OF MILITARY TELEVISION

The secretive manner in which the Nazi Government of Germany is conducting experiments in television under the supervision of the War Department is proving disturbing to the United States and other countries.

While the State and War Departments obviously have no comments on the German efforts to adapt television to military use, the Commerce Department is not bound by diplomatic traditions.

Andrew W. Cruse, Chief of the Electrical Division, Bureau of Foreign and Domestic Commerce, has just issued a statement on German television developments that is rather bristling in comparison with the customary staid trade reviews. His facts are based on reports from Roland Welch, Assistant United States Trade Commissioner at Berlin.

"There seems to have been a subtle change in the development of television in Germany during the last six months", Cruse said. "There is very little that publicly points to this change, but the fact that television developments have been taken over by the German War Department seems to be explanation enough for an extraordinary veil of secrecy which has fallen over efforts in the German television field.

"The following facts seem self-evident:

"1. Publicity regarding television service for the general public has declined tremendously in the local press;

"2. Although many radio manufacturers had received virtual instructions from the Government to place television apparatus on sale coincident with the opening of the National Radio Exhibit, not one retail store is carrying any models and not one manufacturer has any price list to offer;

"3. It is unofficially reported that present television experiments made either by private companies or by the Post Office Department, which is in charge of all radio-technical matters in Germany, are directed toward the application of radio and television to military purposes;

and television to military purposes;

"4. Among television technicians interest now seems to be directed not toward public entertainment programs but toward the development of apparatus for airplanes, especially in the development of apparatus to transmit facsimiles between airplanes and ground stations.

"When television was introduced to the public during the Autumn radio exposition it proved vastly disappointing. Newspapers during the past year had been filled with publicity regarding Germany's leadership in television developments and

flowery stories promised television developments and flowery stories promised television receivers in public homes at fair prices and daily programs broadcast from 12 different German stations. Most people who saw television receiving apparatus on display at the exposition marvelled not at the fact that they were seeing something that happened in another section of the country. They expressed disappointment at the size of the image, the flicker of the picture, and the size and tremendous cost of the apparatus itself.

"The radio show brought forth very few inquiries from prospective purchasers of television sets. The public did not seem to want them but the public seemed, nevertheless, to feel that a cheap and satisfactory television receiver, combined with a regular radio receiver, might be put on the market at any time and they held off from buying available radio sets. Radio manufacturers have complained long and loud about the very poor business they have enjoyed since the show and many of them have blamed the publicity which practically promised cheap television to the public.

"This may have been the cause of the sudden decline in television publicity in the censored press. On the other hand, the Government, after transferring the television affairs to the highly secretive War Department, may have decided against developing television for the public and for the development of television for military purposes. A fire at the radio show burned up half a dozen television sets displayed by several manufacturers and also destroyed a sending apparatus owned by the Government, and operated at that time by the Post Office Department. The destruction of this broadcaster is also given as an excuse for the sudden hush that has fallen on television developments here. But the Government owns at least one sender, including the one it formerly used for its daily broadcast. It is still in operation broadcasting television programs several times a week, but little or nothing is said about it in the daily press.

"The manufacturing companies are going ahead with the development of television for public entertainment but they seem to be under some hesitancy, possibly not knowing themselves what trend official Government interest may be taking. Since the Government controls the broadcasting, the manufacturers naturally must proceed as the Government directs.

"Several of the manufacturers have published advertising pamphlets and have produced advertising motion pictures of their television sets. But their publicity and advertising departments admit frankly that they are under orders from higher officials who tell them what nature of publicity they may undertake.

"As an example, the advertising and publicity department of Telefunken has prepared several brochures and an advertising motion picture film in sound, covering their television apparatus for home use. These advertisements familiarize the public with the theory of television and they also include some diagrammatic drawings of the Telefunken television receiver. The press department of the company states, nevertheless, that it is not allowed to make public full diagrammatic drawings or

photographs. Oddly enough, although having gone so far as to advertise this apparatus in this form, Telefunken has no price lists available, and is frankly unable to meet any great public demand should it develop.

"The private companies say that they are continuing their efforts toward producing cheap receiver, but what else they may be doing in their experimental laboratories is not known. All developments undertaken by the Government are guarded with the utmost secrecy, but it is very plain in discussing television with the private technicians of the manufacturers that their interest is being directed toward the use of television in aviation. For example, it is impossible to talk long with any television expert before he voluntarily gets upon the subject of the part television may play in aviation."

# X X X X X X X X X X X

WARNER BROTHERS SUITS CONTINUE AS STAFF CHECKS RADIO

Reputedly organizing a staff of 112 persons to keep check on station broadcasts of songs throughout the country, Warner Brothers on February 4th filed its second suit against the Columbia Broadcasting System for alleged copyright infringement and continued preparation of several other suits.

The latest suit was filed in the name of Harms, Inc., against CBS and Station WABC, New York, key station of the network. Damages of \$895,000 were asked for the unauthorized broadcast of Rudolph Friml's "Chasonette" over 89 stations on January 18, 1936.

The suit was the twenty-fourth filed by Warner Bros. in the copyright litigation, bringing the total damages sought to \$1,750,000.

Infringement suits were reported in preparation against Stations KMOS, St. Louis; WWL, New Orleans, and KMTR, Los Angeles.

#### 

McCOSKER TO BE DINNER GUEST AT THE WHITE HOUSE

Alfred J. McCosker, Jr., President of WOR, Newark, and Mrs. McCosker, will be dinner guests of the President and Mrs. Roosevelt at the White House on February 11th. The McCoskers will stop off in Washington en route to Palm Beach, Fla.

X X X X X X X X X X

# "BROOKLYN CASE" REHEARING GRANTED UNDER CAPITOL PRESSURE

After flatly rejecting applications for a rehearing in the now famed "Brooklyn case", the Federal Communications Commission on February 5th ordered a rehearing of the whole matter involving five Brooklyn stations. The case involves the previous refusal of the FCC to relicense WARD, WVFW, and WLTH, all of Brooklyn, and the granting of a new construction permit to the Brooklyn Daily Eagle Broadcasting Co. and increased time to WBBC.

Political pressure from Capitol Hill was believed responsible for the sudden turn about by the Commission. The three stations whose licenses had been held up were due to go off the air on February 6.

Chairman Connery, of the House Labor Committee, who hails from Massachusetts and therefore is not interested in Brooklyn, took occasion to assail the FCC again upon hearing of the reversal. He demanded action on his resolution calling for an investigation of the Commission.

"This is but another indication of the inepitude of the Commission and the need for an impartial and fair investigation by Congress", he said.

The original order eliminating the three Brooklyn stations from the air was issued December 17 and was to become effective January 22. Early in January an application for rehearing was denied over the protest of Commissioner Irvin Stewart, but the license life of the three stations was extended until February 6.

Stewart's position was that the deletion of the three stations was sound but that there was no necessity for the granting of a new permit to the Brooklyn Daily Eagle.

The rehearing will be before the full membership of the FCC at a date as yet unspecified.

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

WDAS FILES EXCEPTIONS IN WARING SUIT OVER RECORDING

Exceptions to Judge McDevitt's decision in the case of Fred Waring against Station WDAS, Philadelphia, over the unauthorized broadcast of a Waring phonograph record have been filed in the Philadelphia Common Pleas Court No. 1 by counsel for the station and the National Association of Broadcasters.

Arguments will be heard February 24, and an appeal is expected regardless of the decision.

#### U. S. EDUCATIONAL RADIO PROJECT STAFF IS NAMED

Maurice Lowell, Production Director of the Chicago Division, National Broadcasting Company, has been appointed head of the technical staff of the Educational Radio Project being conducted by the U.S. Office of Education, United States Commissioner of Education J.W. Studebaker, announced February 6.

Mr. Lowell, on leave of absence for the duration of the project, will have charge of producing a series of educational programs made possible by a grant to the Office of Education from Emergency Relief Funds. William Dow Boutwell, Editor of School Life, official monthly journal of the U. S. Office of Education, is director of the Educational Radio Project. Mr. Boutwell, since April, 1933, has conducted "Education in the News" radio programs presented by the Office of Education every week over a nation-wide NBC network.

A graduate of New York City and Milwaukee public schools, Mr. Lowell obtained B.A. and M.A. degrees from the University of Wisconsin. He did his graduate work in speech. As a member of Eva La Gallienne's Civic Repertory Theatre, New York City, he also assisted in directing the apprentice group. In 1934 he accepted a directorship in the NBC Chicago studios.

Commissioner Studebaker also announced that Rudolf Schramm, of Washington, D. C., will be Music Director of the Educational Radio Project. Educated at Koenigliches Katoliches Gymnasium, Glogau, Germany, and at Leipzig State Conservatory, Mr. Schramm was conductor of Hirshberg Municipal Opera House and Louis Bauer German Operatic Company. Since 1928 he has served as music conductor for more than 30 nationally-known radio programs.

Other members of the Radio Project supervisory staff announced today include:

James D. Strong, Project Manager, in charge of the radio workshop. Mr. Strong is a graduate of Yale University. He served as camp educational adviser for the Civilian Conservation Corps in New York State, and later as district educational adviser, with headquarters at Fort Ontario. Throughout his service he encouraged development of radio broadcasts in CCC camps and conducted an educational radio series for one year.

B. P. Brodinsky, Station and Listener Relations Director, He is a graduate of the University of Delaware, was granted a Masters Degree in Education from the University of Pennsylvania, and later served as CCC camp educational adviser for the State of Delaware. He is on leave of absence from his position as Associate Editor of the United States Society, Washington, D. C., where he had been employed since 1934.

Philip H. Cohen, Personnel Director. He is a graduate of Harvard University. He served as camp educational adviser, Sheffield, Pa., and has had extensive professional experience in radio work.

#### STATE DEPARTMENT AID SEES PASSAGE OF DUFFY BILL

Prospects for the passage of the Duffy copyright bill that would make the United States a member of the International Copyright Union are "greater now than ever before", Joseph T. Keating, Assistant to the Chief of Treaty Division of the State Department, told members of the Federal Barr Association in Washington this week.

Keating pointed out that the bill has already passed the Senate and is now before the Patents Committee of the House of Representatives.

If enacted, the measure will set up in this country on a reciprocal basis the same standards governing literary and musical "piracy" that are now in force in 50-odd countries. It will also eliminate the \$250 minimum fine for copyright infringements in broadcasting.

#### X X X X X X X X X

# VIRGINIA REGIONAL BROADCASTING CHAIN IS ORGANIZED

The first regional broadcasting chain in Virginia has been organized under the name of the Virginia Broadcasting System, Inc. Stations in the network are WLVA, Lynchburg; WGH, Norfolk-Newport News; WPHR, Petersburg-Richmond; WCVA, Charlottesville, and WBTM, Danville.

Officers of the new regional chain are Hugh M. Curtler, of WHCV, President; Edward E. Bishop, of WGH, Vice-President; S. C. Ondarcho, WBTM, Secretary-Treasurer; Albert E. Heiser, WLVA, Chief Engineer. All the units with the exception of Petersburg are 250-watt daytime, 100 night. Petersburg has 500 watts daytime.

## X X X X X X X X

#### EELS-BELLOWS ENGAGEMENT ANNOUNCED IN WASHINGTON

The engagement of Henry Adams Bellows, widely known in broadcasting circles and formerly Chairman of the Legislative Committee of the National Association of Broadcasting, and Vice-President of the Columbia Broadcasting System, and Mrs. Alice Rickey Eels, of Washington, was announced February 5 by the parents of the bride-to-be, Mr. and Mrs. Harry Norris Rickey, formerly of Cleveland, and now living at the Shoreham Hotel, Washington. The wedding will take place in the Spring.

Mrs. Eels is a graduate of Dana Hall and Pine Manor School at Wellesley, Mass., and is a member of the Washington Junior League. Mr. Bellows, a graduate of Harvard University, where he received a Ph.D. degree, is a member of the Metropolitan Club in Washington.

#### NAB DIRECTORS ADOPT BULK OF BALDWIN'S COPYRIGHT REPORT

James W. Baldwin, Managing Director of the National Association of Broadcasters, presented to the Board of Directors at their Chicago meeting last Monday, February 3, his report on the copyright situation, with recommendations. This dealt with the policies of Mr. Baldwin and the Advisory Committee with respect to copyright, the advisability of seeking further amendments to the Duffy Copyright Bill, the need for the establishment of a corporation comparable to the Radio Program Foundation, the importance of the international copyright problems, the approval and ratification of actions of the Managing Director and the Advisory Committee, the printing of the report presented by the Managing Director and assistance to him.

The following recommendations dealing with the first five points above, were adopted by a majority vote of the Board:

"That the actions of the Managing Director and his Advisory Committee in the Field of Copyright since the December meeting of the Board of Directors be approved and ratified, both generally and particularly with respect to the following: (a) Their attempts to negotiate a better license arrangement with ASCAP and their acceptance in the interim of a temporary arrangement cancellable on two days' notice; (b) Their attempts to negotiate a better license agreement with Music Publishers' Holding Corporation and their actions in advising broadcasters of the improved terms of the revised contract and in acting as intermediary for stations desiring to accept said contract; (c) Their adoption of the Tentative Program of Activity in Behalf of the NAB', as contained in the printed NAB Bulletin and issued January 13, 1936."

Policies with Respect to Copyright

"That the resolutions adopted by the NAB at its 1935 and earlier conventions, declaring in favor of the per-piece or measured service plan of compensation for performing rights be re-affirmed.

"That all discriminations in license agreements in respect of commercial stations be declared wrongful and against the best interests of the broadcasting industry and of the public, and such discriminations should be done away with.

"That, in the case of network programs, the NAB declare itself in favor of clearance of copyright at the source so that only the originating station will be held responsible for infringement and affiliate stations will be under no obligation to secure licenses with respect to such programs or to bear responsibility for any infringements that may occur therein.

"That the action of ASCAP in refusing to reduce its fees by an amount corresponding to the diminution of its repertoire consequent on the withdrawal of the Warner Brothers group be declared to be arbitrary and unjust.

"That the Officers and Directors of the NAB be authorized and instructed to take any and all necessary and proper steps to put the foregoing policies into effect."

Duffy Copyright Bill

"That the Managing Director be instructed to bend every effort to bring about enactment of the Duffy Copyright Bill (#.3047) in the form in which it passed the Senate, and to oppose any attempt to insert or restore minimum statutory damages or penalties for infringements; and, if it should appear that enactment of the bill in satisfactory form is impossible at this session, the Managing Director is further instructed to consider and to report back to the Board of Directors on the advisability of seeking further amendments to accomplish the following objectives:

"(a) To render any licensing pool illegal unless it operates on a per-piece or measured service basis, is open on on fair and equitable terms to all persons owning controling performing rights, and preserves competition between such persons; (b) To confine infringement suits, in the case of network programs, to the originating station."

Radio Program Foundation

"That the need for the immediate establishment of a corporation having substantially the same purposes and powers as the Radio Program Foundation be recognized, and that the Managing Director be instructed to prepare and submit to the Board at an early date a detailed plan and program for the establishment of such a corporation and its successful operation."

International Copyright Problems

"That the importance of the copyright questions to be discussed at the U.I.R. meeting to be held at Paris, beginning February 27, 1936, and to be determined at the conference to be held at Brussels, beginning September 7, 1936, be recognized and that the Managing Director be instructed to take any steps that may be necessary to protect the interests of American broadcasters in the questions to be discussed and decided."

#### X X X X X X X X X X X

#### SURVEY TO SHOW USE OF RADIOS IN NATION'S SCHOOLS

The National Visual Instruction Survey, now being conducted by the U.S. Office of Education under the direction of Dr. Cline M. Koon, Specialist in Radio and Visual Education, will tabulate the number of radios, phonographs, and centralized radiosound equipment in public and private schools.

The survey is now being devoted principally to a survey of visual aids used by schools. The final report will not be ready for six or eight months.

2/7/36

#### WOMEN SUGGEST CHAINS CHECK FACTS IN RADIO SPEECHES

Just as the major networks were taking a breathing spell in their battle with the Republican National Committee, the National Housewives, Inc., a Baltimore organization, came through with the suggestion that they check the facts of every radio address before permitting it to be broadcast.

Just the thought of trying to check the statements made by a politician during the presidential campaign is reported to have added a few gray hairs to network executives.

The author of the letter, Miss Aimee Weber, head of the organization, previously had complained to the Federal Communications Commission against the remarks of Governor Eugene Talmadge over the air. The FCC agreed to investigate.

"It seems important", said Miss Weber in a letter to the broadcasting chains, "that public opinion in regard to public issues, especially as to governmental functions and politics, be molded from facts because in the final analysis our form of government, is the result of public opinion crystallized into legislation.

"Recent charges of communism, socialism and fascism in relation to our Government as uttered over the radio by political demagogues are not reliable contributing factors toward the formation and clarification of our national thought. On the other hand, lectures or speeches on these subjects from individuals with the necessary educational qualifications for presenting the subjects accurately, would be helpful."

Miss Weber said she was making the suggestions in a "friendly spirit" in the behalf of housewives and homemakers who listen to the radio in their homes and "are not in a position to check such statements."

"We appreciate the opportunity that radio affords for entertainment, education features and its splendid efforts towards the public welfare in time of national and local disaster over land and sea", she said. "We are offering these suggestions in a spirit of helpfulness and trust that you will accept them as such."

X X X X X X X X

#### SARNOFF DECORATED BY GRAND DUCHY OF LUXEMBURG

The decoration of Officer of the Oaken Crown of the Grand Duchy of Luxemburg, was presented recently to David Sarnoff, President of the Radio Corporation of America, by William H. Hamilton, Charge d'Affaires and Consul General of the Grand Duchy, at the command of H.R.H. the Grand Duchess Charlotte. The ceremonies took place at the New York home of Consul General Hamilton in the presence of a small gathering. The announcement by the Consul General of the honor his government had bestowed on Mr. Sarnoff stated in part:

\*This decoration is rare and distinctive. Among the few Americans who have been so honored are General Pershing, Major General Henry T. Allen, the present Under-Secretary of State, William Phillips, and the Ambassador to Brazil, Hugh Gibson.

"Mr. Sarnoff was awarded this honor in recognition of his pioneering work and contribution to the radio art."

The Cross of Chevalier of the Legion of Honor was bestowed on Mr. Sarnoff by France last year. In 1924 the Polish Government conferred on him the Order of "Polonia Restituta", Officers Grade.

#### X X X X X X X X

#### GENE BUCK IN CHARGE OF GARNER PARTY FOR PRESIDENT

Gene Buck, President of the American Society of Composers, Authors and Publishers, was again in charge of a program of entertainment at the annual party given by Vice-President Garner for the President and Mrs. Roosevelt at the Washington Hotel February 4.

George Burns and Gracie Allen were the principal radio entertainers on the program that followed the dinner. Some of the patter that the comedians engaged in went as follows:

George explained to Gracie in their act that the President was at the dinner.

Gracie replied: "Why"

"For entertainment." George:

Gracie: "What does he do, sing or croon?"
George: "The Vice President is here, too."
Gracie: "I have heard of vice, but I never knew it

had a president."

Postmaster General James A. Farley, who is in Florida, came in for ribbing when George said he had seen Farley at a banquet recently.

Gracie replied: "Farley is always eating out."

