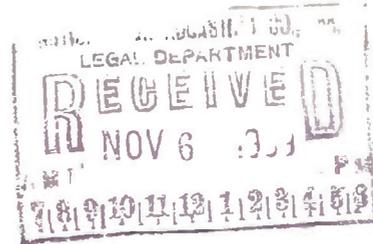


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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INDEX TO ISSUE OF NOVEMBER 3, 1939.

| | |
|---|----|
| New Radio Chain Formed With Elliott Roosevelt..... | 2 |
| Civil Liberties Executive Defends NAB Code..... | 3 |
| Public Service Held Basic Factor By FCC..... | 5 |
| New U. S. Educational Program Scheduled..... | 6 |
| Finch Gets Patent On Color Transmission Device..... | 7 |
| Telephone Television Commercial In Germany..... | 7 |
| Radio Telegraph Regulations Streamlined..... | 8 |
| FCC Watching Amateurs, F.D.R. Says..... | 8 |
| Travelers Corporate Transfer Again Denied..... | 9 |
| Radio May Move To Front Line Trenches..... | 10 |
| Patent Granted For Radio-Controlled Bomber..... | 10 |
| Trade Notes..... | 11 |
| Zenith Passes 12,500 Set Daily Output..... | 12 |
| "City Of Flint" Carried Winchargers, Claim Shows..... | 12 |

No. 1171

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NEW RADIO CHAIN FORMED WITH ELLIOTT ROOSEVELT

Broadcasters and members of the Federal Communications Commission were awaiting with keen interest this week complete details of the organization of a new national network in which Elliott Roosevelt, son of the President, was reported to have a major role.

Conflicting versions of the developments at a conference in Chicago left officials and broadcasters a bit confused as early reports that young Roosevelt would head the network were denied subsequently. The last report was that he would not be a member of the Board of Directors.

Nevertheless, it appeared that the Texas Radio Network, which he does head, would be a part of the new network, and the President's son was quoted by United Press as saying that he is one of the stockholders.

Officials of the National Association of Broadcasters were particularly interested in the Chicago activities because of Elliott Roosevelt's withdrawal from the NAB on account of the Code ban on paid controversial broadcasts.

A stormy petrel in the broadcasting industry from the time of his entry via Hearst Radio, Inc., Elliott Roosevelt appears determined to become a dominant figure in the industry. Meanwhile, FCC officials are looking on in embarrassed silence although Chairman James L. Fly, apparently after consultation at the White House, indirectly criticized him for refusing to abide by the Code.

The new network took the name of the Transcontinental Broadcasting System and boasted that it might include as many as 100 stations with key outlets in New York, Chicago and Hollywood.

John T. Adams, of Fort Worth, Vice President of the Texas Network, which Elliott Roosevelt heads, was elected President of the organization. This election was interpreted by broadcasters that the President's son preferred not to be the nominal head of the network because of possible embarrassment to his father but nevertheless would be "the power behind the throne".

William A. Porter, of Washington, a Director and Vice-President of the chain, said that young Roosevelt had been "active in organizing the Transcontinental System but would not serve on the Board of Directors or as an officer".

Previously Roosevelt was quoted as saying that he was one of seven stockholders engaged in organizing the network.

He said the new chain would operate in competition with the Columbia Broadcasting System, the National Broadcasting Company and the Mutual Network.

The network was incorporated in Wilmington, Del., he added, as the Transcontinental Broadcasting Company, with seven stockholder-directors were holding their first meeting in Chicago. The stockholders, he said, were himself, H. J. Brennan of Pittsburgh, John Roberts and Clarence Crosby, both of St. Louis; Jack Stewart and Thomas Evans, both of Kansas City, and Lester E. Cox, of Springfield, Mo.

Mr. Roosevelt explained that all the stockholders except himself were Directors of the new corporation and that he was represented on the Board by John T. Adams, with whom he was associated in the Texas Network.

"The Texas Network is a part of the new chain, but I do not want to give the impression that I am the organizer of the chain", he stated. "I am, as operator of radio stations, only a one-hundredth part of it."

Mr. Roosevelt said the chain would include a few stations of 50,000 watt power, but the majority would be of 5,000 watts.

Earlier young Roosevelt was reported to have broken with the Mutual Broadcasting System, with which his Texas Network is affiliated and over which he broadcasts his own comments, although the regional's contract was said to have a year and a half more to run.

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CIVIL LIBERTIES EXECUTIVE DEFENDS NAB CODE

While Directors of the National Association of Broadcasters were meeting in Chicago to consider developments in the row over the NAB Code, Quincy Howe, an executive editor of Simon & Shuster, New York publishers, and Chairman of the National Council for Freedom from Censorship, an affiliate of the American Civil Liberties Union, spoke in defense of the Code over an NBC-Red hookup.

Asserting that neither the union nor the council ever advocated "complete, unrestricted, absolute freedom of speech", Mr. Howe said that the NAB action was the alternative to governmental censorship and "cannot fail to meet the full approval of all Americans who dislike censorship".

"Insofar as the Code bears upon the issues of free speech and censorship", he said, "it is one of the most welcome developments we have seen in the United States in a long time.

"Theoretically", he added, "any private self-regulation is to be preferred to government regulation since government regulation is censorship. I can, of course, imagine circumstances under which a government censored radio might be preferable to self-regulated radio, but those circumstances would arise only if the radio industry became not only utterly corrupt, but utterly blind to its own interests. As long as the radio industry remains as honest and competent as it is today, there can be no doubt that the present system of self-regulation, especially if the principles of the present Code are maintained, will be infinitely preferable to a radio industry censored and perhaps finally controlled by the government.

But censorship is only half the story, and the negative half at that. The radio industry in the United States - like all other industries charged with the communication of ideas - cannot rest content merely because it is not censored. Indeed, the radio industry - and I think this applies just as much to other industries - cannot continue to prosper, cannot continue to enjoy its present freedom from censorship, cannot go further along the path of self-regulation unless it rises to its responsibilities and opportunities. The new Code of the National Association of Broadcasters gives the radio industry exactly such an opportunity. There are a few minor points that might, I think, be improved and perhaps they will be in time, but by and large there is no excuse under the Code why the radio industry cannot contribute even more than it has in the past to the free exchange of ideas among a free people.

"Let me be specific. There is one feature of the Code which has stimulated a lot of controversy and which bears directly on this question of free speech. It is the provision that no time shall be sold for the discussion of controversial issues except for the sale of time to political parties during election campaigns. There are two reasons for this provision in the Code - time and money. As I pointed out before, there are only twenty-four hours in the day. A newspaper can always publish an extra, a publisher can issue as many books as he pleases, magazines frequently contain supplements. The radio, on the other hand, works within the iron framework of twenty-four hours a day - and actually considerably less than that since some hours are much more popular with listeners than others. Furthermore, if all this limited amount of time were for sale, it could all be bought up by anyone who had the money to do so and who wanted to use that time to set forth his ideas to the exclusion of all other ideas.