		_					
:					:	:	•
:	:	:	INDUSTRY	NOTES	:	:	:
:					:	:	8

Three officials of the Crosley Radio Corp., Cincinnati, have been added to the Board of Directors of the Mutual Broadcasting System. They are Powel Crosley, Jr.. Louis M. Crosley, and John L. Clark.

David Sarnoff, President of the Radio Corporation of America, has authorized the use by all companies under the RCA benner, of the expression "A Service of RCA", or "An RCA Service". The word "Subsidiary" is to be discontinued except where the full name of the particular company and its connection must be stated, as in legal papers.

The U. S. Bureau of Standards has just issued, through the Department of Commerce's Bureau of Foreign and Domestic Commerce, a map showing the time zone divisions of the United States as of October 1, 1935. Copies are on sale at 10 cents by the Superintendent of Documents Washington, D. C.

"Understanding Advertising", a series of programs dedicated to the advertising business and produced by WOR, Newark, and the Mutual network, in conjunction with the magazines Printers' Ink, Advertising and Selling, Advertising Age and Tide, have met with critical success, not only from consumer-listeners, but the advertising and business world as well, according to the WOR Press Department. The fourth program will be heard Saturday, February 8, at 4:45 P.M., EST, and again will be produced by the editors of Printers' Ink. The other magazines will take over the program after the sixth program, in the above order.

#### X X X X X X X X X X X X

MORE DATA ON DIRECTIONAL ANTENNAS REQUIRED BY FCC

The Broadcast Division of the Federal Communications Commission has adopted the following policy in regard to applications for construction permits for broadcast facilities:

"No application for a construction permit specifying a directional antenna will be accepted by the Commission unless a definite site and full details of the directional antenna are given with the application. Any application not complete in these details will be returned to the applicant as 'incomplete' under Rule 104.1 and 103.9."

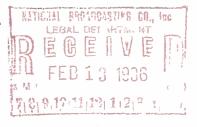
# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

# CONFIDENTIAL -- Not for Publication

INDEX TO ISSUE OF FEBRUARY 11, 1936



å

Prall Calls Conference To Prepare For C.C.I.R. Meeting.... Radio Workers Refuse To Join Electrical Workers Union......3 List of Broadcast Stations By Zones And States Available.....3 Advertising Managers Rap U. P. News Sales To Radio......4 New California Station Recommended By Examiner.....4 FCC Relaxes "Gag Rule" Pending Further Study.................5 Baldwin Busy Following NAB Board's Instructions......5 Decision On Coaxial Cable Postponed By Commission......6 Warner Brothers Turn Legal Guns On NBC Network......6 Strict Regulation Of Ship Radios Proposed In Bill......8 Hearing Date Scheduled In "Brooklyn Cases" By FCC.....9 King George V Spoke Over Radio Only 19 Times.....9 Industry Notes..... Public Leaders To Discuss "Radio And Public" In CBS Series....10 Unicontrol Radio Set For Ultra High Frequencies......ll 

No. 901

g frakmy

February 11, 1936

#### PRALL CALLS CONFERENCE TO PREPAPE FOR C.C.I.R. MEETING

Not to let European broadcasters get the arop on the United States, the Federal Communications Commission has called a conference of radio experts to prepare for the fourth meeting of the International Radio Consulting Committee in Cairo, Egypt, sometime in 1938.

The FCC parley was called rather abruptly by Chairman Anning S. Prall after the International Broadcasting Union called a conference of representatives of European broadcasting organizations in Paris for the latter part of February.

Because the battle for desirable frequencies is become constantly fiercer and problems of congestion on certain wavebands, causing interference in short-wave broadcasting, are increasing, the forthcoming Cairo meeting of the C.C I.R. will be the most important of the four called to date.

A preliminary international conference in anticipation of the C.C.I.R. meeting will be held in Bucharest in the Spring of 1937.

The FCC conference will be held at 9:30 A.M., February 14, in Room 7121, new Interstate Commerce Commission Building.

The International Radio Consulting Committee was established by the International Radio Conference of Washington, 1927, and reestablished by the International Telecommunications Conference of Madrid, 1932. Its function is to advise the radio administrations of the world on technical radio questions submitted to it.

The general objective of the work of the C.C.I.R. is the reduction of radio interference. It is made up of representatives of governments and of radio operating companies.

The three previous meetings have been at The Hague in 1929, in Copenhagen in 1931, and at Lisbon in 1934.

A list of questions to be discussed at the FCC parley follow:

Selectivity curves; Harmonics; Synchronization of broadcast stations; Broadcast frequency separation; Reduction of Electrical interference; Reduction of interference in shared bands; Wave propagation curves; Wave characteristics in respect to direction finding; Field intensities necessary for reception; Anti-fading antennas; Single sideband in broadcasting; Revision and renumbering of opinions; radio symbols and terminology;

Methods of measuring field intensity and noise; Measurements and tolerances, electrical interference to broadcasting; Mitigation of electrical interference in receiving equipment; Measurement and tolerances, background noise; High-frequency mobile calling.

#### X X X X X X X X X X X

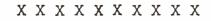
#### RADIO WORKERS REFUSE TO JOIN ELECTRICAL WORKERS UNION

Following up threats previously made, representatives of 30,000 radio workers on February 9 rejected a move to unite them in the Electrical Workers Union and thus insure their continuation with the American Federation of Labor. As a result the radio workers are expected to join hands with John L. Lewis and the United Mine Workers in organizing an industrial union federation if they are unable to overthrow the present control of the A.F. of L.

In the face of an appeal for reconsideration by Daniel Tracy, President of the International Brotherhood of Electrical Workers, a member of the Federation, the radio workers shouted their disapproval at a meeting in Washington.

Only two dissenting votes were case. William Beedie and Emil Katz, both of New York, voted to accept the Electrical Workers' proposal. James B. Carey, of Philadelphia, President of the Radio Workers, contended, however, the New Yorkers represented only about 300 workers. Carey said the action of the delegates probably would mean the organization's expulsion from the Federation.

The Radio Workers, organized on a temporary basis as Federal Labor Unions by the Federation, applied some time ago for a national charter as an industrial union. This application was turned down by the Federation's Executive Council at its recent Miami meeting. At that time, the Council voted to place the group under the jurisdiction of the Electrical Workers, a craft union.



LIST OF BROADCAST STATIONS BY ZONES AND STATES AVAILABLE

A revised list of radio broadcast stations by Zones and States, as of January 1, 1936, is now available at the Federal Communications Commission. A list of stations by frequencies was issued about a week earlier.

X X X X X X X X

2/11/36

#### ADVERTISING MANAGERS RAP U. P. NEWS SALES TO RADIO

A resolution calling upon member newspapers of the United Press to urge it "to immediately cease and desist" from selling spot news for radio broadcasts was adopted unanimously by the Interstate Advertising Managers' Association February 1 at its annual meeting in Philadelphia.

The resolution, introduced by John C. Marscher, Vice-President and Advertising Manager, <u>Philadelphia Daily News</u>, and Chairman of the Association's Resolutions Committee, reads as follows:

"Whereas, this organization notes with serious concern the steady increase in the amount of spot news broadcast by many radio stations and the grave effects of such service on legitimate newspaper circulations, and since the bulk is purveyed and being provided by the United Press and many members of this organization are also members of the United Press and by loyalty and support have helped make the United Press a leading press association service, be it

"Resolved, that it is the unanimous and emphatic judgment of this body here assembled that the United Press be requested by all of its member newspapers to immediately cease and desist from supplying spot news matter to radio broadcast concerns and to confine its service to the field for which it was originally planned and to which it owes its present outstanding position in the newsgathering field."

#### X X X X X X X X

#### NEW CALIFORNIA STATION RECOMMENDED BY EXAMINER

The Federal Communications Commission was advised this week to grant a construction permit to Royal Miller, of Sacramento, Calif., to erect a broadcasting station for operation on 1210 kc., with 100 watts power, daytime, by Chief Examiner Davis G. Arnold.

At the same time the Chief Examiner recommended that an application from the Golden Empire Broadcasting Co., of Sacramento, for a construction permit on 1310 kc., with 100 watts power, unlimited hours, be denied.

## X X X X X X X X

#### FCC RELAXES "GAG RULE" PENDING FURTHER STUDY

The Federal Communications Commission on February 10 voted to relax until February 15 the "gag rule" against which newspaper men and others had complained. The rule was publicized for the first time in the Heinl News Service (January 21).

The rule was relaxed, the FCC explained, "for further study" after which it is expected to be modified or cancelled altogether. The rule (100.6) now reads:

"Subject to the provisions of Sections 4(j), 412 and 606 of the Act, the files of the Commission shall be open to inspection as follows:

- "(a) Tariff schedules required to be filed under Section 203 of the Act and annual and monthly reports required to be filed under Section 219 of the Act.
- "(b) Hearing dockets, only as to applications, licenses, and other instruments of authorizations, notices, appearances, motions, petitions, and other pleadings, depositions, transcripts of testimony, exhibits, examiners' reports, exceptions, and orders of the Commission.
- "(c) Other files, in the discretion of the Commission, upon written request describing in detail the document to be inspected, and the reasons therefor."

#### X X X X X X X X

# BALDWIN BUSY FOLLOWING NAB BOARD'S INSTRUCTIONS

James W. Baldwin, Managing Director of the National Association of Broadcasters, this week was busily occupied with carrying out the instructions of the NAB Directors regarding further steps in the copyright controversy, but he stated he had nothing to announce as yet.

"I'm working on it", he said, "but it's quite a task."

Baldwin is given broad authority to carry out the policies enunciated by the Directors favoring the per-piece plan of compensation for performing rights, elimination of discriminatory clauses in license contracts, and clearance of copyright at the source so that only originating stations on networks may be held responsible for copyright infringement.

#### DECISION ON COAXIAL CABLE POSTPONED BY COMMISSION

After some discussion of the policy issue involved, the Federal Communications Commission at its meeting February 10 postponed its decision in the coaxial cable case.

The Commission must decide whether it will insist on its original requirement that the coaxial cable proposed to link New York and Philadelphia by the American Telephone & Telegraph Company be opened to other television experimenters besides the Radio Corporation of America.

#### X X X X X X X X X X X

#### WARNER BROTHERS TURNS LEGAL GUNS ON NBC NETWORK

Following the filing of two infringement suits against the Columbia Broadcasting Company and a half-dozen or more against independent stations, Warner Brothers, through one of its four music publishing subsidiaries, M. Witmark & Sons, on February 19 filed suit in U. S. District Court, Southern District of New York, against the National Broadcasting Company, seeking \$995,000 damages.

The plaintiff also asks an accounting of the profits for the alleged infringement in 199 separate performances of a Witmark copyright number entitled "Painting the Clouds with Sunshine".

"Painting the Clouds with Sunshine" was used on four network broadcasts of approximately 50 stations each on January 1st and 2nd of this year, the petition states, the broadcasts originating from Station WMAQ, Chicago, on the program known as "Gene Arnold and the Ranch Boys." An individual suit against Station WJZ of the NBC network was brought earlier this year for the use of the same song, seeking \$5,000 damages for the infringing use of the number.

The latest in the Warner music publiching companies' actions against networks and individual stations is the largest filed to date, based on damages of \$5,000 each for the 199 separate performances. The song was written by Al Dubin and Joe Burke and is from the Warner Bros. picture "Gold Diggers of Broadway."

#### X X X X X X X X X X X

#### PHILCO SURVEY INDICATES U. S. RADIO SYSTEM IS PREFERRED

A preliminary study of replies to the letters of inquiry sent out by the Philco Radio & Television Corporation shows business leaders throughout the country favor retention of the private ownership of broadcasting facilities, according to Sayre M. Ramsdell, Philco Vice-President.

"I have been delighted at the deep thought and the seriousness of approach with which those to whom I sent my letter, responded", Ramsdell writes. "There is a very general recognition on the part of thoughtful men that the whole question of radio and its relation to the public needs to be studied and to be acted upon, in the public interest, after such study.

"I have been particularly impressed with the grasp that has been shown of the problems confronting radio, and of the diversified attack on these problems.

"It is too early, of course, to come to any very definite general conclusions, except the very broadest ones, for these letters need more than casual study. They demand the most thorough and diligent thought and attention. That is what I am attempting to give them.

"In the meantime, let me give an indication of what preliminary study of the letters shows. It would appear that leaders throughout the country recognize the importance of retaining the basic fundamentals of the present American system of broadcasting; that is, private ownership or control of broadcasting stations as opposed to government ownership or control, and the maintenance of the present system of commercially sponsored programs. Freedom of speech is, of course, stressed as one of the essentials. On this matter, however, there is a wide range of definition and a questioning as to exact methods of checks and balances to be used."

# X X X X X X X X X X X

#### BRITISH PLAN DAILY BROADCASTS FROM "QUEEN MARY"

When the giant British liner, "Queen Mary", sails from Southampton in May on her maiden voyage to New York, the British Broadcasting Corporation will have her equipped for daily broadcasts to the British public and the BBC empire service, which is heard in this country.

"The "Queen Mary' will carry a flying squad from the BBC, with microphones placed at strategic points throughout the complicated structure of the big ship", the BBC reports. "From the time she sails to the time she docks in New York, British listeners will be in daily contact with her; they will be able to hear at first hand what progress she is making, and how life goes on among the thousands of people on board. From engine-room to crow's nest, the microphones will convey an impression of the multifarious activities of passengers and crew."

XXXXXXXX

#### STRICT REGULATION OF SHIP RADIOS PROPOSED IN BILL

Radio communication facilities, which have proved indispensible to ships at sea, are to be placed under drastic regulation if a bill now pending before the Senate Commerce Committee becomes a law. The measure is one of several growing out of the Senate investigation into the "Morro Castle" and "Mohawk" disasters.

Passage is expected at this session of Congress, according to Senator Royal S. Copeland (D. N.Y.), Chairman of the Commerce Committee and author of the bill.

The bill amends the Communications Act so as to include vessels operated by U. S. shipping companies and makes provisions for equipment, length of watches for operators, and authority over operators.

In amending the Communications Act, it requires.

- l. All cargo ships of 1600 gross tons and over and all passenger ships leaving a port of the United States on an open sea voyage or on the Great Lakes be equipped with radio.
- 2. Installation of a direction finder on all passenger ships of 5000 gross tons or over.
- 3. A minimum of two operators on passenger ships and on cargo ships which are not fitted with an automatic alarm and continuous watches by operators on both classes of ships.
- 4. A radio operator shall have at least six hours off duty within 12 hours immediately preceding the time of sailing and the number of hours an operator may perform duty must be limited.
- 5. The master of the ship shall have supremem control of radio equipment, operators, watches, and radio service of the ship.

The bill also requires all ships with radio equipment to disseminate weather conditions and dangers to navigation, such as derelicts, without charge; that radio equipment be installed in all motor life boats required by the international treaty; and that officers of any government agency may act to enforce the act.

Forfeitures in addition to penalties provided in the original Communications Act are levied. Any ship which leaves part violating therules of the Commission are subject to a \$100 fine.

# HEARING DATE SCHEDULED IN "BROOKLYN CASES" BY FCC

Public hearings before the full Federal Communications Commission will be held in the so-called "Brooklyn cases" on April 6, beginning at 10 A.M., at the offices of the Commission, it was announced February 10.

The hearing will go into the entire controversy over the proposed deletion of three Brooklyn stations - WLTH, WARD and WVFW - and the increase in time on the 1300 kc. channel for WBBC and the granting of a new construction permit to the Brooklyn Daily Eagle to share time on the same frequency.

#### X X X X X X X X X X

# KING GEORGE V SPOKE OVER RADIO ONLY 19 TIMES

While the voice of the late King George V was known around the world, the British monarch was not a frequent speaker over the radio in comparison with President Rocsevelt.

During the last twelve years he had spoken over the air only 19 times, according to figures released by the British Broadcasting Corporation. President Roosevelt during the year 1935 alone spoke 21 times over Columbia Broadcasting System and 15 times over the National Broadcasting Company networks. His total addresses over CBS up to January 1, 1936, numbered 63.

King George's first broadcast was on April 23, 1924, on the occasion of the opening of the British Empire exhibition at Wembley. His last was the widely-broadcast Christmas day message, which was rebroadcast in this country by the networks.

The complete list of his radio addresses follows:

April 23, 1924, Opening of the British Empire Exhibition at Wembley; April 21, 1927, Opening of National Museum of Wales at Cardiff; July 19, 1927, Opening of Gladstone Dock, Liverpool; January 21, 1930, Opening of the London Naval Conference; July 8, 1930, Opening of India House, London; November 12, 1930, Opening of India Round Table Conference; July 10, 1931, Opening of the new Dock at Shieldhall, Glasgow, and naming by H.M. Queen Mary: "King George V Dock"; July 18, 1931, Opening of the King George Hospital, Ilford; December 25, 1932, Christmas message to the Empire; June 12, 1933; Opening of the World Monetary and Economic Conference; London; June 22, 1933, Opening of South Africa House, London; July 26, 1933, Opening of new Graving Dock at Southampton; December 25, 1933, Christmas message to the Empire; July 18, 1934, Opening of the Mersey Tunnel, Liverpool; September 26, 1934, Launching of "Queen Mary", by H.M. Queen Mary; December 25, 1934, Christmas Message to the Empire; May 6, 1935, Jubilee Message to the Empire; May 9, 1935, Replies to addresses presented on behalf of the House of Lords and House of Commons in Westminster Hall, London, December 25, 1935, Christmas Message to the Empire. X X X X X X X X

	1						
•	-	_			•		
	4		INDUSTRY	MOTE			
•	٩	•	INDUSTIL	MOTER			
	9					0	
•	•	۰					

Maj. Gen. James G. Harbord, Chairman of the Board, and David Sarnoff, President, both of the Radio Corporation of America, were among the guests at the 36th annual wallow of the Military Order of the Carabao at the Willard Hotel in Washington on February 8. John B. Kennedy, of the National Association of Broadcasters, spoke.

E. H. Harris, Chairman of the Publishers' National Radio Committee, will discuss the issues at stake and new proposals relating to the Press-Radio Bureau February 18 on the opening day of the annual meeting of the Inland Daily Press Association in Chicago.

CBS billings for January totalling \$1,901,023, strongly indicate another record year for Columbia in 1936, according to the CBS Trade News Division. Leading by 7.5% the same month in 1935, last month was the highest January in CBS history. With the exception of October, 1935 (with a total billing of \$1,930,512, of which \$143,000 was credited to the Ford World Series broadcasts), the billings for January 1936 were higher than any previous month on the Columbia network. The record: January 1935 \$1,768,949; January 1936 - \$1,901,023.

# X X X X X X X X X X X

PUBLIC LEADERS TO DISCUSS "RADIO AND PUBLIC" IN CBS SERIES

"Broadcasting and the American Public" is the subject of a public forum which started over the Columbia Broadcasting System on February 7. Boake Carter, news commentator, discusses with prominent public leaders problems of radio in its relation to the American people.

George Henry Payne, member of the Federal Communications Commission, will speak on "Government Relations in the Issue", Saturday, February 15, at 10:45 P.M., EST. David Lawrence, noted political writer, publicist and editor of the United States News, will discuss "Freedom of the Air", on February 17; Dr. Orestes H. Caldwell, radio editor, will speak on February 19, and William Green, President of the American Federation of Labor, on February 21, all at 10:45 P.M.

Invitations were extended by CBS to Henry P. Fletcher, Chairman of the Republican National Committee, and Postmaster General James A. Farley, Chairman of the Democratic National Committee, but replies have not as yet been received from them.

This forum was originally projected by the Philco Radio and Television Corporation in its regular scheduled periods over the Columbia network. Philco had overlooked Columbia's established policy not to sell time for the discussion of public issues but to allot such time for speakers to discuss these subjects in their own way. Columbia called Philco's attention to this policy and the network's decision to make the series a sustaining feature of its own and Philco gladly consented to the change.

#### X X X X X X X X

### UNICONTROL RADIO SET FOR ULTRA HIGH FREQUENCIES

A new type of ultra high radio frequency receiver, which operates on a different principle from the usually used is described in the Journal of Research for December (RP856). The customary tuning condensers and coils between amplification stages are all eliminated and their place is taken by a special arrangement of brass tubes 20 inches long and about  $1\frac{3}{4}$  inches in diameter with an inner concentric tube 3-16 inch in diameter. This construction is called a concentric transmission line. ing is made possible by a metallic plunger which slides up and down in each line. These plungers are ganged so that they may all be moved by one adjustment knob and they change the length of the lines by moving the ground to various positions along the lines. One end of each inner line is connected to the plate of one electron tube and the grid of the following electron tube. When the line is adjusted by means of the plungers to have an electrical length some value shorter than a quarter wave, it acts as a very high interstage coupling impedance and an amplification of 2 per stage may be obtained at 300 mc/s (1 meter), 6 per stage at 200 Mc/s (2 meters), and over 16 per stage at 100 Mc/s (3 meters

The 5 concentric lines used in a 4-stage amplifier and detector stand vertically and are arranged in a circle. The electron tubes (type 954) are in shielding compartments into which the lower end of each line terminates. Insulating rods attached to the plungers extend through the top end of each line. These are all connected to a common control knob with means for independent adjustment if desired.

The effective frequency (tuning) range of a receiver using line 20 inches (50 cm) long is from 300 Mc/s (1 meter) to 100 Mc/s (3 meters).

X X X X X X X X

# APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

KWJJ, KWJJ Broadcast Co., Inc., Portland, Ore., C.P. to install new antenna, move transmitter and studio locally; WIS, Station WIS, Inc., Columbia, S. C., Mod. of CP to extend completion date from 2/10/36 to 5/10/36; KOMO, Fisher's Blend Station, Inc., Seattle, Wash., Mod. of CP to extend completion date from 2/25/36 to 4/25/36; WSAY, Brown Radio Service & Lab., Rochester, N. Y., Mod. of CP to change type of eqpt; move transmitter and studio sites locally; extend commencement date to this date; WIL, Missouri Brdcstg. Corp., St. Louis, Mo., license to cover CP authorizing installation of new eqpt; 1200 kc., 100 w. night, 250 w. day, unltd; WSYR-WSYR- Central New York Brdcstg. Corp., Syracuse, N. Y.. license to cover CP authorizing installation of new eqpt, 570 kc., 250 w. unltd. time; KIEV, Cannon System, Ltd., Glendale, Cal., license to cover CP authorizing new eqpt. and increase in day power to 250 watts, 850 kc., daytime.

Also, KMLB, Liner's Brdcstg. Station, Inc., Monroe, La., license to cover CP authorizing changes in eqpt, 1200 kc., 100 w. unltd; WPFB, Forrest Brdcstg. Co., Inc., Hattiesburg, Miss., license to cover CP authorizing new eqpt, change in hours of operation from S. H. to unltd. and move transmitter locally, installing new antenna, 1370 kc., 100 w. unltd. time; WMFR, Hart & Nelson (J. A. Hart & Wayne M. Nelson), High Point, N. C., license to cover CP authorizing new station, 1200 kc., 100 w. daytime; KHJ, Don Lee Brdcstg. System, Los Angeles, Cal., license to cover CP authorizing new station, 900 kc., 1 KW, night 5 KW day, unltd; also granted license for auxiliary transmitter for auxiliary purposes only; KPRC, Houston Printing Co., Houston, Texas, license to cover CP authorizing removal of transmitter to Deepwater; installing new eqpt. and increasing day power to 5 KW, 920 kc., 1 KW night unltd.

Also, KGMB, Honolulu Brdcstg. Co., Ltd., Honolulu, T.H., license to cover CP authorizing move of transmitter and studio locally, installing new eqpt. and increase in power to 1 kW, 1320 kc., unltd. time; KNET, John C. Welch, Wm. M. Keller, Bonner Firzzell, d/b as Palestine Brdcstg. Assoc., Palestine, Tex., license to cover CP authorizing erection of new station, 1420 kc., 100 w. daytime; KRLH, Clarence Scharbauer, Midland, Tex., license to cover C.P. authorizing new station, 1420 kc., 100 w. daytime; Standard Radio, Inc., Hollywood, Cal., authority to transmit electrical transcription to foreign stations; KPRC, Houston Printing Co., Houston, Tex., authority to determine operating power by direct measurement of antenna input in accord. with Rule 137; KDYL, Intermountain Brdcstg. Corp., Salt Lake City, Utah; amended CP to move transmitter site, install new eqpt., increase day power from 1 to 5 kW;

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

L.

CONFIDENTIAL—Not for Publication

Bul FEB 15 1935

INDEX TO ISSUE OF FEBRUARY 14, 1936

Move Starts To Dislodge Duffy Bill; FCC Probe Pigeon-Holed2
Sarnoff Sees Radio As Hope Of Democratic Government4
New Station For Georgia Recommended By Examiner
Kobok Resigns As NBC Sales Head; Other Changes Rumored6
NAB Names Attorney As Baldwin Maps Copyright Fight
Warner Brothers Says ASCAP Holds None Of Its Music
Popularity Of Radio In Sweden Shows Notable Increase
Charges Radio Gets Amateurs From Professional Ranks
Amateurs Active In Russian Television Field
Industry Notes

No. 902

PAR L () & W

# MOVE STARTS TO DISLODGE DUFFY BILL: FCC PROBE PIGEON-HOLED

With the two pieces of legislation in which broadcasters are most concerned apparently pigeon-holed, a move has been started on the House floor to force action on the Duffy Copyright Bill and another threatened to dislodge the Connery resolution calling for an investigation of the Federal Communications Commission.

Representative Zioncheck (Democrat), of Washington, this week filed a petition in the House to discharge the House Patents Committee from consideration of the Duffy Copyright Bill and made an appeal on the floor for members to sign it. The petition must have 218 signatures before it becomes effective.

Simultaneously, Representative Connery (Cemocrat), of Massachusetts, charged the House Rules Committee with pigeon-holing his resolution and indicated he would circulate a petition if Chairman O'Connor continues to ignore his demand for a hearing.

Both measures are being held up largely by the authority of two Committee Chairmen. Representative Sirovich (Democrat), of New York, is admittedly opposed to the Duffy Copyright Bill, which the National Association of Broadcasters has indorsed, and won't even schedule hearings on it.

Chairman O Connor, of the House Rules Committee, like-wise refuses to listen to the demands of members dissatisfied with the administration of the FCC. While it is known that House leaders are trying to discourage all Congressional investigations this year because of the impending elections, it is also believed that O'Connor has a deeper interest in seeking to block a FCC inquiry.

Anning S. Prall, Chairman of the Commission, is a New York Tammany Democrat of the same school as O'Connor, and the two have been good friends for many years.

Zioncheck, who has been appealed to by the Washington State Association of Broadcasters, at first filed a petition to discharge the House Patent Committee from consideration of the House Copyright Bill. Later he substituted a petition to dislodge the Duffy Bill on the ground that the Senate would not accept the House measure.

"The only reason it is necessary to file this petition", he said, "is that the Chairman of the Committee on Patents refuses even to hold hearings upon a bill that the Senate has passed unanimously. I think this is arbitrary and capricious.

"The purpose of the Senate bill is to amend and consolidate the copyright laws and to allow more equitable rights to authors and writers and at the same time to keep people who use their works from being punished arbitrarily and harassed with useless litigation."

What broadcasters are most interested in is a provision to eliminate the minimum damage clause for copyright infringement to \$250 for each performance and the right to seek an injunction. The Duffy bill would leave the damages to court decision and would disallow injunctions which would stop broadcasting under certain conditions.

The American Society of Composers, Authors and Publishers is strenuously opposed to the bill as it wants the \$250 minimum damage provision retained. Mr. Sirovich, broadcasters are aware, has for years styled himself as an author, composer, and playwright although he has received nothing but ridicule from Broadway critics.

Supporting his appeal for signatures on the discharge petition, Zioncheck placed in the <u>Congressional Record</u> a letter he had received from the Washington State Association of Broadcasters. It read as follows:

"Marion Zioncheck,
House of Representatives, Washington, D. C.:

"Senate bill 3047, commonly called Duffy copyright bill, now in Committee on Patents, under Sirovich, from New Radio, hotels, and other users of music have been York. victimized for years by music racketeers, and Duffy bill affords equitable relief to all alike, including composers. Sirovich is admittedly unfriendly to this bill, and it appears ridiculous that this man can hold up a bill that has the unqualified endorsement of radio, theaters, hotels, granges for the sake of a small group from tinpan alley. We sincerely and respectfully ask all Washington Congressmen to hold a meeting today and blast that bill out of committee, by petition if necessary. event the petition is necessary, we will have every radio station and hotel in the country wire their Congressmen to sign it. This is a life-and-death fight for us, and if we can count on you to help us, you can rest assured that you will have our gratitude. We understand that a petition to bring a bill out can be sufficiently supplied with signatures. Wire us and we will have every Congressman contacted. The bill is equitable to all and should be passed without any amendment."

The association, the letter explained, is composed of the following broadcasters: KOL, Seattle; KIRO, Seattle; KRSC, Seattle; KVI, Tacoma; KXA, Seattle; KFIO, Spokane; KGA, Spokane; KHQ, Spokane, KMO, Tacoma, KVL, Seattle; KUJ, Walla, Walla; KIT, Yakima, KPQ, Wenatchee, KGY, Olympia, KVOS, Bellingham; KXRO, Aberdeen, KRKO, Everett.

X X X X X X X X

2/14/36

### SARNOFF SEES RADIO AS HOPE OF DEMOCRATIC GOVERNMENT

Upon the proper use of the modern means of communications, the chief of which is radio, depends the future of democracy in the United States, David Sarnoff, President of the Radio Corporation of America, declared in an address on "Communication and Democracy" February 14th before the Third Annual Woman's Congress in Chicago.

"The hope and the promise of the new communications era which science has brought us", he said, "lies in the service which it renders to a democratic society, in the maintenance of its ideals of freedom, its principles of self-government, and its preservation of human liberties."

Asserting there is no limit to the inventive genius in science, he cautioned:

"The final value of these achievements of science and invention must be measured in terms of their usefulness and significance to man. Unless such developments bring a fuller, freer, happier existence to the mass of mankind, their gifts are worthless.

"The truth of this statement is especially manifest in the field of scientific development covered by radio communications. Speed and accuracy of communication between man and man, between nation and nation, have become the symbols of civilized progress. New methods of transportation - and even more so, new methods of communication - have telescoped time and space and provided us with powerful instrumentalities for bringing knowledge and entertainment, and a sense of human kinship, into the most remote and barren lives. Today it is axiomatic that communication is civilization.

"Through the progress of our modern communications, nations have been turned into neighborhoods and the accumulated riches of music, and the vast resources of education and entertainment have been made available to tens of millions previously cut off from such opportunities. Radio has drawn the most distant places and the most forgotten lives into the orbit of civilization. Science has thus put art and knowledge on a broad, popular basis. Culture is no longer the prize of the few, because modern communication has brought its gifts within easy reach of the humblest. has served as the most effective impulse and instrument of democracy and government. Free discussion of all sides of public questions has been made easier, more direct, more complete. The barriers of distance that once separated and elected heads of self-governed nations from the people, have been removed. Improved communications have become the strongest allies of civilization and of democratic government wherever these channels remain untrammeled.

"But, under the dictatorships of Europe we find a different picture. There, these new andgreat instrumentalities of communication have been converted into tools of reaction, intolerance, cruelty and despotism. There, the press, from a living and untrammelled force, has been turned into an instrument of blind prejudice; there radio broadcasting, motion pictures, theatres, and the printed word, have only the function of echoing the official propaganda. Because of its command of these new instrumentalities of communication and education, absolutism has become more dangerous to mankind, for never before has it been so well equipped, so efficient in mobilizing hatreds, so powerful in extending the sphere of its domination.

"When America looks across the seas, it may well ask: Will the present and the new forces liberated by science and invention be used for the betterment of peoples or misused for their destruction? Will they enlarge freedom of thought of opinion, and of democratic action? Or, will they become the tools of autocracy and dictatorship? In the answer to these questions, lies the significance of America's next step."

"It is, as it should be, a matter of pride to all of us that in our own country the instrumentalities of science are still wide-open channels for democratic thought and opinion. We accept freedom of the press and freedom of the air so much as a matter of course that we tend to underestimate their value. It is a wholesome thing to pause occasionally and to take stock of our great democratic possessions."

#### 

#### NEW STATION FOR GEORGIA RECOMMENDED BY EXAMINER

Issuance of a construction permit to the Waycross Broadcasting Company, Waycross, Ga., for operation on 1200 kc., with 100 watts powers and unlimited hours, was recommended to the Federal Communications Commission this week by Examiner R. H. Hyde.

Examiner P. W. Seward at the same time recommended an increase in power from 100 to 250 watts for KRSC, Seattle, Wash., and a change in operation hours from daytime to unlimited.

Denial of applications from F. W. Atkinson, Watsonville, Calif., for a permit to operate on 1310 kc., with 250 watts day-time, and from Carter & Wolfe, Mansfield, Ohio, for a permit to operate on 1370 kc., with 50 watts nighttime and 100 watts daytime, unlimited hours, were recommended by Examiners Bramhall and Walker, respectively.

#### X X X X X X X X

KOBOK RESIGNS AS NBC SALES HEAD; OTHER CHANGES RUMORED

The first executive to quit the National Broadcasting Company since the appointment of Maj. Lenox Lohr as President, is Edgar Kobak, Vice-President in Charge of Sales, who has tendered his resignation, effective March 15th. He will then join Lord & Thomas, advertising agency, as Vice-President.

Announcement of Kobak's resignation stirred up numerous rumors regarding other NBC officials, but all were denied at NBC headquarters in New York. While Kobak's successor has not yet been chosen, Roy C. Witmer will serve as acting head of the Sales Department.

Kobak, who came to NBC two years ago fromMcGraw-Hill, has an unusual first-hand knowledge of the advertising field and personal friendship with important advertisers. He is Chairman of the Board of the Advertising Federation of America and has been serving in official capacity for this organization for some time.

Kobak laughed at the reports of any rift between him and NBC officials. He stated that he believed his job had been accomplished at NBC in the way of reorganizing the sales force. No financial problems were concerned either in the decision to resign, he said. As a matter of fact, Kobak said he was considering going to Lord & Thomas just before joining NBC. His resignation was originally handed in a few weeks ago but officials sought to change his mind.

As an example of some of the rumors that were circulating in broadcasting circles the following is quoted from Billboard:

"Past week saw a new crop of rumors relative to NBC officials being on the spot. These include Mark Woods, Treasurer; John Royal, Program Department head; Frank Mason, R. C. Patterson, Executive Vice-President and one or two others. While something may be in the wind, it is pointed out that Woods recently turned down an outside job of importance and has more NBC duties than ever, which also goes for Mason. Patterson was more or less relieved of his duties automatically when the new President, L. R. Lohr, issued an order to the effect that all department heads would report to him directly. One wild rumor went so far as to have M. H. Aylesworth going with CBS and Frank Mason to Chicago for NBC. Not a little talk linked David Rosemblum, NBC official from Trade Ways, in the middle of much commotion, but this does not seem to be substantiated. Lord &Thomas, incidentally, handle both RCA and NBC advertising accounts."

X X X X X X X X

#### NAB NAMES ATTORNEY AS BALDWIN MAPS COPYRIGHT FIGHT

As the first step in carrying out instructions given by the Board of Directors of the National Association of Broadcasters relative to the copyright fight, James W. Baldwin, Managing Director, on February 13th announced the appointment of Elmer W. Pratt as attorney for NAB.

Pratt, attorney and Examiner of the old Federal Radio Commission, since 1933 has been engaged in the private practice of law, specializing in radio.

While a formal statement says Pratt "will devote all of his time to NAB work and will deal primarily with matters relating to State and municipal taxation", it is expected that he will take a hand in the legal matters pertaining to the NAB campaign for better copyright privileges for broadcasters.

A graduate of the National University Law School, Washington, D. C., Pratt was employed by former Senator Reed Smoot, of Utah, for five years. He was the first attorney to enter the employ of the Federal Radio Commission and was the first Examiner.

#### X X X X X X X X X X

#### RADIO QUOTA INCREASED BY U.S.-SWISS TRADE PACT

American radio manufacturers will gain from the United States' Reciprocal Trade Agreement with Switzerland, which becomes effective February 15th, according to the State Department.

The quota on radio apparatus has been increased from 110,000 pounds to 176,000 pounds. The latter figure corresponds roughly to 5,600 sets. Pennsylvania and New York are the principal manufacturing centers that will benefit.

Exports of U. S. radio apparatus to all countries have been increasing, jumping from a total of \$10,000,000 in 1929, to \$15,000,000 in 1934. Production, meanwhile fell from \$273,000,000 in 1929, to \$69,000,000 in 1933. As a result of the contrary trends, U. S. exports, which in 1929 amount to only three percent of total production, by 1933 had mounted to 14 percent.

#### X X X X X X X X X

#### WARNER BROTHERS SAYS ASCAP HOLDS NONE OF ITS MUSIC

Music Publishers Holding Corporation, the song publishing subsidiary of Warner Bros. Pictures, Inc., in a statement issued February 14 said:

"There has been brought to our attention what purports to be a quotation from a statement released by the American Society of Composers, Authors and Publishers to the effect that the small performing rights of various numbers published by our subsidiaries are not necessarily withdrawn from the repertory of the Society.

"Our only comment is that the statement is erroneous and is misleading and if relief upon by stations which have no license from us may result in many actionable infringements."

#### X X X X X X X X X

#### WTFI MOVE TO ATLANTA APPROVED BY FCC EXAMINER

Removal of WTFI from Athens, Ga., to Atlanta, which already has three broadcasting stations, was recommended by Examiner Ralph L. Walker in a report to the Federal Communications this week. WTFI operates on 1450 kc. with 500 watts power, unlimited time.

Atlanta, with a population of 270,336, now has WSB, operating on 50 KW unlimited time; WGST, 500 watts night 1 KW until local sunset, unlimited time, and WATL, 100 watts, unlimited time. WSB is affiliated with NBC and WGST is associated with CBS.

"It appears from the record that there is a need in the Atlanta area for the additional service which the applicant proposes to render", the report states, "and that the operation of WTFI as contemplated will not result in any material increase in objectionable interference to existing stations."

The approval is made condition upon installation of a proper antenna and the submission of the transmitter site to the FCC for approval.

Examiner R. H. Hyde recommended denial of an application by the L & S Broadcasting Co. for a permit to erect a new station at Atlanta for operation on 1210 kc., 100 watts daytime.