"To prevent such a state of affairs from arising, the Code forbids any discussion of controversial issues on paid time and confines these issues entirely to the time that every station must grant, under the law, to sustaining programs. Furthermore, the Code provides that these sustaining programs shall give a fair hearing to more than one side of all controversial issues. To call this procedure censorship is to show one's ignorance of what censorship means. Furthermore, to advocate the sale of time to discussions of controversial issues is to run the risk of turning

over all the commercially sponsored programs to those aspects of controversial subjects that the people with the most money want us to hear. And if there is one thing worse than government censorship, it is censorship by a small wealthy class."

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PUBLIC SERVICE HELD BASIC FACTOR BY FCC

Public service is the basic consideration in licensing broadcast stations, the Federal Communications Commission declared this week in adopting its Findings of Fact, Conclusions and Order, denying without prejudice to the filing of a new application for appropriate facilities, the application of Wendell Mayes, Joe N. Weatherby and William J. Lawson, doing business as Brown County Broadcasting Co., for authority to construct a new radiobroadcast station in Brownwood, Texas, to use the frequency 990 kc., with power of 1 KW, daytime only.

"The Commission's allocation plan", it explained, "is not an attempt arbitrarily to limit the broadcasting facilities of any community. It is a carefully devised plan, based on experience, to attain the best and most comprehensive service possible for the greatest number of listeners.

"The applicant proposes a station to provide regional service and to be located in a comparatively small community to serve that community and its trade area. If the application is granted Commission Rule 3.25(a) precludes a later expansion of service to include nighttime operations. Under the allocation plan a community of the size here involved is normally provided with a local or regional station assignment. Such an assignment here, if feasible, could provide primary service to Brownwood and to contiguous rural areas both day and night. It may be pointed out that while a local station or a regional station of one kilowatt would not provide a primary signal throughout the trade area, neither would the assignment here requested serve that entire area.

"It is recognized that under some circumstances it may be necessary to depart from the allocation plan in order to provide primary service to some communities. Class I stations are designed for use in rendering service to large numbers of people over extensive areas. The record is inadequate here as to the propriety or need for operation on a channel occupied by Class I stations. The record fails to show the facts regarding interference of any nighttime service with the present secondary service of Station WBZ, Class I station on the frequency requested. The record also lacks evidence that an assignment is not feasible to a regional frequency which might offer a possibility of night service at a later date to the inhabitants of Brownwood and its environs. Applicants possibly could have established the feasibility of a station on a regional frequency. The ultimate and basic criterion of a decision is neither the desire of the applicant nor the provisions of the

Commission's allocation plan, but is rather the benefit to the public to be served and the public generally. If some license is to be issued, there is no apparent reason why Brownwood should be deprived of the possibility of local full time service. Such deprivation would be contrary to the interests of Brownwood. No factors are shown in the record here which indicate that a departure from the plan is either necessary, or justified or in the interest of the community. On the record, the Commission cannot find that public interest, convenience and necessity will be served by the granting of this application."

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NEW U.S. EDUCATIONAL PROGRAM SCHEDULED

Commissioner of Education J. W. Studebaker last week announced that a new series of dramatized educational radio programs showing the part women have played and are playing in every phase of American life will soon be broadcast under the sponsorship of the U. S. Office of Education. Broadcasts will feature lives of "unsung heroines" as well as contributions of famous women of the Nation.

Titled "Gallant American Women", the half-hour radio dramas will be heard at 2:00 EST every Tuesday afternoon, beginning October 31, over the National Broadcasting Company's Blue Network and affiliated stations. This series will be the twelfth coast-to-coast network program of the Radio Division, U. S. Office of Education, and will be based on 5 years' experience of the Division. The broadcasts will be a continuation of 13 programs aired this Summer under the name "Women in the Making of America".

"Gallant American Women" will be sponsored by the Office of Education and the Women's Division of the National Broadcasting Company, in cooperation with the Work Projects Administration. Numerous women's groups are contributing to the development of the series, among them the General Federation of Women's Clubs, National Council of Women, American Association of University Women, National League of Women Voters, Associated Country Women of the World, American Home Economics Association, Women's Trade Union League, and the National Consumer's League.

The first program of the series was entitled "These Freedoms", and dramatized the roles women have played in the struggle for freedom of worship, assembly and speech, and other civil liberties.

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FINCH GETS PATENT ON COLOR TRANSMISSION DEVICE

William G. H. Finch, President of Finch Telecommunications, Inc., received a patent last week on his device for electrical transmission of color picture. Mr. Finch's patent (No. 2,177,247) explains that when color prints are sent separately by wire, any misalignment or inaccuracy occurring during transmission causes color streaks and distortions when they are superimposed to form the final print.

"The color reproductions produced by my present invention bear very fine detail, and substantially all traces of streaks and the scanning lines which make up the picture are toned out so as to be unnoticeable," Mr. Finch explains in his patent claim. "A small three-dimensional effect occurs in the final colored picture, due to some extent to the superposition of the three translucent colored prints to form a substantial thickness. The fine detail of the color facsimile permits enlargement thereof to a much greater extent as compared to ordinary black-white facsimiles, since scanning lines and extraneous marks are rendered unnoticeable.

"Newspaper services are enabled by my present invention to economically transmit to remotely scattered plants of their organization comic strips, colored advertisements and colored feature supplements for newspapers, colored copy for magazines, and for other purposes. The transmission of such pictures may be readily carried out over a telephone line without physical interconnection thereto, and using conventional black-white facsimile systems. The three colored prints composing the colored picture may be received directly upon the sensitive film or may be directly engraved upon printing plates for the presses."

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TELEPHONE TELEVISION COMMERCIAL IN GERMANY

Several television telephone stations have been installed in Germany on a more or less commercial basis, according to the U. S. Bureau of Foreign and Domestic Commerce. In Berlin there are four such stations and from any of these it is possible to connect with either of the other three Berlin stations or by long distance to Leipzig, Nuremberg and Munich, the report stated.

Town calls in Berlin can be made for 0.50 marks (pre-war value of mark about (US \$0.40), while calls to Leipzig are 3 marks, Berlin to Nuremberg 4.20 marks, and Berlin to Munich 4.80 marks. If the party called has to be notified to report to the television telephone station by the post office, there is an additional charge of 0.40 marks for calls within Berlin, and 0.50, 0.70 and 0.80 marks, respectively, for long distance calls. Hours of service are from 8 A.M. to 8 P.M. daily.

While this system is still operating on an experimental basis only, a demonstration was sufficient to prove that wonderful progress has been made along this line, the American Commercial Attache at Berlin stated.

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RADIO TELEGRAPH REGULATIONS STREAMLINED

Simplification of rules and regulations governing the licensing of radio companies handling public messages was announced by the Federal Communications Commission this week. Under the new streamlined system of licensing, effective December 1, 1939, less than 100 licenses will be able to take care of the public service now performed by nearly 500 licensees.

Heretofore, it has been the policy to issue a separate license for each frequency used in international service and regard each such license as a separate station. This necessitated the issuance of as many as sixty separate licenses for one transmitting location.