"The evidence presented in support of the application does not show there is a public need for the construction and operation of the proposed new station", Hyde stated.

#### X X X X X X X X X

#### POPULARITY OF RADIO IN SWEDEN SHOWS NOTABLE INCREASE

The popularity of radio in Sweden showed a striking increase during 1935, a report to the Commerce Department from its Stockholm office indicates.

The total number of receiving sets registered at the close of the year was 843,143, or 133.8 per 1,000 inhabitants, against 733,190 on December 31, 1934. The increase of 109,953 sets in 1935, it is pointed out, exceeded by more than 50 percent that of any of the last eleven years.

It is estimated locally that from 150,000 to 175,000 radio receiving sets valued at from 30,000,000 to 35,000,000 crowns (\$7,700,000 to \$8,970,000) were sold in Sweden in 1935.

Local interest in the international situation, together with the unfavorable Autumn weather, contributed toward making 1935 a record year in the Swedish radio industry from the standpoint of sales turnover, it was stated.

#### X X X X X X X X

FCC ISSUES LIST OF GENERAL, SPECIAL EXPERIMENTAL STATIONS

The Federal Communications Commission this week issued a revised list of general and special experimental radio stations as of January 1, 1936. The list includes telegraph, telephone, and broadcast outlets and was prepared by the FCC Engineering Department.

#### X X X X X X X X X

# STATION LINES UP SPONSOR WHILE BROADCASTING FIRE

A new record for fast work in signing up a radio sponsor was established recently when WNBC, of New Britain, Conn., sold a two-hour sponsored broadcast of a disastrous fire in the United Building to a local insurance firm.

The station covered the fire from every angle and even had a woman member of the continuity staff give the women's angle. Prominent citizens and the two fire chief were enlisted to give their impressions of the fire in front of a microphone.

#### X X X X X X X X

2/14/36

#### CHARGES RADIO GETS AMATEURS FROM PROFESSIONAL RANKS

When is an amateur radio performer not an amateur? Obviously, when he is a professional.

Carrying on its campaign against the use of amateurs on the air, <u>Variety</u>, in its current issue, published the following in a front-page box under the heading "Those Professional Amateurs":

"Radio's impressarios of amateur talent are now openly combing the professional ranks for material to fill out their broadcasts. The great number of such programs on the air, with nearly every station in New York having at least one simon-pure airing a week, are burning up talent to such a great extent that there aren't enough certified tyros to go around.

"Vaudevillians are especially being solicited to go on the air as ams., agents being approached to feed acts for the simon-pure broadcasts."

#### X X X X X X X X

COSTA RICA SEEKS TO CLEAR UP INTERFERENCE WITH U. S.

The government of Costa Rica is taking steps to clear up interference of its stations with reception of broadcasts from the United States, according to Leo R. Sack, U. S. Minister to Costa Rica, and a former Washington newspaper man.

"In this little country there are more than twenty stations which broadcast on long waves and, incidentally, on several bands, so that they frequently interfere distressingly with broadcasts from the United States and other countries", he writes. "The Government is now giving attention to clearing up the interference and to provide stricter regulations in the future, and I have been informed that the next Congress will enact the necessary legislation.

"Long wave reception from the United States has been exceptionally fine lately. Short-wave reception is always good from stations like WGY, KDKA and Boundbrook. The long waves come in splendidly from Texas and throughout the South, from the Middle West and as far West as Denver, and the Eastern seaboard stations, including WEAF, KDKA and WOR. Our best reception time is after ten o'clock at night when the local stations are going to bed. Often our reception is as clear as if we were sitting in our homes in Washington listening to WRC or WJSV."

#### AMATEURS ACTIVE IN RUSSIAN TELEVISION FIELD

In the Soviet Russia television field there is only one director, one editor, and one engineer, according to the Department of Commerce. Amateurs of television in a number of cities, however, are constantly experimenting, and television is duplicating the early stages of radio development; these amateurs, without waiting for sets to be available in shops, have developed their own, by studying the foreign literature on the subject. During the past 6 years some 1,500 amateurs have already adopted the science, and all over the country receiving stations "see" Moscow. Under the present system, an image is divided into 1,200 "elements", sufficient to transmit fairly clearly faces or objects projected on a small screen inside of a neon lamp. But a large scene comes out like a cross-stitch embroidery, and a badly executed one at that.

Subdivision into 1,200 elements is not all that has been accomplished; experiments have been made with division of images into 19,200 and even 75,000 elements. Transmission by this system gives images as sharp as a good photograph or motion picture film. But to date such transmission is possibly only for a few dozen kilometers, while with 1,200 elements any distance is possible.

This year it will be possible in Moscow to see the "winters" on Dickson Island, where a television transmitter and receiver are being shipped by plane. The men there will be able to both hear and see their relatives and friends. At present the Moscow studio can send pictures and sounds depicting actors in a dramatic scene, singers in a duet, even a ballet-dancer, though its movements must be slowed up to remain distinct.

The single television editor maintains an active correspondence with amateurs, and supplies them with typed copies of articles and drawings made by him, to show how television sets may be built. It is not possible yet to buy the necessary parts, though they cost only 50 to 70 rubles, not even Hipkov disks, which can be stamped from paper, card-board, or tin, but must be very accurate. There is no literature on the subject available.

The All-Union Radio Committee placed an order with a Leningrad factory for 750 television sets, using the Breitbart system. These are manufactured but not yet assembled, and it is difficult to predict when even this small number of sets will be on sale. When they are, they will not remain long on the shelves of the shop.

X X X X X X X X X X



		-					
:	:	:			•	•	
			TNDNGMDN	\10 mm a	-	•	-
i	ï	i	INDUSTRY	NOTES	:	:	:
•	•	<u>.</u>				•	i

Radio markets supplements were issued by the Electrical Division, Bureau of Foreign and Domestic Commerce, this week for the Netherlands (television), France (television) and Spain (patents).

Maj. Lenox Lohr, President of the National Broadcasting Co., and Mrs. Lohr were among the guests at the annual dinner given by the President and Mrs. Roosevelt for the Speaker of the House and Mrs. Byrns on February 11th at the White House.

Rep. Betrand Snell, minority leader of the House, has been added to the list of notable persons to be interviewed by Boake Carter, news commentator, on the general subject: "Broadcasting and the American Public." Snell was heard from the studios of WJSV in Washington, D. C., over the WABC-CBS network on Thursday, February 13th.

Addition of WCSC, Charleston, S. C., and WFBC, Greenville, S.C., to the networks of the National Broadcasting Co. was announced yesterday by NBC. The additions bring the total of NBC stations to 96 throughout the nation. The new stations will operate as optional units in the NBC southeastern group, presenting programs from NBC-WEAF and NBC-WJZ national networks, beginning on March 1. WFBC is operated by the Greenville News on a frequency of 1300 kilocycles with 5,000 watts daytime power and 1,000 watts at night. WCSC is operated by the South Carolina Broadcasting Co. on a frequency of 1360 kilocycles with 1,000 watts daytime power and 500 watts at night. Addition of the two additional stations brings the number of NBC units in the southeastern group up to 11 outlets.

# X X X X X X X X X X X X X

# APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

February 11 - WJBC, d/b as KashaskiaBrdcstg Co., Bloomington, Ill., consent to voluntary assignment of license to Arthur Malcolm McGregor and Dorothy Charlotte McGregor, his wife, a partnership; WFBC, Greenville News-Piedmont Co., Greenville, S. C., mod. of CP to make changes in equipment; KMLB, Liner's Broadcasting Station, Inc., Monroe, La., application in part, authorizing station to move locally and install new antenna system; WIBA, Badger Brdcstg. Co. Inc., Madison, Wis., extension of special temp. auth. to operate with reduced power of 500 watts night, employing non-directional antenna from Feb. 9-March 9, in order to facilitate completion of construction authorized by CP.

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

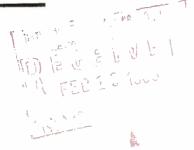
# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

hund

# CONFIDENTIAL - Not for Publication



INDEX TO ISSUE OF FEBRUARY 18, 1936

FCC Committee Unable To Verify Charges Of "Bribery"2
Snell Holds Control Of Radio Is Too Tight4
Mackay Files Brief With FCC In Scrap With RCA
Seven Millionth Philco Radio Comes From Production
Senate Committee Reports Bill To End Zone System
Connery Renews Attack On FCC; Alleges Fear Of Radio9
Permanent Paris "Radio Center" To Be Built For Fair10
Composer Raps Warner Bros. In ASCAP Row
BBC Gained Listeners, Profit Last Year

No. 903

3 PARAL M

February 18, 1936.

### FCC COMMITTEE UNABLE TO VERIFY CHARGES OF "BRIBERY"

After more than a month of investigation, the special committee of the Federal Communications Commission announced February 15th that it had found no basis for charges that a member of the Commission could be "bought or controlled" and that it was unable to trace the responsibility for the rumor that threatened a split in the FCC.

The investigation had been demanded early in January by Commissioner Eugene O. Sykes after Chairman Anning S. Prall had, upon his own responsibility, called upon the Justice Department to probe the rumor and had subsequently announced the G-men found no basis for the charges.

The second inquiry was conducted by five members of the FCC after both Prall and Sykes asked to be excused. Irvin Stewart was Chairman, and the other members on the committee were Thad H. Brown, Paul A. Walker, Norman S. Case, and George Henry Payne.

Their report follows in full:

"On January 9, 1936, the Commission appointed the undersigned as a committee to investigate what was known as the Willard Hotel incident. The committee immediately began its work, and on January 10, 1936, it requested the Department of Justice to make a full and complete investigation of the matter. Pursuant to that request, a report was submitted to the committee on January 25, 1936. The committee then requested the Department of Justice to procure certain additional information, pursuant to which request a supplementary report was made by the Department on February 1, 1936. With this report the Department of Justice informed the committee that 'this closes the investigation'. The committee itself examined, among others, all persons now on the Commission's staff who participated in the hearings on the applications of the Howitt-Wood Radio Company, Inc., owners of Station WNBF, Binghamton, N. Y., and the Knox Broadcasting Company, Schenectady, N. Y. for facilities on 1240 kc.

"The committee has obtained sworn statements from all persons interrogated either by the Department of Justice or by it. Upon the basis of those statements and of other information obtained by it, the committee submits the following report:

"On September 5, 1935, after the recess of the afternoon session of the hearing on the application of the Knox Broadcasting Company, Mr. Cecil D. Mastin, of Binghamton, N. Y., Mr. Harold E. Smith, of Albany, N. Y., Mr. C. M. Jansky, Jr., and Mr. Alfons B. Landa, of Washington, and Mr. Maurice Jansky of Madison, Wisconsin,

met in Mr. Mastin's room (803) at the Willard Hotel. There they discussed and criticised the hearing which they had just left. Highballs were served, but some of those present state that they did not participate.

"Mr. A. Mortimer Prall was registered in Poom 804, which adjoined Mr. Mastin's room. With him that afternoon was Major Malcolm M. Kilduff.

"Mr. Prall and Major Kilduff joined Mr. Anning S. Prall, Chairman of the Federal Communications Commission, and Mr. Herbert L. Pettey, Secretary of the Commission, at Chairman Prall's apartment for dinner that evening. There they told the substance of a conversation which they said they had overheard late that afternoon in Room 803. The essential feature of the overheard conversation, as Mr. Mortimer Prall and Major Kilduff state it was told to Chairman Prall and Mr. Pettey, was that Mr. Harry Butcher could straighten out Station WNBF's difficulties with the Commission for \$25,000, and that one of the speakers was prepared to pay \$25,000 or \$50,000. This story was told to an agent of the Department of Justice who came to the apartment that evening to begin an investigation in response to a request from Chairman Prall.

"Mr. Pettey has informed the committee that the alleged conversation as it was reported to Chairman Prall and himself that evening also included (1) a description of a person connected with the Commission who could be 'gotten to', which description was discussed by those present, although the person was not identified; and (2) an intimation that the described person had been in the pay of some company for a number of years. Mr. Pettey's recollection was that the description was given to the agent of the Department of Justice; this does not accord with the agent's report. The intimation that the described person had been in the pay of some company was not passed on to the agent.

"Mr. Mortimer Prall states that on September 6 he told Chairman Prall and Mr. Pettey that upon his return to his room about 12:40 A.M. he had heard one man in Room 803 tell another that a described, but not named, Commissioner had instructed the Examiner what to recommend. That same day Mr. Mortimer Prall told the Department of Justice agent that he had given the agent all the information in his possession, but he did not mention the description or the purported instructions to the Examiner. A short time thereafter Chairman Prall and Mr. Pettey informed the agent that they had no information in addition to that which had already been furnished to him.

"The investigation by the Department of Justice was suspended early in September, after Chairman Prall had told the agent that the psychological moment for pursuing it had passed and that the investigation could be more advantageously pursued later.

"Upon receiving a report on the matter from Chairman Prall on December 18, 1935, the Commission directed the Chairman to request the Department of Justice to continue the investigation. Except for a letter the committee has seen no report from the Department of Justice prior to that of January 25, 1936.

"Each of the occupants of Room 803 has sworn that he made no such statements as those reported by Mr. Mortimer Prall and Major Kilduff; likewise each has reported that he did not hear any such statements made by anyone in the room. Mr. Butcher has sworn that never upon any occasion did he make any statement that anyone on the Commission 'could be bought or controlled'. All of the persons involved have declared that they have never made any statements reflecting upon the character and integrity of any member of the Commission.

"The Examiner who heard the Knox Broadcasting Company application has testified that no member of the Commission, or any other person, spoke to him about his recommendation or about any phase of the hearing. The committee's investigation within the Commission reveals no irregularities in the handling of either the Binghamton or the Schenectady application.

"The committee is unable to state whether the alleged conversation ever took place. If the purported statements were made, they have been completely repudiated. Grave responsibility for unsupported statements attacking the integrity of a Government official lies at the door of some person involved in this matter. If the individuals responsible could be identified, they should be prosecuted as relentlessly as the maligned person should have been had the charges been substantiated. While we conclude that there is no basis for the charges made, we keenly regret that we cannot fix the responsibility for them."

#### 

#### SNELL HOLDS CONTROL OF RADIO IS TOO TIGHT

The minority leader in the House, Representative Snell, of New York, declared in a radio interview over the Columbia Broadcasting System last week that conditions surrounding the broadcasting of political speeches would be better "if government control as it is asserted today were lessened."

Controversy over the use of radio arose after the broadcast of President Roosevelt's message to Congress early last month, Republicans charging that his address was of political caliber and that their party should have comparable time on the radio. Snell's attitude was expressed in a broadcast talk with a commentator, Boake Carter, in the CBS series on "Broadcasting and the American Public".

Snell said he believed the American system of radio was preferable to the European government control, but that "it still would be better \* \* \* if Government control as it is asserted today were lessened."

# MACKAY FILES BRIEF WITH FCC IN SCRAP WITH RCA

Supplementing testimony offered at a prolonged hearing before the Telegraph Division of the Federal Communications Commission, the Mackay Radio & Telegraph Company has filed a brief with the FCC in connection with its application for authority to establish a radio communications circuit between New York and Oslo, Norway.

Mackay stated in its brief that "under present laws, opposed as they are to monopoly", the FCC cannot refuse to grant the request.

The Western Union Telegraph Co. has filed a brief opposing the new circuit on the ground that existing facilities are adequate. The R.C.A. Communications, Inc., which took the lead in opposing the Mackay application at the hearing, is expected to file a similar opposint brief this week.

Upon the decision of the FCC in the case will depend the future policy of Mackay regarding expansion into foreign fields where FCA now exercises a monopoly.

#### X X X X X X X X

### KRGV CLAIMS EXCLUSIVE DAYTIME COVERAGE IN ITS AREA

A unique claim in these times of crowded airwaves is that of Dick Niles, President of Station KRGV, Weslaco, Texas, that his station has exclusive daytime coverage of the lower Rio Grande Valley during daytime nours, covering some 25,000 homes.

"We are sosituated in this remote section", he writes, "that we have virtually an exclusive audience all during the day-time and up until about 8 o'clock when State reception improves."

The Mexican Consuls at McAllen and Brownsville cooperate with the station, he said, because the Mexican population of the area is interested in the Mexican programs of a local character carried by KRGV. A Mexican news period carries bulletins direct from Mexico City, and the Mexican Consuls provide special features.

Niles has prepared and issued a pamphlet explaining the coverage and results of KRGV. The station, he adds, is located in the "richest agricultural section of the State of Texas."

#### X X X X X X X

2/18/36

#### SEVEN MILLIONTH PHILCO RADIO COMES FROM PRODUCTION

The seven millionth radio receiver came out of Philco's plant last week, received its final inspection, and was then removed from the lines by Mayor S. David Wilson, of Philadelphia.

The Mayor extended the city's compliments upon the unprecedented record that Philco has established in the radio industry by manufacturing and selling 7,000,000 Philco radios since the company began the manufacture of home and automobile receivers in 1928; and thanked Philco for its contribution to the community's industrial life.

Sayre M. Ramsdell, Vice-President in Charge of Advertising, gave credit for this unparalleled achievement to the power of advertising, of which Philco has been a consistent user since it entered the radio field.

"We have always used large space in the advertising of our products", Mr. Ramsdell said, "and are convinced that this advertising has greatly increased the demand for Philco, thus permitting us to greatly lower production costs and give the public greater performance and value than ever before possible in the industry."

Mayor Wilson also expressed his city's gratitude to Philco for having given steady employment to thousands of Philadelphia citizens, and for having added more than \$37,000,000 to the city's payrolls.

#### X X X X X X X X X X X

#### PATENT COMMITTEE MEMBER TO TALK ON DUFFY BILL

The Duffy Copyright Bill, which proposes elimination of the \$250 minimum fine for copyright infringement, will be discussed by Representative Braswell Deen (Democrat), of Georgia, over an NBC-WEAF network on Wednesday, February 19, at 10:30 P.M., EST.

Representative Deen is a member of the House Committee on Patents, where the bill is now pending after having passed the Senate.

#### X X X X X X X X X

2/18/36

#### SENATE COMMITTEE REPORTS BILL TO END ZONE SYSTEM

Urged by the Federal Communications Commission, the Wheeler Bill to abolish the zone system of allocating broadcasting facilities on the basis of population was favorably reported by the Senate Committee on Interstate Commerce February 17th. Pending in Congress for the last two sessions, the measure was the only specific legislation requested of Congress by the present Commission. The House Committee on Interstate Commerce has been asked by Chairman Anning S. Prall to report a similar bill, but there is no assurance that it will pass either house.

The Wheeler Bill seeks to substitute for the old Davis Equalization Amendment, adopted in the early days of broadcasting and later incorporated in the Communications Act of 1934, the following provision:

"In considering applications for licenses, and modifications and renewals thereof, when and insofar as there is a demand for the same, the Commission shall make such distribution of licenses, frequencies, hours of operation, and of power among the several States and communities as to provide an equitable distribution of radio service to each of the same."

The section of the law which the bill aims to amend states that the Commission "shall make a fair and equitable allocation of licenses, frequencies, time for operation, and station power to each of the States and the District of Columbia, within each zone, according to the population."

While the zone law has not been strictly observed by the FCC or its predecessor, the Federal Radio Commission, it has proved a thorn in the flesh of the Commission and especially of the FCC Engineering Department.