Under the new rules, only one license will be issued for any given transmitting location of this type of common carrier. This license will specify all of the frequencies and transmitters heretofore authorized on a number of licenses, and will permit communication to any point now designated in outstanding licenses.

The new system of licensing will give flexibility of operation and handling of such messages. The carriers will no longer be required to submit routine applications which are necessitated by seasonal changes and vagaries of radio-transmission which occur during the normal license period.

Other changes in the rules include the deletion of those rules defining primary and secondary communication which become obsolete under the improved system of licensing, submission of a quarterly report of the volume of traffic transmitted and received from any point of communication, and hours of use of all frequencies.

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FCC WATCHING AMATEURS, F.D.R. SAYS

President Roosevelt disclosed this week that he has discussed with Chairman James L. Fly, of the Federal Communications Commission, plans for preventing belligerent nations from using short-wave radio stations in this country to disseminate secret information.

The FCC, he told his press conference, is checking amateur stations to prevent this country being used as a base of operations by any nation at war. This, he said, is as important an activity as any other phase of a strict neutrality program.

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TRAVELERS CORPORATE TRANSFER AGAIN DENIED

The Travelers Broadcasting Service Corp., of Hartford, Conn., was denied this week permission to effect an intercorporate transfer involving its radio holdings. The action, which was a reaffirmation of a previous denial, was taken by the Federal Communications Commission after a rehearing.

The Travelers Broadcasting Service Corporation and the Travelers Broadcasting Company had jointly requested the Commission's consent to assignment of license of radiobroadcast station WTIC, the short-wave stations WIXEH, WIXLU, WIXO, WIXT, from The Travelers Broadcasting Service Corporation to the Travelers Broadcasting Company.

After hearing before an Examiner and oral argument before the Commission, on November 1, 1938, the Commission denied the application. A petition for rehearing was filed requesting the Commission to set aside its decision and to reconsider and grant the application on the basis of arguments set forth in the petition.

Applicants contended that the benefits to be derived from the transfer are summarized somewhat as follows:

1. All physical properties connected with broadcasting will be owned by the same company which holds the license.
2. The proposed licensee will have a larger and stronger capitalization.
3. The proposed licensee will have broader corporate powers with which to develop the radio art.

Taking up the foregoing in order, the Commission finds:

The first purpose can be accomplished by a simple form of conveyance to the present licensee.

The second point is not persuasive since the present licensee will surrender its present cash balance of \$100,000 to the Insurance Company as a "liquidating dividend". The total authorized capital stock of the new corporation is the same amount, as shown by the charter, while the application itself and the affidavit of C. W. Baker (Treasurer of the companies) attached to the charter states that only \$50,000 in amount is planned to be issued. Were it to be assumed in any case that the cash position of the licensee would be improved by the assignment, this again could be accomplished by a simple arrangement with the present licensee.

The third point, the need for broader corporate powers is not readily apparent in the light of the broad experimental activities of the station heretofore. Assuming this as a major purpose, however, it can readily be accomplished by an amendment of the charter of the present licensee.

Chairman Fly and Commissioner Payne did not participate; Commissioner Craven dissented.

RADIO MAY MOVE TO FRONT LINE TRENCHES

Diplomatic negotiations now under way in Paris may result in the placement of radio commentators at the Maginot Line alongside the newspaper men, according to the State Department.

Ambassador William C. Bullitt has informed Secretary Hull that the French Ministry of Information is considering a proposal that radio be placed on a par with the press in covering the western front. All indications, he said, are that the request will be granted.

The only fly in the ointment, it now appears, is that the western front appears to be quieter than a side street in the National Capital and may stay that way all Winter.

Harry C. Butcher, CBS Vice-President, originally took the matter up with Mr. Bullitt via the State Department and authority was forthcoming for only NBC and CBS to dispatch correspondents to the front. This was with the understanding that MBS also would be protected. Secretary Hull, however, pursued the matter with the result that dispensation is now considered virtually assured for all three networks.

While details have not yet been forthcoming, it is hardly expected that actual pickups will be made from the front but that the network commentators will wire their dispatches to Paris and London from the Maginot Line.

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PATENT GRANTED FOR RADIO-CONTROLLED BOMBER

A remote-control system for guiding airplanes and releasing their bombs by radio was patented this week in Washington. The patent was awarded to Joseph B. Walker of Hollywood, and it reveals that one-third is assigned to Frank Capra, movie producer, and another third to Sheldon K. Johnson, both of Los Angeles County.

With the invention, "pilots" on the ground behind their own lines could steer the radio-controlled planes by playing on a "typewriter", and also release its cargo of bombs when it had reached its objective. A feature of the invention is that garbled or scrambled radio impulses are used to control the craft. By garbling the impulses, interference by enemy radios is overcome, according to the inventor.

At the ground station is a radio transmitter. Included in the transmitter is a bank of keys corresponding to the letters of the alphabet. By striking various keys different types of impulses are set up. The impulses go to a radio transmitter. Here they are garbled and then broadcast. On the radio-controlled planes is a receiving set. It picks up the garbled impulses, unscrambles them so that the impulse which, for example, controls the motor for operating the rudder and ailerons, goes to the motor, and the impulse for controlling the catch that releases the bombs goes to the magnet that opens the catch.

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 ::: TRADE NOTES :::
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Gross billings for time on the Columbia network --prior to deductions for agency commissions and time discounts to sponsors-- totaled \$3,366,654, during October, 1939. The October figure brings the ten-month cumulative total for 1939 to \$27,532,088.

A secret election by employees of the Camden plant of the RCA Manufacturing Company was ordered this week by the National Labor Relations Board to determine whether a majority favors the American Federation of Labor or the Congress of Industrial Organizations as collective bargaining agent. The plant is operating under a contract with a local of the C.I.O.'s United Electrical Radio and Machine Workers Union of America, established there since a violent strike in the Summer of 1936.

The third Byrd Antarctic expedition will not be without mail from home during its long stay in Little America, for arrangements have been made whereby General Electric's powerful short-wave transmitter in Schenectady will again send letters and messages from friends and relatives, just as was done on the two previous expeditions to the Antarctic.

This mailbag service to Admiral Byrd and his men will be inaugurated on Friday night, December 8, by international broadcast station WGEO, formerly W2XAF, operating on 31.48 meters or 9,530 kilocycles, and will continue every two weeks until the expedition returns. The time will be 11 to 11:45 p.m., EST, which, because of the difference in time, will be 4 to 4:45 in the afternoon at Little America.

Effective January 1, 1940, Station WTMA, Charleston, S.C., will become affiliated with the National Broadcasting Co., replacing Station WCSC in the same city. WTMA broadcasts with 250 watts power on a frequency of 1210 kc., and is licensed for unlimited time. It is operated by the Atlantic Coast Broadcasting Company, owned by Y. W. Scarborough and J. W. Orvin. The station will be affiliated with the NBC-Southeastern Group on an EST schedule.