Should the old Davis Amendment be scrapped, the way will be open for the Commission to allocate broadcasting facilities on the basis of technical feasibility rather than according to population. It would probably result eventually in a shakeup of the present assignments of frequencies, and for that reason is opposed by many stations who would be in danger of losing their licenses.

X X X X X X X X

COMMITTEES ASSIGNED STUDIES FOR C.C.I.R. MEETING

Four Technical Committees were set up to study specific problems in preparation for the fourth meeting of the International Radio Consulting Committee in Cairo, Egypt, sometime in 1938, at a conference held all day February 14 at the call of Chairman Anning S. Prall of the Federal Communications Commission.

The FCC parley was called after the International Broadcasting Union invited European broadcasters to meet and prepare a list of demands for the International Conference of the C.C.I.R. The most pressing problem facing all the nations is international interference caused of the crowding of certain short-wave bands.

The committees set up at the FCC meeting are:

- A. Organization and Technical Problems: Dr. J. H. Dellinger, Bureau of Standards, Chairman; Maj. John Gardner, War Department, Vice Chairman.
- B. Technical Problems Relating to Frequency Allocations: E. K. Jett, Chairman; Gerald Gross, Vice-Chairman; both are of the FCC Engineering Department.
- C. Operation: Capt. S. C. Hooper, Naval Communications, Chairman; E. M. Webster, FCC staff, Vice Chairman.
- D. Broadcasting Problems: Andrew D. Ring, Chairman; Raymond Asserson, FCC staff, Vice-Chairman.

Commander T. A. M. Craven, Chief Engineer of the FCC was named Chairman of the whole group, and Gerald Gross was appointed Secretary.

Committee meetings were scheduled for March 3 and 4, and another general conference for March 26th.

#### X X X X X X X X X

- Market

FCC THROWS COLD WATER ON THREE SCOTT MEASURES

The Federal Communications Commission in a lengthy letter to Representative Scott (Democrat), of California, last week threw cold water on three of his radio bills and avoided mentioning the fourth, which would set up a Broadcast Research Commission to determine the future of broadcasting.

While expressing "complete sympathy" with the purposes of the bill (H.R. 9229) to make radio facilities more accessible for public discussion, the FCC pointed out that the legislation "leaves the door wide open for scurrilous defamatory attacks by judgment-proof, irresponsible individuals."

A similar objection was voiced against the bill (H.R. 9230) to set aside time for "uncensored discussion" of public issues. The Commission added that if Congress wants such legislation it should adopt a direct mandate as the present system of broadcasting would of necessity be changed.

As to the third measure (H.R. 9231), which would require licensees to keep complete records open for public inspection, the FCC stated it requires stations to keep program operating logs, but it added that Congress has not yet defined broadcasting stations as common carriers, subject to strict regulation and inspection as are public utilities.

#### X X X X X X X X X X X

CONNERY RENEWS ATTACK ON FCC; ALLEGES FEAR OF RADIO

Citing the report of the Special Committee of Five on its investigation of charges of bribery and political influence, Representative Connery (Democrat), of Massachusetts, on February 17 renewed his attack on the Federal Communications Commission on the House floor and demanded action on his resolution for a Congressional investigation of broadcasting.

By quoting an anonymous authority on radio in New York, Connery implied that Congress is afraid to investigate the broadcasting industry.

"I was in New York last Monday speaking at a Democratic service men's gathering in the Hotel Commodore", he said. "At a certain luncheon which I attended that same day I talked to a man who probably knows as much about radio and all its workings as any man in the United States. I am not going to mention his name. It would embarrass him at this point. He will be glad to come before the committee at the proper time. That man said to me. 'Billy Connery, Congress does not dare to investigate the Radio Commission, and it does not dare to investigate radio broadcasting because the biggest lobby in the United States, the Power Trust, controls radio, and Congress does not dare to investigate radio.'

"I say this is a challenge to the Congress of the United States, that there is any group of men or any lobby in the United States which can say to the Congress or which makes the statement to the Congress, 'You do not dare to investigate the Radio Trust.' As I have said on previous occasions, this is an unpleasant task. It will mean to me, if the Speaker should choose to appoint me chairman of that committee, long hours of hard work on that committee. It is not pleasant to sit long hours day and night investigating a rotten situation in the radio industry; but, like the gentleman from Illinois (Mr. Sabath), who has done such fine work with his special committee investigating the issuing of fraudulent bonds and mortgages, I am willing to work and work hard to protect the American people from exploitation by this powerful Radio Trust. This investigation should proceed, Mr. Speaker. I think that situation should be cleaned up, the homes of the American people protected, and a privileged few denied the opportunity of controlling information furnished to the American people by a monopolistic control of radio broadcasting.

"In conclusion, many Members of the House feel that this investigation of radio is a very important matter and should be acted upon by this House. I have had letters from all over the United States protesting about conditions on the radio and conditions in the Federal Communications Commission. Many Members of this House are anxious to have these conditions cleaned up and believe that the Rules Committee ought to report to this House a resolution for a thorough investigation of radio broadcasting from top to bottom."

Speaking of the FCC report on its own inquiry, Connery said:

"Last Friday the people of the United States celebrated Valentine's Day. The Federal Communications Commission took advantage of the day to present to the American people a valentine, the like of which I hesitate to believe has ever been presented by a governmental agency to the Congress or to the American people."

Of its conclusion, he observed:

"Is it the belief of any Member of this House that those who made such statements or wno were alleged to have discussed the possibility of bribing a public official are going to admit willingly that they entered into such a conspiracy?"

#### X X X X X X X X

#### PERMANENT PARIS "RADIO CENTER" TO BE BUILT FOR FAIR

Paris may shortly possess a "radio center", according to a Consular report to the Department of Commerce. The international exposition to be held in Paris in 1937 is to include a building to house various radio broadcasting stands. The French Minister of Postal Affairs has expressed the desire that this building shall be constructed on a permanent basis and not as a temporary edifice as will be the case with the other buildings at this exposition.

The "Maison du Radio" therefore, initially installed for the 1937 international exposition in Paris will remain definitely. With this in view, the postal administration has made an allocation of 10 million francs (approximately \$650,000) from the radio-broadcasting budget, and the organizers of the exposition have also been requested to contribute some millions of francs for this proposed building, according to the report.

#### X X X X X X X X X X

#### COMPOSER RAPS WARNER BROS. IN ASCAP ROW

Sigmund Romberg, best known as a composer of song shows, composed a letter February 15, criticizing the way Warner Bros. is handling its radio music controversy with the American Society of Composers, Authors and Publishers, according to the Associated Press from New York.

As President of the Song Writers' Protective Association, Romberg warned the music publishing subsidiary of the film company that "you have no right to make contracts" affecting composers' rights to license public performance of their songs "without their consent."

Romberg referred to Warner's efforts to obtain for its song writers a greater share of the profits earned by radio music but expressed no appreciation.

"While you recognize the interest of song writers in 50 per cent of the proceeds derived from use of their songs in radio, yet we resent the implication \* \* \* that the rights in question belong to you or your subsidiaries to handle in any way you see fit", he wrote. "Our members are interested not only in the proceeds but in the rights themselves."

#### X X X X X X X X X

							٠.		
		۰	۰			۰		۰	*
				INDUSTRY	MOTEC				
۰	٠		•	TMTCOTUT	MOTER	٠			
٠	٠		٠						
							٠		

Hiram Percy Maxim, of Hartford, Conn., internationally known inventor and mechanical engineer, who died February 17 at La Junta, Colo., was well known to the radio industry as President of the American Radio Relay League and the International Amateur Radio Union.

The Columbia Broadcasting System's key station, WABC, of New York City, was voted the popular choice of 10,000 boys and girls living in seven New York neighborhoods as the result of a questionnaire prepared by the Children's Aid Society to determine the broadcasting tastes of juveniles, according to a CBS press release. The youngsters, who are members of the Society's Boys' and Girls' Clubs, explained that they listen to WABC more than any other station because it puts on so many of their favorite performers, such as Eddie Cantor, Burns and Allen, Bobby Benson and Dick Powell.

2/18/36

# BBC GAINED LISTENERS, PROFIT LAST YEAR

The British Broadcasting Corporation advanced during 1935 in wealth, popularity and scope, according to the Canadian Press.

The Corporation's ninth annual report, just issued, showed 7,403,109 licenses had been issued in 1935, an increase of 622,540 over 1934. Income gained £413,000 to £2,500.000. Expenditures, at £2,148,000, were up £309,000, of which £195,000 was applied to programs.

Weekly appeals for various charitable causes realized a record total of blll.000.

The Corporation received 150,000 letters relating to programs, 80 percent of which were complimentary. Correspondence from overseas doubled, indicating increased interest in the empire service provided. The letters were considered valuable guides in developing programs and arranging the technical aspects of the service.

#### X X X X X X X X

#### SENATOR ASHURST SPURNS RADIO

There is one man in the Senate who does not believe in the use of radio in campaigns, according to John Snure, Jr., in the <u>Washington Times</u>. He is Senator Henry Fountain Ashurst (D.) of Arizona, an orator of the highest degree.

Ashurst was recently discussing the use of radio in political campaigns. He contended that he always issued an order to his aides to the effect that they were never to use the broadcasting systems to appeal for votes.

#### Ashurst said:

"I don't believe in the radio. I want to see the voters and to have them see me!"

For one of the most eloquent men in the Senate and for one who would probably be a radio "hit", Ashurst holds an unusual record of never having used the broadcast medium, Snure adds.

#### 

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL -- Not for Publication

INDEX TO ISSUE OF FEBRUARY 21, 1936

BBC Held Unhappy As Advent Of Television Station Nears	2
FCC Refuses To Bare Evidence In "Bribery" Inquiry	4
Zioncheck Petition Forces Hearings On Copyright Bills	
Ultra High Wave Set Seen As Step Towards Television	7
Prall and Patterson Delegates To Democratic Meet	8
Deen Cites Need For Speedy Passage Of Duffy Bill	9
U. S. Government Idle As Germany Tests Television	
FCC Upheld In Telephone Accounts Order	
Industry Notes	. 12

No. 904

g south

M.P

#### BBC HELD UNHAPPY AS ADVENT OF TELEVISION STATION NEARS

The British Broadcasting Corporation is not at all happy with the way things have developed as the time for the introduction of public television to Great Britain approaches, according to advice to the U.S. Commerce Department from Henry E. Stebbins, Assistant Trade Commissioner at London.

As summed up by Andrew W. Cruse, Chief of the Electrical Division, Bureau of Foreign and Comestic Commerce:

"The BBC is not all happy with the way things have developed; it is not really ready for television yet; the problems to be solved and the obstacles to be overcome seem to increase as the day when the service will start approaches."

Present indications are that experimental transmissions from the new television station will begin in March and that public broadcasts will follow in May, Stebbins reports. The Baird Television, Ltd., and Electrical and Musical Industries, Ltd., which will do the actual visual broadcasting from Alexandra Palace, are busy putting finishing touches on the equipment.

"The BBC is occupied with more problems than the public realizes", the Commerce Department report states, "and the general public is showing a marked degree of indifference, due largely, no doubt, to the policy of silence on the part of the press." The report continues:

"The BBC has been saddled with the responsibility of operating the new station, of providing programs and of managing the transmission by two widely differing systems. The difficulties are enormous and are enough to tax the imagination and the ability of the experts who have been assigned to the task. In the first place, there is little or no experience to serve as a guide to the program policy. The low definition television transmission which the BBC has been broadcasting during the past few years has little in common with the new high definition service. The complications inherent in operating two widely differing systems side by side are apparent. Each system requires an entirely different studio technique and yet the programs transmitted by both systems must be capable of being received on the same receiver. Another difficulty to be faced is the care with which radio set manufacturers have to be handled. Everybody from the Chief Engineer of the BBC down has been compelled at one time or another to announce publicly that the advent of television does not mean the obsolescence of ordinary radio receivers.

"Test transmissions from the Alexandra Palace will probably begin in February or March and regular transmissions in May, but these dates are only tentative as it is impossible to foresee all the unexpected difficulties which may arise. The tests will certainly occupy several weeks and possibly several months.

"As far as programs are concerned, it has been tentatively decided at first to broadcast television three hours a day, with each of the two systems on alternate weeks. Believing that the televiewer (the official word of the BBC for those who receive television broadcasts) will tire of programs exceeding an hour in length, the Director of Television proposes to divide the daily three-hour transmission into three periods of one hour each, and each hourly period to be divided up into not less than four separate programs. It is planned to time these broadcasts as one in the afternoon for women televiewers primarily, one around 6 or 6:30 for the benefit of the trade and for business men, and one late in the evening for general home entertainment. Owing to the fact that the number of private set owners at first will be very limited because of the cost and the experimental nature of the broadcasts, it is hoped that the two afternoon broadcasts will be available to the general public through trade shows and through a free 'viewing room' which the BBC hopes to establish somewhere in the West End of London. These plans will all have to be approved by the Television Committee.

"It is extremely probable that 'sponsored' programs, already authorized by the Committee in its report, will be used to take care of part of the programs. This does not mean that the BBC will sell the time on the air; it merely means that commercial firms will pay for the programs and the listener will be told that such and such a program is being sponsored by such and such a firm.

"As to the types of programs themselves, it is proposed to broadcast musical recitals, cabarets, film criticisms illustrated by scenes from the films, illustrated descriptions of new developments in automobiles and airplanes (in this case very likely sponsored). 'What's new in the shops' (also likely to be sponsored), fashion and mannequin shows, concerts, etc., etc. Unquestionably, a fair proportion of the first programs will be made from commercial films, but it is at present very doubtful if full length feature films will be broadcast, not only to protect the interests of the cinema industry, but also to protect the eyes of the 'televiewer'. It has been authoratatively stated by the BBC's Director of Television that watching a television receiving set for any length of time will require great concentration, and that there will have to be frequent intervals during which the eyes may rest.

"One feature of the technique to be used may be a large clock face which will occupy the entire television screen and which will announce the time, perhaps with a musical background at 15 minute intervals.

"Few, if any, plans have actually been formulated for the use of television outside the amusement field. Sets will be too costly at first and it must be remembered that broadcasts

2/21/36

from this first station cannot be received much beyond 25 miles from the Alexandra Palace. The first year will be experimental, as the members of the Committee originally advised. Additional uses and applications will be invented and developed as time goes on, and these will doubtless include installations in schools and other institutions for educational purposes. It will be remembered that the Committee estimated the cost of the service for the period (approximately a year) ending December 31, 1936, as £280,000. This includes the actual construction of the station, all running and maintenance costs and, most important of all, program costs. Another possible use in the field outside amusement is what is known as 'noctovision' which can be applied to navigation of ships and airplanes, but this development is still in the future and cannot be considered as a concomitant part of the service to be started next year.

"Other uses of television for aids to navigation are being developed by Electric and Musical Industries, Ltd., but again this is a question for the future and will not become actual fact until at least the first year of public transmission of television has been completed.

"The BBC's primary function is to provide entertainment and instruction in the home. It is not concerned except indirectly with public entertainment for people en mass. Thus the provision of television programs in the cinema theatres is not a problem which the BBC needs to face immediately, although it will doubtless come later. What does concern the BBC in this connection, however, is the attitude of the cinema industry, particularly the exhibitors who are watching developments very carefully. The provision of full length feature pictures on television programs, once the number of televiewers is as large as the present number of radio listeners, would mean the closing of a large number of cinema theatres. However, films must, by the lack of other suitable material, form a considerable proportion of television programs and it is the form which these films will take that is causing anxiety."

#### 

#### FCC REFUSES TO BARE EVIDENCE IN "BRIBERY" INQUIRY

Despite two official efforts to smother the now-famed "bribery" rumor, the incident appeared far from closed this week as the Federal Communications Commission refused to make public the evidence upon which its report was based as demanded by Commissioner George Henry Payne.

Only a demand from Congress, it appeared, would shake loose the data upon which five members of the FCC found that the charges of "bribery" and "political influence" to which one member was allegedly susceptible were baseless.

Chairman Anning S. Prall, who on his own responsibility ordered the first inquiry by the Justice Department into a conversation which his son, Mortimer Prall, said he overheard in the Willard Hotel, was adamant in rejecting Payne's plea, made from the bed of a Washington hospital.

Prall said that the Federal Bureau of Investigation, which had also aided in the second inquiry after once declaring the rumor without foundation, did not wish to make its records public. The Justice Department's findings, he added, constituted "an important part of the documents supporting the Committee's report."

Payne, in urging that the evidence be revealed, asserted that "without that evidence the report . . . is meaningless, and gives some justification to Congressman Connery's suggestion that our report last week has some of the incongruous quality of an amusing Valentine."

Addressing letters to each of the Commissioners from his bed in Garfield Hospital, February 19, Commissioner Payne said:

"At the special meeting last week, when the Investigating Committee made its report on the so-called 'Willard Hotel incident', I expressed my dissent when it was suggested that the report alone should be given to the public, while the evidence on which it was based be held confidential. While I agreed to sign the report, I had expected the evidence on which it was based to be published with it. Other members of the Committee said this was not their understanding. It certainly was my feeling that the report without the evidence would be meaningless and to some might seem evasive.

"Whatever understanding or misunderstanding there was in the Investigating Committee as to withholding the evidence, criticism of the report since publication and the obvious confusion resulting certainly justify the opinion that the report is inadequate without the support of the clarifying evidence. It would certainly be most unfortunate if the impression should prevail that the report was intended to further confuse the public's mind on the issues involved. Whatever troubles this Commission may face, or is facing, from the various groups that are inclined to criticize it, those troubles are not going to be lessened or removed by an Investigating Committee authorized by the Commission contributing 'la poudre aux yeux' to an extremely difficult and disagreeable situation. If the various groups now insisting on an investigation of this Commission are to be satisfied that there is no need for such an investigation, it will be by more frankness, and not less frankness."

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

#### ZIONCHECK PETITION FORCES HEARINGS ON COPYRIGHT BILLS

The House Patents Committee and its Chairman, Representative Sirovich (D.), of New York, who had been cool to all pleas for hearings on the Duffy Copyright Bill, on February 19 suddenly announced a schedule of hearings on all pending copyright measures.

The petition being circulated by Representative Zion-check (D.), of Washington, upon the suggestion of the Washington State Broadcasters' Association, was obviously responsible for the change in attitude of the Committee. The petition asked that the Committee be discharged from consideration of the bill, but 218 signatures were needed to make it effective.

Dr. Sirovich announced that three days a week for the next four weeks will be devoted to hearings on copyright legislation.

The American Society of Composers, Authors, and Publishers, which opposes the Duffy Bill, will be given the first hearing, beginning February 25 and extending through February 27.

On March 3, 4 and 5 the Authors League, the American Dramatists' Association, newspapers, and others will be heard. On March 10, 11 and 12, and 17, 18 and 19, motion picture exhibitors and producers, distributors, phonograph record manufacturers, and all radio interests, and hotels concerned with their rights to amplify radio programs will be called in the order named.

The Committee will also consider the Daly Bill to protect the recording rights of artists. This measure is sponsored by the National Association of Performing Artists, of which Fred Waring, orchestra leader, is President.

X X X X X X X X X X X

RADIO-EDUCATION COMMITTEE SETS UP GROUPS FOR STUDIES

The general subject of the place of education in the broadcasting field was broken down into sub-heads early this week at a two-day organization meeting of the Radio-Education Committee appointed last December by the Federal Communications Commission.