Radio Station WJW, Akron, said this week that a weekly "voice of labor" program was canceled after "authorization" by the National Association of Broadcasters. Sherman H. Dalrymple, President of the United Rubber Workers (C.I.), on behalf of the Akron Industrial Council as sponsors of the program, attacked the cancellation as "an unwarranted and dictatorial invasion of our rights as citizens" and appealed to the Federal Communications Commission. The C.I.O. paid WJW \$17 for the fifteen-minute program.

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ZENITH PASSES 12,500 SET DAILY OUTPUT

Zenith Radio Corporation has passed a production of 12,500 radio receivers per day, according to Commdr. E. F. McDonald, Jr., President.

"This is a mass production record which we have been gradually building up to and has never before been equalled in the history of radio manufacturing", he said. "October just finished represented the largest number of radio receivers ever shipped by Zenith in a single month. Even with this enormous production we will be unable to fill our back orders by December 1st. Because of the European situation the interest in and demand for short-wave receivers to listen to Europe direct is increasing daily."

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"CITY OF FLINT" CARRIED WINCHARGERS, CLAIM SHOWS

Composition of part of the cargo carried by the "City of Flint" was disclosed by Commander E. F. McDonald, Jr., President of Wincharger Corporation, Sioux City, Iowa, that a claim for insurance on a large consignment of winchargers to the Irish Free State had just been received. This claim came in the form of a cable from Kelly & Shield, Dublin, Irish Free State representative.

The winchargers aboard the "City of Flint", which are electric generators equipped with wind propellers used to make electricity from the wind where power lines are not available, were destined for installation in air raid shelters throughout the neutral country of Eire, in order to assure a local source of electric light in case power stations are put out of commission. This type of illumination is imperative in air raid shelters because candles, gas, and open flame lamps consume valuable oxygen which is not the case with electricity.

These wind driven electric generators are extensively used by the United States Forestry Division, the United States Lighthouse Service, the Indian Service - Department of Interior, Civilian Conservation Corps and farmers generally in unelectrified areas where power lines have not penetrated. Their use in air raid shelter illumination is a new development.

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INDEX TO ISSUE OF NOVEMBER 7, 1939.

| | |
|--|----|
| Shepard Sticks By NAB; Seven Stations Quit..... | 2 |
| Radios Named In U.S.-Venezuela Trade Treaty..... | 3 |
| Musicians Ask Another Boost From Broadcasters..... | 4 |
| Radio Exports Rise And Fall In September..... | 5 |
| Radios Among Noisemakers That Annoy Hotel Guests..... | 5 |
| WLW Case Loses Last Appeal For Super-Power..... | 6 |
| World Series Basis For New Monopoly Inquiry..... | 6 |
| FCC Hearing Room To Be Streamlined..... | 7 |
| First "Staticless" Network Planned By Shepard..... | 8 |
| "Pro-Nazi" Stations Reported Near Border..... | 9 |
| Radio Amateurs Handle Messages After Va. Snow..... | 9 |
| Trade Notes..... | 10 |
| FCC Proposes U.S. Pay Higher Telegraph Tolls..... | 11 |
| RCA Reports Quarterly Profit Increase..... | 11 |
| Radio Making Notable Progress In Italy, U.S. Learns..... | 12 |
| Trustee Appointed For Majestic Corporation..... | 12 |

No. 1172

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November 7, 1939.

SHEPARD STICKS BY NAB; SEVEN STATIONS QUIT

With John Shepard, III, owner of the Yankee and Colonial Networks, pledged not to sell radio time to Rev. Charles E. Coughlin, officials of the National Association of Broadcasters returned to Washington this week from the Directors meeting in Chicago more confident of industry support of the Code ban on sponsored controversial broadcasts.

The NAB issued a statement attributed to Mr. Shepard stating that he would give time to Father Coughlin but would no longer sell him the time, thus coming within the provisions of the Code. As Mr. Shepard's Colonial Network forms the nucleus of the Coughlin network, NAB officials felt that the split will not be as serious as at first feared.

Four more stations, however, resigned because of the NAB Code. Ralph B. Atlass, of Chicago, withdrew Station WIND, according to the NAB and Gene T. Dyer, of Chicago, took out Stations WCBD and WSBC. A fourth Texas network station also resigned under Elliott Roosevelt's influence.

Meanwhile, Edgar Bill, Chairman of the Code Maintenance Committee, came to the defense of the Code in a radio address made from his home station at Peoria, Ill. The Code, he insisted, "far from curbing freedom of speech" actually "promotes freedom of speech". The policy of restricting controversial broadcasts to sustaining programs, he said, has been tested for several years on the major networks.

"How does it work?" Mr. Bill, President of WMBD, asked. "Well, during the recent discussion of the arms embargo repeal, this network (CBS) gave time for eighteen talks for repeal, twenty against repeal and three non-partisan. The amount of time was four hours and thirty-five minutes each, both for and against repeal and forty minutes for the non-partisan speakers. During the Supreme Court battle, this network gave time for twenty-one speakers on each side of the question, or a total of forty-two speakers. Last Fall this network gave time for a series called 'Political Party Addresses'. Six Democrats and six Republicans each had periods of free time.

"One of the best examples of this policy is the present series of discussions of our Code. The facilities of a great network and its stations were turned over free last Sunday at this time to David Lawrence who spoke against the policies of the very stations who were carrying his voice. The Code did not censor Mr. Lawrence nor curbe his freedom of speech. Let me ask whether

David Lawrence's newspaper, 'The United States News', has followed the example of radio and printed both sides of the Code controversy. Mr. Lawrence devoted the entire back page of his paper October 16th to an editorial against the Code. Would he, following radio's example, give the same page to an editorial in favor of the Code?

"On our own station here in Peoria, we have followed the same policy of free time for controversial discussions for about two years. A good example of how it worked came about during a jurisdictional labor dispute last Spring when both parties used equal time to present their cases to the public. A year ago, our town was divided on the question of introducing military training in the high schools. An equal number of speakers for both sides presented their arguments over our station.

"Far from curbing freedom of speech, we have learned that this policy promotes freedom of speech. It also brings more persons to the microphone, whatever their views may be. It gives the listener a chance to hear both sides of every question and then puts upon him the responsibility of making up his own mind.

"Some one has said that radio stations cannot afford to give away time for such purposes and that freedom of speech would thereby be curbed. Of course, that is not true. For years, radio stations have been giving free time for public service. During the European crisis of last September, stations all over the country cleared their commercial program schedules day after day to broadcast special European news. Does the American public need to be reminded of the service performed by radio stations during disasters such as the Ohio Valley and New England floods? Networks and stations have given time freely for the discussions of such questions as the arms embargo repeal. This network alone, as I told you, gave almost ten hours on that subject. I have mentioned only a few instances in which broadcasters found public service more important than making money. There are many more, certainly enough to prove that the radio industry can, as a public service, afford to give rather than sell time for the discussion of public controversial issues."

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RADIOS NAMED IN U.S.-VENEZUELA TRADE TREATY

Concessions in the importation of American-made radio equipment are included in the reciprocal trade agreement signed this week between Venezuela and the United States, according to the State Department.

The trade pact will become effective December 16th and is the eleventh of such agreements to be reached between this country and other American Republics.