Meeting in the offices of the Chairman, John W. Stude-baker, U. S. Commissioner of Education, the Committee engaged in much general discussion but reached no specific conclusions regarding the problem at hand.

It was decided to set up sub-committees, as yet unnamed, to make detailed studies of such problems as a definition of education broadcasting, the financing of educational programs, technical supervision of educational broadcasts, studies of possible programs, and the administrative phases of such an undertaking.

These sub-committees, it was said, will be given ample time to prepare reports, and then another general meeting will be called late in the Spring.

Members of the Committee, besides the Chairman, who attended the first meeting are:

Waldo Abbot, University of Michigan; James W. Baldwin, National Association of Broadcasters; Mores A. Cartwright, American Association for Adult Education; W. W. Charters, Chio State University; H. W. Chase, New York University; A. G. Crane, University of Wyoming; Walter Damrosch, National Broadcasting Co.; M. S. Eisenhower, Department of Agriculture; Willard E. Givens, National Education Association; Tom C. Gooch, Daily Times Herald, Dallas, Texas; Rev. George W. Johnson, Catholic University of America; Lambdin Kay, Station WSB, Atlanta, Georgia; John F. Killeen, Federal Communications Commission; Cline M. Koon, Office of Education; Mrs. B. F. Langworthy, President, National Parent-Teacher Association.

Also, Luella S. Laudin, Women's National Radio Committee; L. R. Lohr, National Broadcasting Company; H. B. McCarty, University of Wisconsin; C. S. Marsh, American Council on Education (for Dr. Zook); Allen Miller, University Broadcasting Council (guest); E. R. Murrow, Columbia Broadcasting System (guest); A. D. Ring, Federal Communications Commission; Morse Salisbury, Department of Agriculture (guest); John Shepard, III, Yankee Network, Boston Levering Tyson, National Advisory Council; Judith C. Waller, National Broadcasting Co.; Frederick A. Willis, Columbia Broadcasting Co.; William Dow Boutwell, Office of Education (guest); and C. F. Klinefelter, Office of Education.

#### X X X X X X X X

#### ULTRA HIGH WAVE SET SEEN AS STEP TOWARD TELEVISION

Development of a radio receiver for reception on ultrahigh frequencies by a radio engineer at the United States Bureau of Standards is hailed by the Bureau as a major step in the slow progress of bringing television into the homes.

The receiver, embodying some distinctly new principles, is the work of Francis W. Dunmore, who came into prominence a few years ago as the co-inventor of the alternating current receiving set, which was an important development in the mass production of radio sets. It also became the center of prolonged litigation over the rights of the government to inventions of its employees when the invention is closely associated with their regular work.

The new set devised by Dunmore is especially adapted to reception of waves of from three-quarters to one-and-three-quarters of a meter in length. This is approximately the range which must be used by television if it ever becomes commercially

feasible. A major difficulty foreseen for the future has been that of combining it with a sound broadcast receiver and synchronizing sound and vision.

Dunmore!s device may show the way to do this. While it will not itself receive sound broadcasts over long wave ranges, it can be attached to the ordinary loud speaker, and reproduce the sound impulses.

Compared either to a broadcast receiving set or to a short wave receiver, Dunmore's new set is a radical innovation. The coil and condenser are dispensed with altogether. The reception is controlled by a plunger instead of a dial, the purpose of which is to control at will the length of the tubes. It involves other complex principles of radio engineering, described by Dunmore in the current issue of the Bureau of Standards' Journal of Research.

In its present form, Dunmore said, the new receiving set cannot be considered a television receiver. It is purely a sound receiver, and is valuable chiefly for experimental purposes. It crosses, however, one of the major hurdles with which television has had to contend.

Television, while successful experimentally, still is far from practical on a commercial scale - one major difficulty being that of transmitting a scene from station to station. This probably will involve specially constructed lines between cities, the expense of which would be unreasonable at present.

X X X X X X X X X X

PRALL AND PATTERSON DELEGATES TO DEMOCRATIC MEET

Both friends and critics of Anning S. Prall, Chairman of the Federal Communications Commission, will watch with interest his participation in the Democratic National Convention at Philadelphia as an alternate Tammany delegate. Prall's name appeared as alternate to the second delegate named, William T. Fetherston, whose name in turn followed that of Alfred E. Smith. Richard C. Patterson, Jr., Executive Vice-President of the National Broadcasting Co., was the Tammany selection for delegate from the Thirteenth District.

The FCC Chairman would be in a tough spot if he should become an outright delegate and even as an alternate he will have either to oppose the popular Tammany leader, Al Smith, or President Roosevelt, to whom he is responsible for his appointment on the FCC. It is believed, however, that he will stand by the President for renomination.

Patterson, who was formerly Commissioner of Correction in New York, now, incidentally, appears to be fading out of the NBC setup since Maj. Lenox Lohr was chosen as President to succeed

Merlin H. Aylesworth. At one time he was thought to be in line to replace Aylesworth himself.

A report that Patterson had tendered his resignation to NBC before leaving for a three-week trip to Florida last week was carried in the current <u>Billboard</u>. According to <u>Variety</u>, he will decide upon his return to New York "whether to resign or wait for a bid for settlement." Both amusement organs agree that he has been deprived of practically all his former executive duties by Major Lohr.

#### X X X X X X X X

DEEN CITES NEED FOR SPEEDY PASSAGE OF DUFFY BILL

The \$670,000 suit of the Remick Music Corporation, subsidiary of Warner Brothers, against the Columbia Broadcasting System for alleged copyright infringement shows the need for speedy action by Congress on the Duffy Copyright Bill, Representative Deen (D.), of Georgia, said in an address over NBC February 19.

Pointing out that the suit was based on the broadcast of "That Old Fashioned Mother of Mine", Deen said:

"Granting that there was infringement, the amount of damages asked for is absurd, but it impressively illustrates the essential and absolute importance of needed revision and amendment of our existing copyright laws. Since the broadcaster pays for the right to broadcast copyrighted music, it is nothing less than pyramiding of fees to require affiliated stations and consumers by means of receiving sets in their places of business to pay for it again. This is wrong. It would be equally wrong for a manufacturer or owner of a patent on a manikin or model of the human body to undertake to collect additional fees or charges on his product from proprietors of dry-goods stores, after these places of business had purchased the manikins or models on which to display their merchandise. This supercharge in the form of a license or penalty of \$250 will, if continued, destroy the source of consumption of musical and dramatic works.

"Because of this condition, it seems clearly evident to me that the time has come when Congress should speedily and quickly enact legislation to correct this situation.\* \* \* \* Provisions of the Duffy Copyright Bill, when enacted into law, will be fair to authors, composers and producers and at the same time will be most beneficial to the consuming public."

#### X X X X X X X X X X X

# U. S. GOVERNMENT IDLE AS GERMANY TESTS TELEVISION

While no agency in the United States Government is engaged in any research in the field of television, the German Post Office Department has progressed so far in its experiments that the first commercial long-distance visual broadcasting line will be inaugurated at the opening of the Leipzig Fair March 1.

The two stations - at Berlin and Leipzig - will limit service over the new wire for the time being, with accommodations provided in four booths, two at each end. The cable on which the television transmission will be carried is 247 miles long.

The Radio Corporation of America is awaiting a decision by the Federal Communications Commission regarding the use of the coaxial cable proposed by the American Telephone & Telegraph Co. to link New York and Philadelphia before proceeding with its television tests between two cities. Whether the tests on the coaxial cable, which holds possibilities of revolutionizing television transmission, will be limited to RCA or opened to other experimenters has not been decided by the FCC.

Though Germany's military and naval organizations are busily engaged in experimenting with television as an adjunct in the next war, the United States Government is merely standing by and watching developments by commercial organizations such as RCA.

The National Bureau of Standards, while engaged in radio research, is not yet investigating the television field, according to Dr. J. H. Dellinger, Chief of the Radio Division. The FCC Engineering Division keeps abrest of developments in this country and abroad but has no facilities for actual experiments. Neither the War nor Navy Departments, so far as known, has made any invasions into the newest field of communication.

#### X X X X X X X X

#### HARRIS URGES CONTRACT BAN ON SALE OF NEWS TO RADIO

Carrying forward his fight against the sale of news by press associations to broadcasting stations, E. H. Harris, Chairman of the Publishers' National Radio Committee, on February 18 in an address at Chicago urged members of the American Newspaper Publishers' Association to include in contracts with privately owned press associations a provision prohibiting the sale of news to radio stations or advertisers. Such a provision would be aimed obviously at United Press and International News Service, which now sell news to broadcasters. The Associated Press, a mutual organization owned by the newspapers, does not sell its news to radio.

He urged newspaper publishers to unite in "protecting the news . . . and not allow our property to be used for revenue producers for competing mediums."

# FCC UPHELD IN TELEPHONE ACCOUNTS ORDER

The Federal Communications Commission was notified February 19 that a Federal Statutory Court in New York has decided that the Uniform System of Accounts for Telephone Companies having average operating revenues exceeding \$50,000 annually, promulgated by the Commission on May 1, 1935, effective January 1, 1936, is constitutional.

The Court also held that Section 213(a) of the Communications Act, "in specific terms authorizes the Commission to obtain from telephone carriers at any time information concerning the original costs of their properties which may be neederate fixing purposes", and added:

"The requirement that original costs be set forth in accounting records of the telephone companies serves to complete the picture of value in revealing the properties' financial background and showing the relationship of a carriers' monetary return to the original, as well as to its own investment. It aids the Commission in its duty to determine from all the pertinent circumstances and factors the just and reasonable rates which the carrier may exact for its services. Original cost is a relevant factor."

The issue was brought before the Court by an injunction suit instituted by the American Telephone and Telegraph Company and twenty-eight subsidiaries and affiliates. The Court consisted of Circuit Judges Martin T. Manton and A. N. Hand, and District Judge John C. Knox, and the opinion was written by Judge Manton.

x x x x x x x x

NBC RELEASES HIGH TO DEMOCRATIC COMMITTEE

Stanley High of the National Broadcasting Company is going to work with the Democratic National Committee during the campaign. President Roosevelt has asked the broadcasting company to permit High's employment by the Democratic Committee. He is in NBC's Speaking Bureau and it is understood his Committee work will be devoted to organization activities. As Director of Talks in the New York office, High has been with the NBC organization for about four months.

X X X X X X X X X X

					:	•	:
:	:	:	INDUSTRY	NOTES	:	:	;
	:				:	:	;

The address of David Sarnoff, President of the Radio Corporation of America, on "Communication and Democracy" before the third annual Woman Congress at Chicago February 14 has been published in pamphlet form.

The FCC has issued a list of alterations and corrections to the list of broadcast stations in the United States, the corrections covering up until February 1.

A description of the use of conveyors by the Stewart-Warner Corporation in the manufacture of radio receivers appears in the Link-Belt News, house organ of the Link-Belt Co., Chicago, for February.

An early decision by the Federal Communications Commission in the application of the Mackay Radio and Telegraph Company to open a radio communication circuit between New York and Oslo is expected following the filing of a brief this week by the Radio Corporation of America opposing the granting of the petition on the ground that RCA already furnishes adequate service.

Radio telephone service between continental United States and Puerto Rico was inaugurated February 20 with conversations between officials at Washington and San Juan. The new communication link connects a short-wave channel of the Bell system at Miami with a station of the Puerto Rico Telephone Co., at San Juan.

The first anniversary of the WMCA amateur hour broad-cast from the Fabian Fox Brooklyn Theatre was celebrated February 10 with a gala "Winner of Winners" contest, according to Larry Nixon, of WMCA.

A 29-year old draftsman, Andrew Hehonasiades, was arrested February 18 in New York on a charge of writing extertion notes to Morris Sarnoff, brother of David Sarnoff, President of the Radio Corporation of America. The writer, according to police, mistook the former for the president of RCA. The prisoner allegally admitted the extortion move, explaining that he didn't believe Sarnoff would miss \$500 or \$1,000. The use of a silver nitrate solution to develop fingerprints on the notes helped trap the jouth.

# HEINL RADIO BUSINESS LETTER

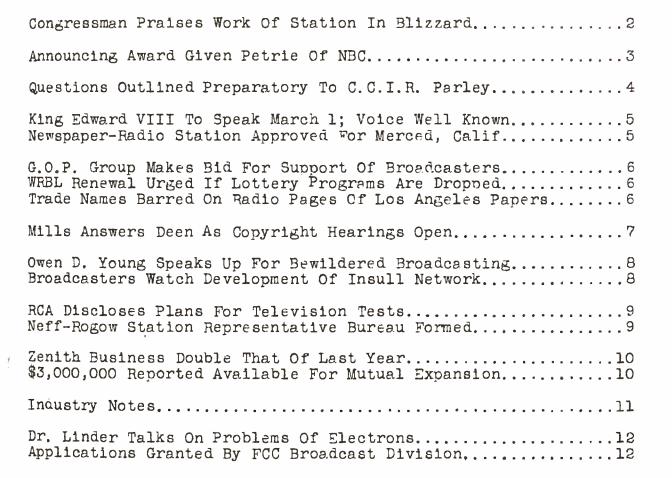
2400 CALIFORNIA STREET

WASHINGTON, D. C.



CONFIDENTIAL - Not for Publication

INDEX TO ISSUE OF FEBRUARY 25, 1936.



No. 905

FI I M

February 25, 1936

# CONGRESSMAN PRAISES WORK OF STATION IN BLIZZARD

The service of a pioneer broadcasting station, WJAG, Norfolk, Nebr., during a recent blizzard, and its public service in general, were lauded by Representative Karl Stefan (Republican), of Nebraska, in an extension of remarks in the Congressional Record February 21.

Station WJAG has been in operation for 13 years and is now owned by the Norfolk Daily News.

"I wish to tell you of the unusual service rendered to the people of my district by this radio station during recent weeks", Stefan said, "when that part of Nebraska was in the grip of a terrible blizzard."

The Congressman cited the blizzard of 1888 and pointed out that there were then no automobiles, no telephone or telegraph lines, and no radios to keep people posted on the storm.

"Even today many of these farmers, who have been made practically penniless because of the drought, are without telephone, telegraph, or newspapers", he said, "but many of them, because of the hunger for word from the outside world, have radios. Those who are not so fortunate receive word from their more fortunate neighbors."

The report of the service of Station WJAG during the blizzard of 1936 as printed in the Record follows:

"Warnings of the storm were broadcast. Its progress was made known through reports from the Weather Bureau, Associated Press, correspondents of the Norfolk Daily News, weather scouts to the West and Northwest, and phone calls from listeners.

"Through the cooperation of the Nebraska State Highway Department district engineers in Norfolk, Ainsworth, and Lincoln, and patrolmen in various parts of the State, reports were made when roads were closed, when they were reopened. Some were opened and closed several times.

"Frequent news broadcasts were made to keep listeners informed of international, national, State, and local events.

"Many travelers who were stranded in farm homes without telephones were located for anxious relatives. In several instances farmers saddled horses and rode to the nearest telephone to report on the safety of travelers about whom appeals had been broadcast. Stranded travelers who could not reach relatives without telephones phoned the radio, and the messages were broadcast.

2/25/36

"A letter was broadcast for a daughter whose mother had been snow-bound on a ranch without mail or telephone service for several weeks.

"Travelers who stopped at farm homes for shelter report that almost invariably they found the family listening to WJAG's storm and news broadcasts. Listeners write of having the radio tuned to WJAG all day during the worst of the storm.

"A minister stopped in the broadcast of his sermon to announce that three people lost for two days had been found. The director of the searching parties was stationed in a car with radio tuned to our station.

"In several instances people for whom we were searching were listening to WJAG at the time of broadcast and immediately phoned to the station. In one case we were trying to locate a basketball team and the coach called before we had completed the broadcast to the relief of relatives of the boys and coach.

"Employers broadcast orders to truck drivers to cancel or change routes. A snowboundState institution sent greetings to friends who could not reach it for a visitors' day. Schools, dances, picture shows, funerals, livestock sales, farm sales, and many other affairs were postponed by radio. Coal dealers quieted the fears of customers who feared a coal shortage. Stores closed early at night."



#### X X X X X X X X X X X X

#### ANNOUNCING AWARD GIVEN PETRIE OF NBC

Howard Petrie, of the National Broadcasting Company, is this year's winner of the "Award for Good Announcing", made annually by the advertising firm of Batten, Barton, Durstine & Osborne, Inc., Roy S. Durstine, President, revealed February 24. An engraved stop-watch and a check were presented to Mr. Petrie.

The first award was made a year ago to Carlyle Stevens of the Columbia Broadcasting staff. The airm, Mr. Durstine said, is to "encourage good announcing, free from artificial mannerisms or inflections peculiar to any particular section of the country." Recipients are chosen from the ranks of regular station announcers. Those whose reputations are based chiefly on specialties are not eligible.

Mr. Petrie has been on the NBC staff in New York since 1930; before that he was at the WBZ-WBZA studios in Boston.

X X X X X X X X X

# QUESTIONS OUTLINED PREPARATORY TO C.C.I.R. PARLEY

Although the fourth meeting of the International Technical Consulting Meeting will not occur until the Spring of 1937, the United States must make reports on eighteen topics having to do with international radio before May 1st of this year. This fact was made known by Judge E. O. Sykes, of the Federal Communications Commission, as the four special committees of experts began work on the program outlined at a recent meeting called by the FCC.

The reason for the haste, Judge Sykes explained, is that the reports must be translated and submitted in French tothe various centralizing administrations. The conference itself is scheduled for the Spring of 1937 in Bucharest, Rumania.

Following are the four committees and members and the topics assigned to them for early reports:

Organization and Technical Committee: Dr. J. H. Dellinger, Chairman; Major J. H. Gardner, Jr., Vice Chairman; B. J. Shimeall, Secretary. Questions: Selectivity curves; Wave propagation curves; Revision and renumbering of Opinions; Radio symbols and terminology and Methods of measuring field intensity and noise.

Technical Problems Relating To Frequency Allocation: E. K. Jett, Chairman; Gerald C. Gross, Vice Chairman; W. N. Krebs, Secretary. Questions: Harmonics; Shared bands; Anti-fading antennas.

Operations: Capt. S. C. Hooper, Chairman; E. M. Webster, Vice Chairman; Lt. W. B. Ammon, Secretary. Questions: Wave characteristics in respect to direction finding; Field intensities necessary for reception; High-frequency mobile calling.

Broadcasting Questions: A. D. Ring, Chairman; Raymond Asserson, Vice Chairman; R. L. Clark, Secretary. Questions: Synchronization of broadcast stations; Broadcast frequency separation; Reduction of electrical interference; Single sideband in broadcasting; Measurements and tolerances, electrical interference to broadcasting; Mitigation of electrical interference in receiving equipment; Measurement and tolerances, background noise.

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

KING EDWARD VIII TO SPEAK MARCH 1; VOICE WELL KNOWN

King Edward VIII will make his first radio address since succeeding to the throne on March 1, but his voice is well known to radio audiences in this and other countries because of his broadcasts as Prince of Wales.

While radio appeared only in the latter years of the reign of George V, the former British monarch made 19 addresses over the air before his death, several of which were heard around the globe. The British believe that the younger king will better his father's record by far, though it is doubtful whether he will keep abreast of the President of the United States.