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MUSICIANS ASK ANOTHER BOOST FROM BROADCASTERS

Broadcasters, bothered with code and copyright difficulties, were given something else to worry about late last week as the American Federation of Musicians informed the Independent Radio Network Affiliates that it expects a 50 percent increase in revenue from radio in 1940.

The present contract between the AFM and IRNA will expire January 17, 1940. Representatives of the two groups held their first conference in New York last week to open negotiations for a new agreement.

During the conference, Joseph N. Weber, President of the AFM and Chairman of its International Executive Board, notified the broadcasters that the position of the Federation is as follows:

"(a) In 1937, the Federation required the network affiliates (including network owned and operated stations but not including network key stations) to increase their annual expenditure for staff musicians by an additional sum of \$1,500,000, thereby bringing the gross annual expenditure up to not less than three million dollars. This has been carried out under the plan of settlement during the two years beginning January 17, 1938.

"Upon the expiration of the present arrangement, January 17, 1940, the Federation will require that this annual expenditure be increased by a further sum of \$1,500,000 per annum, bringing the gross expenditure of the affiliates as a group for staff musicians up to the sum of not less than \$4,500,000 per annum.

"(b) In 1937, the Federation required that the annual expenditure of the three national networks in all their key stations in New York, Chicago and Los Angeles be increased by \$60,000 per annum each for staff musicians and this arrangement has been carried out in the two years since the effective date of the national plan of settlement, January 17, 1938. The Federation will require that this increased expenditure be doubled after the expiration of the present arrangement on January 17, 1940, that is, that all of the key stations of the three national networks, in New York, Chicago and Los Angeles, be equivalent to \$120,000 per annum for each station in excess of the amount that was being spent prior to 1938.

"(c) The Federation will deal separately with the independent non-affiliated stations and its demands from such stations were not communicated to those participating in last week's conference."

The representatives of IRNA and the networks were not empowered to give the Federation any reply to these demands.

The Executive Committee of IRNA will promptly communicate with all affiliates in order to obtain facts and figures with which to go back to the Federation for further conference and negotiation.

The Federation notified the IRNA Committee that it should obtain the necessary responses from the affiliates with sufficient promptness to enable the Committee to meet again with the Federation Executive Board on November 20, 1939, the date fixed for the next conference.

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RADIO EXPORTS RISE AND FALL IN SEPTEMBER

Both increases and decreases were noted in United States radio equipment exports during September, the Electrical Division of the Department of Commerce reported this week. Shipments of transmitting sets, tubes and parts declined considerably from \$310,585 in August to \$197,155 during September; a gratifying increase was registered in radio receiving sets with a new high level of \$1,033,200 compared with the preceding month's total of \$802,154; exports of radio receiving tubes also attained a peak of \$295,120 in September, having improved from the August total of \$258,657; all the remaining radio classes decreased, receiving set components from \$429,067 to \$402,780, loudspeakers from \$47,229 to \$31,066 and non-specified receiving set accessories from \$46,622 to \$36,325.

Exports of electrical equipment generally continued to decrease during September when foreign shipments aggregated \$8,625,058, a decline of 6.5 percent, or \$598,598, from the August total of \$9,223,656.

The September total was well above the figure of \$7,924,943 recorded during the corresponding month of 1938.

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RADIOS AMONG NOISEMAKERS THAT ANNOY HOTEL GUESTS

Radios and commercial loudspeaking systems are among the twenty noisemakers that annoy guests most, according to the New York City Hotel Association.

The list, based on a survey among member hotels, includes: police radio cars, radios in taxis, other radios, phonographs and amusement instruments, loudspeakers or other devices to attract attention, and mechanical loudspeakers for advertising.

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WLW CASE LOSES LAST APPEAL FOR SUPER-POWER

Efforts of the Crosley Corporation, Cincinnati, Ohio, to regain its experimental permit for super-power operation by court order were balked this week when the U. S. Supreme Court refused to review the decision of the Court of Appeals upholding the action of the Federal Communications Commission.

Since being denied a renewal of its 500 KW license, the Crosley Corporation has sought to reverse the Commission's decision through litigation.

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WORLD SERIES BASIS FOR NEW MONOPOLY INQUIRY

Although the 1939 baseball season is now history, the Federal Communications Commission is threatening to delve into the broadcasting of the world series games and find out why only the Mutual Broadcasting System carried the broadcasts.

Letters have been sent to broadcast licensees throughout the country asking whether they broadcast the World Series games, whether an opportunity was afforded to them to be broadcast, and, if it was, was any effort made by any person or organization to prevent them from serving the series to their listeners.

The information is to be returned to the Commission not later than November 15th, when the Monopoly Committee will make a study of the data. If information already in its hands proves to be true, the group will reopen the hearings to get sworn testimony, it was indicated.

This action, it was said, was a direct result of the Mutual Broadcasting System's obtaining an exclusive contract for broadcasting the series. Information now before the Monopoly Committee, it was learned, is that Mutual offered this service to independent stations as well as affiliates of other chains. The Committee also is said to be in possession of information that some stations accepted the offer and even broadcast the first day's series, but then were threatened with a cancelling of their chain contracts if they continued, and so desisted.

It is contended in the Commission that such action, if the subsequent investigation proves this to be true, violates the public interest requirements of the Commission, because it prohibits a station from fulfilling a demand for opportunity to hear an event over the radio. It was pointed out that the World Series will furnish perhaps, the best test of the right of chains, through their exclusive contracts, to prevent their affiliates from serving programs of nation-wide interest, even though furnished by another facility.

The letter, which went to all of the stations, asked the following questions:

"Were the World Series baseball games of October, 1939, broadcast over your station?"

"If such broadcasts were presented over your station, state (a) the substance of any arrangement or agreement by which such programs were made available to you, and (b) whether any attempt was made by any person or organization to influence or persuade you against broadcasting the programs.

"If broadcasts of the World Series were not presented over your station, state (a) whether the programs were offered to you, but refused by you because of an agreement with a network or other organizations; (b) whether you were influenced by other persons or organizations to refuse the programs, or were prevented from accepting them, and (c) whether an attempt was made by you to obtain the programs, and if so, why you were unable to make arrangements to obtain them."

As soon as the answers are received by the Commission, they will be turned over to the legal staff which has been working on the monopoly investigation. It was indicated that even if the reports do not bear out previous information, if any stations appear to have side-stepped the question, their representatives will be called to Washington and placed under oath. The questionnaire does not call for sworn replies.

It is expected the investigation will be concluded in time to be included in the report on monopoly. The inquiry is to be pressed forward as soon as the information is in.

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FCC HEARING ROOM TO BE STREAMLINED

The makeshift facilities in the hearing room of the Federal Communications Commission are to be streamlined and dignified under the direction of Chairman James Lawrence Fly.

Proceedings before the Commission, due to lack of facilities, have taken on a more or less informal appearance. The hearing room has only five desks, which fill one side of the room. But since there are seven Commissioners, two had to sit on the sidelines. Spectators were allowed to crowd around the tables set aside for the attorneys.