Commenting on the forthcoming broadcast, the British Broadcasting Corporation says:

"The voice of King Edward VIII - clear, forceful, persuasive, and noticeably free from any trace of affectation - is well known throughout the Empire. It is impossible to enumerate here all the occasions on which his speeches delivered when Prince of Wales have been broadcast, for they number well over fifty. Yet only a complete list would fully reveal their diversity - a diversity which reflects with clear accuracy the wide range of interests and enthusiams characteristic of the speaker. Nor is his Majesty any stranger to Broadcasting House, where he has expressed his personal preference for one of the studios known as 3B. From this studio he appealed to listeners on April 12, 1935, for support for King George's Jubilee Trust Fund. He has not broadcast since that date. How far the duties and responsibilities of kingship will necessarily curtail the broadcasting activities of an acknowledged master of the microphone is not easy to say, but millions of loyal listeners not only in this country and in the Empire, but of every nationality all over the world, now await with great expectancy to hear for the first time the voice of his Majesty King Edward VIII."

#### X X X X X X X

NEWSPAPER-RADIO STATION APPROVED FOR MERCED, CALIF.

The Federal Communications Commission was advised this week by Examiner John P. Bramhall to grant a construction permit for a new broadcasting station at Merced, Calif., to be operated on 1040 kc., 250 watts power, daytime only, by the Merced Star Publishing Co. The Examiner found that there is need for additional service in the area and that the only pending application which would be affected is that of KNX, Los Angeles, for an increase in power from 50 KW to 500 KW.

X X X X X X X X X X X

# G.O.P. GROUP MAKES BID FOR SUPPORT OF BROADCASTERS

The Republican party, whose National Committee a few weeks ago was engaged in a scrap with the networks, now appears to be making a bid for support of broadcasters.

A California meeting of Republicans adopted and forwarded to the G.O.P. headquarters in Washington a resolution that the "Federal stranglehold on radio be relaxed and that licensing be extended for terms of five years" in place of the present six months.

Representative Snell, Republican floor leader in the House, recently recommended less stringent Federal control over radio in the matter of political broadcasts.

# X X X X X X X X

WRBL RENEWAL URGED IF LOTTERY PROGRAMS ARE DROPPED

Renewal of the license of WRBL, Columbus, Ga., on 1200 kc., 100 watts power unlimited hours, was recommended to the Federal Communications Commission this week by Examiner George H. Hill although certain programs had violated Section 316 of the Communications Act.

"The applicant has assured the Commission that programs involving lottery or gift enterprises will not in the future be broadcast over the station", Hill said, "and that the station will, in all respects, be operated in accordance with the rules and regulations of the Commission."

Dismissal with prejudice of an application by WCMI, Ashland, Ky., for a transfer from 1310 to 1350 kc. and an increase in power from 100 watts to 1 KW and denial of the application of KFJM, Grand Forks, Nebr. to shift from 1370 to 1410 kc. and increase its power from 100 watts to 1 KW were recommended to the FCC in other reports.

# X X X X X X X X

TRADE NAMES BARRED ON RADIO PAGES OF LOS ANGELES PAPERS

Firm, brand and trade names are barred from radio pages and broadcasts sponsored by the newspapers of Los Angeles under a publicity control agreement reached by all local papers.

The ban on trade publicity in radio programs is but a small phase of the broad rules drawn up by the newspapers to curb free advertising. The Los Angeles agreement is similar to a plan adopted recently in Atlanta, Ga.

# MILLS ANSWERS DEEN AS COPYRIGHT HEARINGS OPEN

As hearings on several copyright bills opened February 25 before the House Patent Committee with American Society of Composer officials as the first witnesses, E. C. Mills, General Manager of ASCAP, in a statement to the Heinl News Service replied to a broadcast address of Representative Deen (D.), of Georgia, on the Duffy Bill (See February 21 release).

#### Mr. Mills wrote:

"Mr. Deen emphasized the fact that the Remick Music Corp. (not a member of ASCAP) had brought suit for \$670,000.00 damages against the Columbia Broadcasting System for an alleged illegal performance over the Columbia network of the composition, 'That Old Fashioned Mother of Mine'.

"The present Copyright Law, under which suit was brought, provides for maximum damages of \$5,000.00 to a copyright owner for an infringement by public performance of his copyrighted composition. The complaint of Remick alleges 134 performances (because of a network) and asks for \$5,000.00 for each performance.

"Congressman Deen urges enactment of the Duffy Bill which provides \$20,000.00 maximum damages for an infringement by performance of a copyrighted musical work. Assuming that Remick in any case would ask for maximum damages, then, if Deen's complaint that in asking for \$5,000.00 for each infringement, Remick wants too much, why on earth would he support a bill that would afford Remick the opportunity to ask for four times as much, or \$2,680,000, instead of \$670,000.00?

"Of course, no Court has ever yet awarded, or is likely to award maximum damages as fixed by the present law at \$5,000.00. How much less liable would a Court be to award the maximum damages fixed by the Duffy Bill at \$20,000.00 per infringement? The question answers itself.

"ASCAP has never in its entire history even suggested that a Court should award maximum damages even at the rate fixed by the present law; and, I do not hesitate to say that the composers of the composition involved in the above suit, or any of the compositions involved in the other suits for huge sums recently brought by non-member publishers against broadcasters, are not at all in sympathy with the bringing of these actions, claiming what would indeed amount to exorbitant damages.

"As a matter of fact, ASCAP through the years has made it a sustained policy, when it did win suits for infringements in respect of illegal performance of compositions copyrighted by its members, to waive the damages awarded entirely, and to permit the establishment which had been sued to then take a license at the rate originally quoted and merely pay the actual costs of the action made necessary by the infringement committed after many and repeated notices of the lawful rights of the copyright-owners represented by ASCAP had been received. " X X X X X X X X

2/25/36

## OWEN D. YOUNG SPEAKS UP FOR BEWILDERED BROADCASTERS

With broadcasters becoming more and more bewildered about their rights to censor political addresses as the 1936 campaign grows in intensity and vitrolic statements, Owen D. Young, industrialist and Chairman of the NBC Advisory Council, spoke what most of them were afraid to voice in a speech February 24.

Citing radio statements of Herbert Hoover, Alfred E. Smith, and Senator Joseph T. Robinson as examples to be condemned, Young made a plea for greater temperance of language in addresses made over the air.

Speaking on "Radio Responsibility" before the Founder's Day convocation at Rollins College, Mr. Young declared that, with the present widespread broadcasting of addresses by public figures. freedom of speech now depends on wisdom and self-restraint in utterance.

"To these great men, and even to the President of the United States, all held in such wise esteem, may we not appeal for the choice word and the measured phrase, spoken with melice toward none and with charity toward all?" he said at the end of the address.

With regard to his view that freedom of speech is endangered by intemperate radio statements, Mr. Young said earlier:

"Freedom of speech for the man whose voice can be heard a few hundred feet is one thing. Freedom of speech for the man whose voice may be heard around the world is another. We defend them both, and will to the uttermost, but we cannot be blind to the dangers of carelessness or intemperance in their use."

#### XXXXXXX

# BROADCASTERS WATCH DEVELOPMENT OF INSUL NETWORK

Broadcasters and the public will watch with interest the development of the Affiliated Broadcasting Company, just issued a charter by the State of Illinois, because at its head is Samuel Insull, former czar of the public utility field. Mr. Insull, who is said to have long dreamed of establishing a new network, is president of the \$200,000 organization, but hasn't a dollar invested in the venture, according to the attorney, Floyd E. Thompson.

Other officers are Ota Gygi, Vice-President, who was with the ill-fated Ed Wynn chain; Eustace J. Knight, Secretary-Treasurer, and George Roesler, Sales Director.

Negotiations are still going on with stations in Illinois, Indiana and Wisconsin to join the new network and several have already signed, while others have shown considerable interest. The stations joining with the chain are mostly of small power, 100 to 500 watts and it is said that time charges of some of the stations range as low as \$12 for 15 minutes. It has been estimated that telephone lines connecting the 15 stations in the system would cost the network approximately \$6,000 a week.

X X X X X X X X X X

### RCA DISCLOSES PLANS FOR TELEVISION TESTS

Proceeding on schedule, according to the plans announced by David Sarnoff, President of the Radio Corporation of America, at the annual meeting of May 7, 1935, the first field tests of television by RCA will begin in a month or two. This is revealed in the Corporation's annual report.

"The New York area has been selected as the one in which the experimental field tests will be conducted", the report states. "The television transmitter is located on the Empire State Building, and test receivers will be operated by technical personnel of the RCA organization throughout this area. The transmitter will be connected by radio with the television studio, now under construction in the NBC plant, PCA Building, in Padio City, New York. The installation is practically complete, and within a month or two the first tests should commence.

"This does not mean that regular television service is at hand. It will be necessary to coordinate a number of important elements before television on a regular basis of service can be established. For example, it will have to be determined how far the transmitter can send good television pictures; also with what consistency and regularity pictures may be transmitted with the system in its present state of development. We must investigate and define the possibilities of the television camera for indoor and outdoor pickup."

#### X X X X X X X X X X X

# NEFF-ROGOW STATION REPRESENTATIVE BUREAU FORMED

Walter J. Neff and William Rogow announced February 24 the formation of Neff-Rogow, Inc., a station representative and consultant bureau with headquarters in New York City beginning March 15, when their resignations at WOR as Sales Manager and salesman, respectively, take effect. The new organization will attempt to bring to radio stations throughout the country a constructive sales service as well as advisory counsel on matters pertaining to station operation and organization.

"Neff and Rogow have been widely recognized in the radio field because of outstanding sales results they have achieved at WOR, having been instrumental in raising sales income at that station from less than \$300,000 in 1928 to approximately \$2,000,000 for the fiscal year ending Feb. 1, 1936", an announcement said.

"Neff-Rogow, Inc. will continue to develop the sale of 'station-tested' programs, an innovation created by Neff and Rogow while at WOR. The idea of the 'station-tested' program was originated by these two men in 1932 and since that date has gained wide acceptance with advertising agencies, advertisers and radio stations throughout the entire country."

2/25/36

# ZENITH BUSINESS DOUBLE THAT OF LAST YEAR

Zenith Radio Corporation, of Chicago, reports an operating profit for the first nine months of its fiscal year ended January 31, 1936, of \$1,015,966.46, after depreciation, excise taxes, royalties and reserves but before Federal income and profits taxes, as per the Company's books, according to Commander E. F. McDonald, Jr., President.

The Company is enjoying so far this fiscal year an increase in business of more than 100% over the same period a year ago. Since June of last year approximately 9,000 additional dealers have taken on the Zenith line.

A new line of automobile radio sets has just been announced by the Company. Because many people have become convinced by false propaganda that auto radios add to the dangers of motoring, the report points out, Zenith has produced a safety automobile radio, the dial of which is illuminated only while the set is being tuned and automatically goes off when the operator takes his hand off the control knob and thus does not distract his attention. This new line of auto sets will also feature the large black dial.

Zenith also has announced a self-operating low-consumption type of radio and generator for use in yachts, trailers and camps, in models which are not only compact but in two sections, having separate speaker so that they can be installed in very small compartments and with remote speakers if desired. This combination unit will not only supply radio, but also six-volt lights for the yacht, camp or trailer.

While a large volume of business is being done, the Company continues to maintain its usual liquid condition. There are no bank loans or bonded indebtedness. All current obligations have been discounted and cash in the bank and government securities exceed two million dollars.

#### X X X X X X X X X X X

\$3,000,000 REPORTED AVAILABLE FOR MUTUAL EXPANSION

Funds anywhere up to \$3,000,000 have been offered by an outside source for the expansion of the Mutual Broadcasting System, according to <u>Variety</u>. "This outside source is interested in linking up the four basic members of the group, WOR, New York; WGN, Chicago; WLW, Cincinnati, and CKLW, Detroit, with other important transmitters throughout the country which are owned and operated by newspapers. The setup would primarily be known as a network of newspaper stations, practically all of which now hold affiliation with either NBC or Columbia.

"Maker of the investment proposition is in no way connected with banking or stock underwriting interests", the report continues. "He is convinced that there is room for a third cross-country link and that with the proper financing and the inclusion of the major newspaper owned outlets such project could be put over successfully. In a meeting with a member of the Mutual group the outsider suggested two courses of financial action, either that three of the Mutual setup, WOR, WGN and WLW, each put up \$1,000,000 or that the outsider be permitted to contribute a sum up to \$3,000,000.

"The expanded network would be operated primarily on a mutual basis, with the investment money being used to finance the necessary office and studio facilities, program production, sales promotion and the salaries of both personnel and talent. All member outlets would hold stock in the network and share in the profits, after interest, equitably arrived at, on the outsider's investment had been deducted."

# X X X X X X X X

					٠	
					•	9
			INDUSTRY	MOMES		
•			TWICOUNT	MOTED		
0	•	•				

Charging unfair representations of medicine in advertising and on the radio, the Federal Trade Commission has issued a complaint against John J.McCloskey, 727 West Wisconsin Ave., Milwaukee, trading as H. B. Kimball Co., H. B. Kimball and Kimball Laboratories. The respondent sells a stomach remedy called "Kimball Tablets". He was allowed until March 27 to show cause why the FTC should not issue against him an order to case and desist from the representations of which complaint is made.

Senator Pittman (D.), of Nevada, on February 24 placed in the appendix of the <u>Congressional Record</u> the address of David Sarnoff, President of the <u>Radio Corporation</u> of America, on "Communication and Democracy", delivered in Chicago before the Third Annual Woman Congress.

The Columbia Broadcasting System has just issued a colorful brochure on the success of Eddie Cantor over the air from the point of view of Lehn & Fink, menufacturers of Pebecco toothpaste. The main story is written by Reginald Townsend, of Lennen & Mitchell, advertising representative, and epilogues are added by Cantor and the CBS.

# DR. LINDER TALKS ON PROBLEMS OF ELECTRONS

Obstinate electrons that resist man's urging to travel faster in a straight line on radio wavelengths of four inches and masquerade as a gas by swarming in clouds were the subject of a paper presented at a meeting of The American Physical Society at New York February 22 by Dr. E. G. Linder, of the RCA laboratories.

Science must find the answer to this problem before power greater than the present limit of a few watts can be generated on such extremely short wavelengths, to open the possibility of practical new uses of that section of the radio spectrum. Dr. Linder's paper, which was concerned chiefly with a new formula for the behavior of the recalcitrant electrons, resulted from laboratory experiments in which he noted that existing theories did not check closely enough with practical performance. By taking into account the gas-like behavior of electrons, evidenced by their disposition to whirl in clouds and interfere with each other's motion in regions of high density, the BCA scientist's new formula more definitely resolves the problem of making the tiny particles move in the desired menner between the elements of vacuum tubes.

At present, Dr. Linder's formula is chiefly of scientific interest, but both formula and the experimental work which produced it look toward the eventual expansion of the radio spectrum toward the realm of visible light, opening hundreds and even thousands of new channels for new radio services as practical as present-day radio broadcasting.

#### X X X X X X X X X X X X

#### APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

New, Dorrence D. Roderick, El Paso, Tex., CP for new station, 1500 kc., 100 watts, unltd. time;  $\underline{WKRC}$ , WKRC, Inc., Cincinnati, Ohio, extension of special exp. Auth. to operate with 1 KW day and night for period ending Sept. 1, 1936; WREC, WREC, Inc., Memphis, Tenn., extension of special Exp. Auth. to operate with 1 KW night, 2½ KW day, from March 1 to Sept. 1, 1936; KMBC, Midland Broadcasting Co., Kansas City, Mo., license for auxiliary transm. to use old 21 KW transmitter for emergency purposes only, to operate with 1 KW night, 22 KW day; WMT, Iowa Broadcasting Co., Cedar Rapids, Ia., license to cover special Auth. to operate permanently with 1 KW night, 21 KW day, using directional antenna at night, unltd. time, and approving transmitting eqpt.; KGVO, Mosby's Inc., Missoula, Mont., license to cover CP authorizing installation of new eqpt; change in freq. to 1260 kc., increase in power to 1 KW, andchange in transmitter site; WOKO, WOKO, Inc., Albany, N. Y., license to cover CP, 1430 kc., 500 watts night, 1 KW day, unltd. time; also granted authority to determine operating power by direct measurement of antenna input in compliance with Rule 137; KHBC, Honolulu Brdcstg. Co., Lta., Hilo, Hawaii, Mod. of CP to install new eqpt. and antenna, change freq. from 1420 to 1400 kc., increase power from 100 w. to 250 watts, extend commencement date to 60 days after grant and completion date to 6 months thereafter.

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

# CONFIDENTIAL - Not for Publication



INDEX TO ISSUE OF FEBRUARY 28, 1936.

Coaxial Cable May Spur Television Developments2
Waring Wins Further Decisions In Phonograph Fight5 -
Russia To Expand Broadcasting Service Greatly In 19366
U.S. Broadcasters Watching Developments In Canada
ASCAP Puts On Three-Day Show Before House Committee8 -
Radio More Popular In Venezuela As Rules Are Changed10
Schedule Of C.C.I.R. Committees Announced
Industry Notes

No. 906

SCHALL & M

1

#### COAXIAL CABLE MAY SPUR TELEVISION DEVELOPMENTS

The Federal Communications Commission this week paved the way for what may be revolutionary developments in the experimental field of television by approving construction of the coaxial cable between New York City and Philadelphia.

The next move is up to the American Telephone & Telegraph Company, as it may either accept or reject the revised stipulations, which include the opening of the cable to all radio companies engaged in experimenting in television. Last Fall it rejected a previous order, announced it would abandon the project, and subsequently asked that the case be reopened.

Under the FCC decision, the A. T. & T. and the New York Bell Telephone Company have thirty days to accept the new conditions, which are less rigid than those of the previous order, but actual construction of the cable must begin before July 1.

The coaxial cable, its developers assert, will make possible the transmission of images by television from a studio in one city to studios in another, and retransmission by radio within what now is a restricted radius of from nine to fifteen miles.

The FCC understood before the last hearings that the Radio Corporation of America was to have exclusive rights to experiment on the coaxial cable. Harvey Hoshour, General Solicitor of the Telphone Company, denied, however, that it was the purpose of A. T. & T. "to limit television experimenters to the BCA or any other company or companies."

As Philco and Farnsworth and RCA all have laboratories either in Philadelphia or New York, the New York-Philadelphia circuit will be convenient to the three of them.

RCA is already going ahead with construction of a television station atop the Empire State Building and plans to inaugurate visual broadcasting experiments this Spring. A program transmitted over the cable from Philadelphia, it is believed, may be broadcast over an area of 15 miles by the RCA transmitter in New York.

Among the restrictions imposed on the A. T. & T. in the new order are:

"The petitioners shall not make any unjust or unreasonable discrimination, or undue or unreasonable preference, between different persons, equipped with suitable facilities for the transmission and reception of television, who shall make applica-

2/28/36

tion for the use of the coaxial cable system for experimental use in the transmission of television.

"The petitioners shall during the test and standardization period of the system submit a report every 60 days commencing on the first day of the month after the commencement of the first tests which shall show for each such 60-day period the persons requesting the facilities for television or facsimile purposes and the persons to whom the facilities have been made available for such uses; the time, place, and elapsed number of days and hours of such uses; and the terms and conditions under which the facilities were made available.