Workmen now are building a semi-circular bench in one end of the room which will be two steps higher than the floor of the hearing room. It will be something like the benches used in courtrooms and will have individual lights for the Commissioners as well as other facilities. The acoustics of the room also are to be improved by the placing of sound-proofing material on the ceiling.

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11/7/39

FIRST "STATICLESS" NETWORK PLANNED BY SHEPARD

Establishment of the first network of "staticless" radio broadcasting is foreseen in the application which has just been made by John Shepard, III, President of the Yankee Network, for permission to operate two frequency-modulated broadcast stations at the summit of Mt. Washington in New Hampshire and at Alpine, N. J.

The Yankee Network based its application on the contention that frequency-modulated radiocasting has long since passed out of the experimental stage and asked that stations using this method of transmission be authorized for operation as regular radiocast stations.

Eighteen stations, nine licensed to be on the air and nine under construction now, are authorized by the Federal Communications Commission to use "special" emission or radio frequency modulation based upon the Armstrong system of staticless radio.

Those on the air include: Edwin H. Armstrong at Alpine, N. J.; General Electric, Schenectady and Albany; Head of the Lakes Broadcasting Company, Superior, Wis.; John V. L. Hogan, New York; C. M. Jansky, Jr., District of Columbia; WDRG (WLXPW) Meriden, Conn.; Westinghouse Electric and Manufacturing Company, Springfield, Mass., and the Yankee Network, Paxton, Mass.

Stations listed by the FCC as "special, construction permits only" are Bamberger Broadcasting Service, Newark, N. J.; The Journal Company, Milwaukee, Wis.; National Broadcasting Company, New York; Stromberg Carlson, Rochester, N. Y.; Westinghouse Electric and Manufacturing Company, Boston, Mass.; WHEC, Inc., Rochester, N. Y.; Worcester Telegram Publishing Company, Holden, Mass.; Travelers Broadcasting Service Corporation, Avon, Conn.; and McNary & Chambers, Bethesda, Md. The majority of these transmitters are to be rated at 1 kilowatt.

Parallel with the Yankee Network experiments in frequency modulation is work being done by the General Electric Company in Schenectady. After having experimented for a year or more with a station of this type atop the State Office Building in Albany, the company decided to build a frequency-modulation transmitter as part of its new television station in the Helderbergs. This station is expected to be ready for operation by the first of the year.

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11/7/39

"PRO-NAZI" STATIONS REPORTED NEAR BORDER

The Federal Communications Commission is investigating reports that a group of unlicensed radio stations are operating in this country near the Mexican border, and are suspected of communicating with German submarines in the Gulf of Mexico and Caribbean Sea. The reports are not the first regarding "outlaw" stations since the European war began. However, none of the stations have yet been found. FCC officials are skeptical of their authenticity.

If the complaints are true, these "pirate transmitters" may be prosecuted as the first radio violators of the neutrality law. German submarines have been rumored in both Gulf and Caribbean waters.

The report of radio operations was received as the Commission prepared to expand its policing of the air waves to remote sections of the Nation, through establishment of several mobile monitor stations to check all channels.

These portable radio stations would augment seven now maintained over the Nation.

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RADIO AMATEURS HANDLE MESSAGES AFTER VA. SNOW

Radio amateurs and road workers did yeoman duty in the heavy snow-storm which blanketed the Shenandoah and east-side valleys west of the Blue Ridge the past week-end, according to an Associated Press report.

The parts they played in relieving emergency conditions became more apparent as a warming sun began to melt the snow, which fell 2 feet deep.

The storm cut the Norfolk & Western's communication lines into Shenandoah. E. E. Emswiler, Jr., of Roanoke, and Charles C. Morrison, of Shenandoah, offered their radio services to the Norfolk & Western's dispatcher, as well as to telegraph companies.

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11/7/39

FCC PROPOSES U. S. PAY HIGHER TELEGRAPH TOLLS

The Federal Communications Commission recommended in a report yesterday (November 6) that the rates paid by the Federal Government for domestic telegraph messages be increased from 40 percent of the charges applicable to private commercial firms to 60 percent of such charges.

The increase would become effective January 1, unless delayed by challenges filed in the next 20 days, and would continue in effect for the rest of the fiscal year ending on June 30, 1940.

The Government is one of the largest, if not the largest, single customer of the Western Union and Postal Telegraph companies, the Commission said. Official messages handled by Western Union in 1937 amounted to 5.2 percent of the total domestic messages handled by that company, while those Government messages produced only 1.5 percent of the revenue from all the company's domestic traffic. The Commission found that by reason of the 60 percent spread between the Government rates and the commercial rate, together with the narrow spread between the total revenues from telegraph service and the total cost of such service, the Government was not paying a proportionate share of the cost. Minimum charges now effective would not be changed.

Sustaining the petition for an increase filed by the telegraph companies more than a year ago, namely in May 1938, the petitions of the Postal Telegraph-Cable Company, the Western Union Telegraph Company, and Mackay Radio and Telegraph Companies of California and of Delaware, which were for a change to the full commercial rate, subsequently amended to a request for any increase deemed just and proper by the Commission, the Commission found that the Government is not paying enough for its telegraph service.

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RCA REPORTS QUARTERLY PROFIT INCREASE

Radio Corporation of America and subsidiaries, for the quarter ended September 30, reported this week net income of \$1,894,224 after charges, equal after preferred stock dividend requirements, to around 8 cents a share on common stock. This compared with net income of \$1,616,449, or about 6 cents a common share in the like 1939 quarter.

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11/7/39

RADIO MAKING NOTABLE PROGRESS IN ITALY, U.S. LEARNS

Italy's radio-manufacturing industry has made notable progress in the last few years, according to a report to the Department of Commerce from Assistant American Commercial Attache N. P. Hooper, Rome.

Production during the current year is estimated in excess of 400 million lire (\$20,000,000), an increase of 50 million lire (\$2,500,000) as compared with 1938. Of the 1939 total, 180 million lire (\$9,000,000) represented receiving sets and the remainder scientific, educational and industrial radio apparatus.

The manufacture of television sets and apparatus in Italy has been receiving considerable attention during the current year. While details are not available, it is reported that a number of interesting television models have been produced.

Italy now has thirty-five broadcasting stations operating, of which twelve are short-wave. Official estimates place the aggregate number of receiving sets in the country at 1,100,000. Broadcasting in Italy is under the control of a semi-governmental organization. Owners of receiving sets pay an annual tax of 81 lire (about \$4) which permits them to own as many sets as desired. No commercial advertising is broadcast by Italian radio stations.

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TRUSTEE APPOINTED FOR MAJESTIC CORPORATION

Federal Judge John P. Barnes on Monday, November 6, in Chicago appointed Claude A. Roth, an attorney, as trustee of the Majestic Radio and Television Corporation, under Section 10 of the Chandler Act. His bond was set at \$50,000. The firm, which manufactures radio sets, filed a voluntary petition for reorganization under Section 11 of the Chandler Act on October 24. An attorney for creditors asked for a receiver next day.

Counsel for the company did not admit insolvency but agreed to transfer proceedings to Section 10 to avoid litigation with the Securities and Exchange Commission, which contended the action should not have been filed under Section 11.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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INDEX TO ISSUE OF NOVEMBER 10, 1939

| | |
|--|----|
| FCC To Ask Congress For Seven Mobile Monitors..... | 2 |
| FCC Grants Power Raises For Relay Stations..... | 3 |
| NBC Signs Sponsor On International Station..... | 3 |
| Television Net Seen In NBC-G.E. Tie-up..... | 4 |
| Schools To Aid In U. S. Education Program..... | 4 |
| National Service Above Local, FCC Decides..... | 5 |
| FCC Declines To Enter Akron Labor Dispute..... | 6 |
| McDonald Urged Radio Bomber In 1930 To Navy..... | 6 |
| Radio's Role In War Noted By Writers..... | 7 |
| Cuban Station List Prepared By Commission..... | 9 |
| Radio News Commentators Drawing Big Salaries..... | 9 |
| Trade Notes..... | 10 |
| Volume Of Radio Sales Seen Ahead Of 1937..... | 11 |
| CBS Reports Profit Of \$2.05 A Share..... | 11 |

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FCC TO ASK CONGRESS FOR SEVEN MOBILE MONITORS

Determined to prevent, if possible, the unlawful use of any of this country's ether waves by belligerents or their agents, the Federal Communications Commission is preparing to enlarge its monitoring activities.

An appropriation for the purchase of seven mobile monitors will be asked of the next Congress so that a closer check may be made on short-wave stations, especially in the amateur field.

While the Commission has assurance of whole-hearted support from the American Radio Relay League in tracking down any "piracy" on the amateur frequencies, reports of unlawful operations have increased since the outbreak of the European war.

The Radio Relay League has set up a key network of 150 stations to keep constant watch on the air waves and report any irregularities. FCC officials are convinced that the 55,000 amateurs as a whole are loyal and trustworthy citizens, but at the same time they are afraid that unlicensed operators may use their frequencies.

American amateurs have lost many of their foreign communications contacts, meanwhile, due to the "blackout" of their colleagues by governmental edict in practically all European countries.

Radio engineers differ as to the value of amateur radio facilities for international communications, but they admit that they could at least become a nuisance, if not a menace, when in disloyal hands. The clearness of communication between "ham" stations depends upon atmospheric conditions and consequently is not dependable.

FCC officials said that the seven mobile monitors are not needed solely for tracking down "radio spies" but are wanted for the peace-time checking of transmissions as well. They were requested of the last Congress, in fact, but were refused as unnecessary at the time.

Chairman James L. Fly has conferred about the matter of policing the radio waves with President Roosevelt, and it is understood has his sanction in asking for additional facilities.

The President in a recent press conference commented that this work is as important as any in keeping the United States out of war.

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11/11/39

FCC GRANTS POWER RAISES FOR RELAY STATIONS

The Federal Communications Commission this week authorized an increase in the allowable power for relay broadcast stations operating on certain frequencies in order to provide more dependable service.

"Section 4.25(b) of Rules other than Broadcast, was revised to read as follows:

"'A relay broadcast station assigned frequencies in Groups D, E, F and G will not be authorized to install equipment or licensed for an output power in excess of 100 watts; provided that before using any frequency in these groups with a power in excess of 25 watts, tests shall be made by the licensee to insure that no objectionable interference will result to the service of any government station, and provided, further, that if the use of any frequency may cause interference then the power shall be reduced to 25 watts or another frequency in the licensed group selected which will not cause objectionable interference.'"

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NBC SIGNS SPONSOR ON INTERNATIONAL STATION

Inauguration of an international commercial short-wave broadcasting service by the National Broadcasting Company was announced this week by President Lenox R. Lohr.

The first sponsor to be signed is the United Fruit Company, which will present daily quarter-hour evening programs in Spanish over Stations WRCA and WNBI. These programs are designed especially to cover the Central American countries in which the fruit company is extensively interested.

The new service offered by NBC will operate for 16 hours daily. It will cover the 20 Latin American Republics with programs in Spanish, Portuguese and English beginning at 4:00 P.M., and running until 1:00 A.M., EST. In addition there will be made available to advertising sponsors a daytime European program service beginning at 9:00 A.M., and running until 4:00 P.M., EST, in English, French, Italian and German.

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TELEVISION NET SEEN IN NBC-G.E. TIE-UP

A nationwide television network was foreseen this week when Alfred H. Morton, NBC Vice-President in Charge of Television, announced that the National Broadcasting Company television programs would soon be re-telecast over the experimental station of the General Electric Company near Schenectady.

A radio relay receiver, said Mr. Morton, is now being installed by G.E. engineers near their television transmitter to receive NBC programs, telecast in New York City over Station W2XBS. The distance between the two stations is approximately 130 miles.

"The National Broadcasting Company and the Radio Corporation of America have long been working on ways and means of networking their television programs", said Mr. Morton. "Since it is our earnest desire to make this new service available to an ever-increasing number of persons, we consider networking to be a most important phase of television development.

"For some time past", he continued, "G.E. engineers have been receiving NBC programs at their experimental station, located on Helderberg Mountain near Schenectady, about 130 miles from our transmitter atop the Empire State Building. Technical progress and observations made are discussed with NBC technicians, and G.E. program experts make frequent visits to our Radio City studios to follow NBC progress. An informal arrangement between the National Broadcasting Company and the General Electric Company provides for continued cooperation in the development of television."

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SCHOOLS TO AID IN U.S. EDUCATION PROGRAM

The Nation's schools and civic and educational agencies have been invited by U. S. Commissioner of Education John W. Studebaker to participate in a Nation-wide discussion on health problems, in connection with six educational radio broadcasts over a coast-to-coast network sponsored by the U. S. Office of Education in cooperation with the U. S. Public Health Service and the Columbia Broadcasting System.

Beginning November 12, and continuing through five Sundays, the U. S. Office of Education will broadcast half-hour programs on conquering our health problems over a network of more than 100 stations of the Columbia Broadcasting System. Broadcasts will be the second group of "correlated" educational programs on the "Democracy in Action" series, from 2:00 to 2:30 P.M., EST. Short series of broadcasts on labor, social security, housing, youth, and other problems will follow. The documented broadcasts on public health are designed to provide a better understanding of the service of Government - National, State and local - in advancing Nation-wide efforts to protect and promote health.

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NATIONAL SERVICE ABOVE LOCAL, FCC DECIDES

The provision of radio service to the United States on a national basis, rather than the fulfillment of local needs alone, is the goal of the Federal Communications Commission in granting facilities, it was stated in a decision denying an application for a new station.

Explaining the refusal to grant a construction permit to the Thumb Broadcasting Co., Brown City, Mich., the FCC said.