"The petitioners shall not, during the standardization period of the coaxial system, make or give any undue or unreasonable preference to any television system so as to exclude any other available and practical television system."

The FCC in its report explaining the order said, in part:

"In their original application, in their arguments before the Commission, and in their petition for reargument, the petitioners contended that the Commission is without jurisdiction to pass upon the application, primarily because the proposed cable installation is said to be purely an experimental enterprise and that the provisions of Section 214 of the Communications Act of 1934, do not apply.

"The whole ground of petitioners' contention that we are without jurisdiction is based upon their theory that the new line is now experimental and that until they seek permission to place it in commercial use this Commission is without jurisdiction. Obviously, if the Commission is to consider the public convenience and necessity of any construction, it must do so before the construction is undertaken, else the very purpose of serving the public interest, and of avoiding needless waste by the carriers is thwarted. The scientific principles of the coaxial cable have been known nearly as long as the electrical communications art. This is merely a new adaptation.

"In view of the extensive research and development work carried out by petitioners and by the independent companies as to coaxial cable transmission, and the patents obtained upon such development, it appears conclusive that coaxial cable for wide band transmission has passed beyond being a laboratory experiment.

"The coaxial cable system is a considerable departure from the conventional communication cable systems now in use, and the equipment used with the conventional cable systems is not adapted for the coaxial cable system. Therefore, there is a present need for the adaptation and standardization of the coaxial system so that if brought into extensive use the proper equipment therefor can be made available.

"The application shows that the coaxial cable if installed as proposed will afford a frequency band of approximately

1,000,000 cycles. This band will permit 240 telephone circuits to be operated simultaneously, or 10 to 20 times as many telegraph circuits, or various combinations of both.

"We find that public convenience and necessity require the construction of the proposed coaxial cable and the limited or incidental commercial uses thereof set forth in the application.

"The full band of 1,000,000 cycles will permit the transmission of television. This band is not, however, sufficiently wide to transmit television of as clear an image as is thought necessary for entertainment purposes. However, the cable is adequate to carry a much wider band and this can be done when repeaters are developed and installed which have such capacity.

"In an inter-office communication of the American Telephone and Telegraph Company made a part of the record herein, it is stated that in making the application to the Commission the television feature was to be stressed. Upon consideration of the testimony of record and the extensive file of correspondence with reference to the installation of the coaxial cable whereby it would be available to the Radio Corporation of America for developing television, the Commission finds that one of the objectives of the petitioners is to construct a cable suitable for the transmission of television.

"The record shows that there is no present or immediate future need for the use of this coaxial cable for telegraph communication. However, under the terms of our order, the petitioners will be permitted a limited use of the cable in telegraph communication for experimental purposes only. The interveners, Western Union Telegraph Company and Postal Telegraph-Cable Company, have stipulated that they have no objection to such use.

"The application states that the estimated cost of the proposed construction will be \$580,000; that \$360,000 of this amount will be carried in the suspense accounts of the American Telephone and Telegraph Company, with the exception of \$5,000 which will be paid by the New York Telephone Company; and that the \$220,000 remainder of the estimated total cost will be charged to development expense. However, the Commission has hereinafter provided in the terms and conditions of the certificate that all accounting items in connection with this proposed construction shall be carried through the respective suspense accounts to facilitate review by the Commission.

"If the application is granted, the petitioners state that they expect to start the construction immediately and that thereafter they will require at least one year to standardize the coaxial cable system before it is ready for regular commercial use."

2/28/36

#### WARING WINS FURTHER DECISIONS IN PHONOGRAPH FIGHT

Fred Waring and the National Association of Performing Artists, of which he is President, has won several more court victories in connection with his fight to protect artists in the use of phonograph records since a Common Pleas Court in Philadelphia granted him an injunction against WDAS, Philadelphia.

The phonograph record scrap has broadened, however, to include the American Society of Recording Artists and the National Association of Broadcasters.

The former sent out letters from its Hollywood head-quarters warning stations not to use records of its members without paying a license fee, while James W. Baldwin, Managing Director of NAB, advised all NAB members not to recognize the Hollywood organization until their rights had been fully determined.

The latest injunctions granted Waring and the NAPA by Judge Harry S. McDevitt in Philadelphia restrain Uhr's Roumanian Restaurant and Studio Ballroom, Inc., from unauthorized playing of recordings of Waring's orchestra, made for home consumption, and enjoin Robinson Recording Laboratories from making and transcribing records containing excerpts from broadcasts.

The decisions in Philadelphia will be used as a basis and precedent for the uniform extension of interpretive artists' rights throughout the country through both Federal and State Courts, as is currently the case with authors and composers, the NAPA stated. Maurice J. Speiser and A. Walter Socolow, counsel for NAPA are preparing a nation-wide legal attack upon all unauthorized users of phonograph records for commercial purposes.

A survey is at present under way to discover the various commercial uses of phonograph records throughout the country, and the capacity of the users to compensate the artists. This does not, of course, include authorized electrical transcription.

A Rate Committee, assembled to determine a fair agreement with the users of recordings, and a Classification Committee, to determine how the remuneration shall be distributed among artists, confer regularly in the NAPA headquarters, New York.

#### X X X X X X X X X X

#### RUSSIA TO EXPAND BROADCASTING SERVICE GREATLY IN 1936

The Russian Soviet Republic, long an ardent radio fan, this year will greatly expand its broadcasting services to the Russian people, especially those in the rural districts, according to reports from Lt. Col. Philip R. Faymonville, U. S. Military Attache at Moscow.

The number of broadcasting stations, now totalling 67 with combined power of 1600 kw., will be considerably increased, and a million new receiving sets will be installed, bringing the total to more than three million. At least 60 per cent of the new sets will go into the rural areas. Cities in which stations will be built include Alma-Ata and Stalinabad, capital of Tajikistan.

Short-wave broadcasting is also to be developed, and the main radio-telegraph, radio-telephone, and television lines are to be amplified. Direct radio-telegraph and telephone lines are to connect Moscow with Stalinabad and Ashkabad, capital of Turkmenia. Heretofore radio communications between these cities has been maintained via Tashkent, capital of Uzbekistan. It is planned to improve radio communications connecting Moscow with a number of other cities in the south and east of the Union.

A powerful radio center is scheduled for construction in Igarka, in the Far North. It will be able to establish direct communication with Moscow, Yakuti, and wintering stations on the Taimyr Peninsula. The center will also serve airlines and meteorological stations in the north.

A conference on accumulators and electrode processes was held in Moscow recently. Convened by the Academy of Sciences of the U.S.S.R. and the Commissarist of Heavy Industry, it studied problems connected with the development of the storage battery and cell industry and established a plan of scientific research.

"The reason for the special interest in the manufacture of batteries at this time is the need for portable radio sets and 5-meter transmitters for the Army, and to supply the demand for batteries from amateurs who are learning to make one and two-tube battery sets" Colonel Faymonville said.

"All radios manufactured so far in the U.S.S.R. have been for long-wave reception (550-2,000 meters) only. Reception on the local stations on this band is clear and free from background noise. Very few people can afford to buy these attractively-boxed radios and the most popular kind found in the homes in Moscow is an 18 inch loud speaker connected to the telephone circuit, which sounds very much like an outworn, scratchy phonograph record without tone, and only two stations can be heard on this type of receiver. The present cost of the unit is 50 rubles. A number of homes are still using small crystal earphone radios.

"Stores selling radios and parts have miserable window displays consisting of a few radios, several types of loud speakers, a few condensers, and several types of transformers, also a few voltmeters. A.C. voltmeters ranging up to 240 volts are on display, but are not for sale. A new short-wave receiver has just been put on the market.

"Efforts to purchase dry cells, flashlight batteries, and "B" batteries in Moscow during the past 6 months have been unsuccessful. New supplies are received infrequently and are sold out on the day of their arrival.

"The local short-wave transmitter, RNE operating on both 25 and 50 meters is to be doubled in power within the next few months. This transmitter will move into new quarters in the new Palace of Labor, one block from the American Embassy on Chotny Ryad."

# X X X X X X X X X X X

#### U. S. BROADCASTERS WATCHING DEVELOPMENTS IN CANADA

American broadcasters and advertisers are awaiting with interest developments in the broadcasting study underway by the Canadian Parliament. A special committee early in March will begin an investigation before recommending what changes should be made after the life of the Canadian Radio Commission expires March 31.

Conflicting reports from Ottawa state that the present Canadian system of government operation of broadcasting will be scrapped, and that radio facilities will be returned to private interests as in this country with a control set-up similar to the Federal Communications Commission.

Another report is that a one-man control, as proposed several years ago by the Air Commission, will be established. The position would be similar to that held by Sir John Reith, Director General of the British Broadcasting Corporation. He would be aided by a honorary Board of seven Directors, five of whom would represent the provices and two at-large.

#### X X X X X X X X

#### WEVD AND WVFW APPLICATIONS MERGED WITH BROOKLYN CASE

New applications from WVFW and WEVD, Brooklyn stations involved in the now famed "Brooklyn case" have been received by the Federal Communications Commission, but action has been postponed until after the general rehearing by the Commission en banc on April 6. WFVW has asked to transfer control from the Paramount Broadcasting Corporation to the Brooklyn Council of Veterans of Foreign Wars, while WEVD has asked permission to change its frequency from 1300 to 1400 kc., which is the wavelength in dispute. So far the FCC has refused to renew the licenses of WFVW and WEVD.

# ASCAP PUTS ON THREE-DAY SHOW BEFORE HOUSE COMMITTEE

What will probably prove the most colorful and dramatic phase of the copyright hearings before the House Patents Committee was concluded February 27 after three days had been devoted to witnesses presented by the American Society of Composers, Authors and Publishers.

Almost as if he were producing another "Follies", Gene Buck, President of ASCAP, brought composers to the stand and tears to the eyes of Committee members when Billy Hill, composer of "The Last Round-up" "The Old Spinning Wheel", and "Wagon Wheels", told how he was saved from probable suicide by a \$250 advance from M Buck.

The ASCAP practically completed its case and the first phase of the month's scheduled hearings on the several copyright bills before the Committee. Nathan Burkan, counsel of the Society, will return next Tuesday night, however, to answer further legal questions raised by Committee members.

The guns of the ASCAP were directed chiefly against the Duffy Bill, which has passed the Senate, and especially against the provision, sponsored by the broadcasters, to repeal that section of the copyright law which imposes a minimum penalty of \$250 for each copyright infringement. The Duffy Bill provides that the courts would determine "actual damages" in each case.

The major bills before the Committee are the Duffy Bill, the Sirovich measure (backed by ASCAP), and the Daly Bill to protect phonograph recordings from indiscriminate broadcasting.

The first day's hearings drew a large crowd and many composers and artists well known to the American public. Among these were Irving Berlin, George Gershwin, Otto Harbach, Donald Guion, Billy Hill, Rudy Vallee, and the widow of Ethelbert Nevin. All opposed the Duffy Bill.

Mr. Buck, as the only witness on the opening day, charged that members of Congress had been bombarded with propaganda hostile to the ASCAP by broadcasters, motion picture producers and exhibitors, hotels, cabarets and similar enterprises in which music is vital.

"Motion picture exhibitors, hotel managers, broadcasters and other music employers want music for nothing", he charged. "The broadcaster wants the law changed for his special benefit, which would put copyright protection for the creative artists of this country back a hundred years.

"They want to get rid of A.S.C.A.P. - the only organization that stands between the artists and piracy of his ideas, his only protection. They don't give a damn for the creator. Broadcasters want to get control of the raw material, and all of the groups want to be free to deal with the individual and, therefore,

weak composer, instead of with the mass organization of the country's composers.

"These copyright termites, gnawing away, from motives of greed, at the copyright law, which is one of the first laws in the first article of the Constitution of this country, want to legalize piracy."

Radio has made the life of a popular song very brief, Mr. Buck added. Citing "The Music Goes Round and Round", he pointed out that it had been released December 15 and has been "dead two weeks" by reason of plugging on thousands of radio programs.

He said that ASCAP derives only \$2,500,000 from the broadcasting industry, while the latter collects \$100,000,000 for station time sales.

The second day was marked by a spirited but often humorous clash between Mr. Burkan and Representative Thomas O'Malley (D.), of Wisconsin, a member of the Committee. As the debate raged, Representative Daly (D.), of Pennsylvania, author of a bill sponsored by the National Association of Performing Artists, took sides against O'Malley, and Representative Matthew A. Dunn (D.), of Pennsylvania, joined in.

Mr. Burkan charged that Representative O'Malley's own State, Wisconsin, is "the most flagrant violator" among the States in refusing to grant small royalties to ASCAP.

Deems Taylor and Sigmund Romberg, composers, testified that their incomes are very small at present from the sale of phonograph records under the ASCAP system, but they said that the Duffy Bill would wipe out even that slight revenue.

On the third day the controversy over the \$250 copyright infringement penalty was renewed with Mr. Buck aiding Mr. Burkan and Representative Deen  $(D_{\cdot})$ , of Georgia, defending the point of view of the broadcasters.

"The broadcasters", said Mr. Buck, "want it out so as to make it easier for them to pirate copyrighted music."

While the composers now get annual royalties totaling about \$2,500,000 for the broadcast of their music, the returns will probably be cut to about \$500,000 if the \$250 penalty is eliminated, he said. Under the proposed law the courts would impose "actual" damages.

"Why did the Warner Brothers' publishing agencies break away from the ASCAP?" Mr. Deen asked.

"Because of plain greed", replied Mr. Buck.

"It appears that everybody is in on this thing except Wall Street", said Representative O'Malley.

2/28/36

"We are going to put Wall Street in before we are through", replied Mr. Buck.

"Do you believe in the case of a man who has a radio in his lobby that you have the right to sue him for \$250 for copyright infringement?" asked Mr. O'Malley.

"Yes, but we don't do it", Buck answered.

Representative Dunn asked Mr. Buck if it were not true that in Great Britain, where radio is owned by the government, composers received a better return for their music than in this country and Mr. Buck asserted that they did.

"I want to say now", Mr. Dunn stated, "that I intend to advocate government ownership of radio in the United States."

Radio interests, including the National Association of Broadcasters, will not be heard until the week of March 10 and then for three days.

# X X X X X X X X X X X

# RADIO MORE POPULAR IN VENEZUELA AS RULES ARE CHANGED

Since the liberalization of radio regulations by the present Government of Venezuela, the demand for receiving sets in that country has been notably stimulated, according to Commercial Attache Frederic D. Grab, Caracas, in a report to the Commerce Department.

It is reliably estimated, the report states, that there are at present approximately 47,000 radio sets in use in the Republic and that the radio audience throughout the country numbers more than 250,000.

American manufacturers dominate the Venezuelan market for radio receiving sets, the report points out. The German Telefunken Company has recently intensified its sales efforts in this area but the results have failed to change the general situation. Normally, it is stated, the Dutch radio firm of Philipps is the chief competitor of the American industry.

The majority of the sets now being sold in Venezuela are of the type adapted to the reception of both long and short-wave broadcasts. There are seven broadcasting stations in the country, the most powerful of which are regularly heard in foreign countries.

## X X X X X X X X X

2/28/36

# SCHEDULE OF C.C.I.R. COMMITTEES ANNOUNCED

The Chairmen of the four Federal Communications Commission committees preparing for the Fourth Meeting of the C.C.I.R. have agreed on a schedule for the next meeting of their committees as follows:

Committee A - Organization and Technical Committee, 9:30 A.M., March 3.

Committee D - Broadcasting Questions, 2 P.M., March 3.

Committee C - Operations, 9:30 A.M., March 4. Committee B - Technical Problems Relating to Frequency Allocation, 2 P.M., March 4.

All meetings will be held in Room 7121, Federal Communications Commission, Interstate Commerce Commission Building, Washington, D. C.

#### X X X X X X X X X

# APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

February 25 - WGAR, WGAR Broadcasting, Co., Cleveland, Ohio, authority to determine operating power by direct measurement of antenna input in compliance with Rule 137; WSYR-WSYU, Central New York Brdcstg. Corp., Syracuse, N. Y., extension of present license for period of one month; KFDM, Sabine Brdcstg. Co. Inc., Beaumont, Tex., renewal of license, 560 kc., 500 watts, with additional 500 watts day, 7.7 amperes for 1 KW, antenna resistance 17 Ohms. unltd.; WTAG, Worcester Telg. Pub. Co., Inc., Worcester, Mass., renewal of license, 580 kc., 500 watts, unltd. time; also granted renewal for auxiliary transmitter; KGMB, Honolulu Brdcstg. Co., Ltd., Honolulu, Hawaii, renewel of license, 1320 kc., 250 watts, unltd. time; KARK, Ark. Radio & Eqpt. Co., LittleRock, Ark., renewal of license, 890 kc., 250 watts, with additional 250 watts from local sunrise to local sunset only, unltd. time; WIBW, Topeka Brdcstg. Assn. Inc., Topeka, Kans., renewal of license, 580 kc., 1 KW, with an additional 4 KW from local sunrise to local sunset only; shares time with KSAC; WJAR, The Outlet Co., Providence, R.I., extension of special experimental auth. to operate with a power of 500 watts nighttime to Sept. 1, 1936; KFAB, KFAB Broadcasting Co., Lincoln, Neb., renewal of license; 770 kc., 10 KW, simul. daytime operation with station WBBM from 6 AM to 6:45 P.M. Sept, Oct., 5:45 P.M.; Nov. 5:15 P.M. Dec. 5:00 P.M.; Jan. 5:30 P.M; CST. Shares time at night with Station WBBM as follows: WBBM 4/7 and KFAB 3/7 time.

#### X X X X X X X X

						0	:
:	•	•	INDUSTRY	NOTES	:	:	
	:		_		:	:	6

Rockefeller interests are reported to be planning to construct a hotel in Radio City. Previously other concerns had shown an interest in building the hotel.

Station WDSU, New Orleans, filed suit this week to restrain Transradio Press Service, Inc., and the Radio Press Association from selling news to WWL, CBS outlet in New Orleans, on the grounds that WDSU has an exclusive contract for such news.

To celebrate its power increase to 5,000 watts, WHN, New York City, has set aside the entire week of March 9-14 for permitting distinguished guests to break in on programs and offer congratulations to the station.

Reports on the radio markets in Latvia, Estonia, Jamaica and Madagascar have been issued by the Electrical Division of the Bureau of Foreign and Domestic Commerce and may be obtained at 25 cents a copy from the Commerce Department, Washington, D. C.

McCambridge & McCambridge Co., Inc., of 12 L St., S.E., Washington, D. C., trading as Everfresh Products Co., has been ordered by the Federal Trade Commission to stop misrepresentations in the sale of its "Everfresh Aspirin". Advertisements by the respondent company in newspapers, sales circulars and by radio that its aspirin gives better or quicker relief than other forms of aspirin, are prohibited in the Commission's order to cease and desist.

Over 212,000 entries were received from all sections of the nation before the close of Eddie Cantor's peace essay contest, at midnight on Washington's birthday, February 22. The writer of the winning essay on "How Can America Stay Out of War?" will be announced during the Sunday, April 5, broadcast of the Pebeco program over CBS.

"The Chrysler Air Show - Performance by Chrysler", a new weekly series sponsored by the Chrysler Corporation, will be presented on the Columbia network beginning March 12.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_