"Based on its experience the Commission has formulated a plan of allocation, which is set out in its Rules and Regulations, for the assignment of frequencies. By the plan it is sought to establish a pattern of radio coverage on a truly national basis. Only in such a manner can the goal of the best and most comprehensive service possible to the greatest number of listeners be carried into effect. The plan makes available 93 channels for three classes of standard broadcast stations, each class of station having a particular function to fulfill. Stations of the local classification are designed to serve small communities or centers of population and the rural areas contiguous thereto; regional stations are designed to serve larger centers of population or metropolitan districts and adjacent rural areas; and clear channel stations are designed to serve large centers of population and vast rural areas.

"The record in the instant case shows that the potential listeners of the proposed station, the inhabitants of Brown City and its vicinity, now receive very comprehensive daytime service from existing stations each of which serves all or part of the area within the service range of the applicant's proposed facilities. These include eleven stations distributed in Michigan among Detroit, Lapeer, Bay City, Flint, Port Huron, Royal Oak and East Lansing, with one station in Canada.

"The normal assignment for any station in an area such as that in which Brown City is located would be a local frequency. It is not clear what a full exploration of this possibility would have developed. Certainly, under the allocation plan, the situation shown in this record does not justify the granting of a regional frequency. Nor do the facts of record with regard to the area involved and the service already being rendered make out a case for a departure from the plan."

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The American Consulate at Tegucigalpa, reports that an executive order has established a strict government censorship of all telephone, telegraph, cable, and radio messages received from or sent to countries engaged in war in Europe and Asia. The censorship also covers radio broadcasts by all Honduran stations. The order states that the censorship was established in order to aid in maintaining Honduran neutral rights and duties in connection with the European conflict.

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FCC DECLINES TO ENTER AKRON LABOR DISPUTE

The Federal Communications Commission has refused to take a hand in the Akron labor dispute involving Station WJW and in so doing has given further aid to the National Association of Broadcasters in the enforcement of their Code.

Replying to a protest from the United Rubber Workers of America, T. J. Slowie, Secretary of the FCC, addressed the following letter to S. H. Dalrymple, President of the Union:

"This will reply to your letter, dated October 28, 1939, in which you protest against the action of Station WJW in cancelling a contract for broadcast time with your Council and stating that it would not permit future broadcasts of 'The Voice of Labor'.

"The adoption of the Code of Ethics by the National Association of Broadcasters does not in any way alter the duties and responsibilities of licensees of radiobroadcast stations under existing law and rules and regulations of the Commission. However, Section 3(h) of the Communications Act of 1934, as amended, provides that persons engaged in radiobroadcasting shall not be deemed common carriers, and licensees of broadcast stations may, therefore, legally refuse to sell time to any particular individual or organization. In view of this fact, the Commission is without power under existing legislation to take any action against Station WJW on the basis of the facts alleged in your letter."

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McDONALD URGED RADIO BOMBER IN 1930 TO NAVY

The award of a patent last week to Joseph B. Walker, of Hollywood, for a remote control system of guiding airplanes and releasing bombs by radio has recalled that Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation, Chicago, suggested a similar device to Admiral William A. Moffett in 1930.

Writing to Admiral Moffett in April, of that year, Commander McDonald said that Hawk's flight across the country in a glider had started him thinking about the subject.

"Why not start experimenting with radio control of gliders?" he asked. They can be towed to a great altitude and then released and controlled, I believe, more easy by radio than can a torpedo. The next step naturally being to load the glider heavily with a high explosive and guide it into a selected target."

Admiral Moffett replied that he would "have your suggestion looked into and studied to see whether it is practicable or not."

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RADIO'S ROLE IN WAR NOTED BY WRITERS

The important part radio is playing in the European war, both in this country and abroad, is noted in a new book, "America's Chance of Peace", written by Duncan Airman and Blair Bolles, of Washington, and just published by Doubleday, Doran & Co., Inc., New York City (\$1.00).

Discussing the attitude of the United States since the outbreak of the hostilities, the authors wrote:

"The radio chains, which were unborn during the first World War, undertook to make 'every effort consistent with the news itself . . . to avoid horror, suspense and undue excitement', formally promulgating a radio code of wartime behavior in demonstration of their incredulity and impartiality. The National Broadcasting Company, the Columbia Broadcasting System and the Mutual Broadcasting System sent representatives to Washington on September 7 to draw up their code with the 'co-operation' of the United States government in the guise of the Federal Communications Commission. They bound themselves in their war broadcasts not to say 'anything in an effort to influence action or opinion of others one way or the other.'

"Before the code's adoption, in the excited last days of August, when the whole world was wondering whether or when it was going to be shaken, the radios on occasion fed the popular passion with propoganda adjectives which, piled high enough, might have overtopped the Eastwall and brought about a break in the resistance. On the afternoon of September 1, when the war against Poland was about ten hours old, H. V. Kaltenborn, speaking from London for the Columbia system, expressed his views about Hitler - 'unaccountable, changeable, irascible, temperamental'. He recalled that in his speech to the Reichstag making known the German 'drang nach' Poland, Hitler spoke against traitors, and then he remarked:

"'Well, isn't it strange that at a time when war begins the leader who says that he has the German people unanimously behind him must thus emphasize the traitors within Germany? And isn't it also significant that when Germany presents an English official translation over the radio, it leaves out Hitler's mention of the traitors within Germany?'

"This sort of 'ibiter dictum' was forbidden by the code.

"Later in the month of September, Columbia gave two noteworthy demonstrations of its refusal to be snared by propoganda.

"To William L. Shirer, the Columbia System's Berlin correspondent, the German Foreign Office suggested that he visit a camp filled with Polish prisoners so that he could describe to his listeners in America the conditions under which the captured enemies of Germany were living. Shirer turned down the offer.

He suspected that he would be shown a model camp made especially neat and stocked with well-fed prisoners just for the occasion.

"A short while later Mr. Shirer notified his home office that he had arranged a broadcast from a Berlin tavern which was a newspapermen's hangout. He said he had received permission to conduct an ad-lib broadcast for which the correspondents taking part would not have to observe the usual requirement that they first show their scripts to the German censors. Columbia, however, turned down the suggestion. The system thought that the broadcast might create the false impression in the United States that the correspondents were free to write and say what they pleased from Berlin.

"Despite their efforts to be impartial, radio networks have received thousands of letters berating them for putting 'propaganda' on the air. After every news broadcast the telephones in radio stations begin ringing, bringing calls from irate listeners determined that America shall not be pushed from its propaganda resistance."

With regard to the propaganda originating abroad, the writers stated that "the chief direct propaganda medium in the second war is the government-controlled radio, which puts Keokuk in Europe's backyard'.

"The European governments seem to stand in the backyard and shout their messages direct from government to citizen with no middle-man sifter like the correspondent or the commercial radio announcer", they continued. "The British evoke Mr. Keokuk's sympathy by telling him that the men and women in the Anglo-Saxon homeland are going quietly and grimly about their duty of saving the British Empire and civilization (it used to be democracy they were saving until they put the issue on a broadened basis).

"The British broadcasts stress the old bulldog spirit, which is reflected also in the 'color' stories sent from London to the United States by newspaper correspondents after being passed by the censor - 'the populace has accepted the countless wrenchings away from normal peacetime life and habits with admirable good humor and a minimum of grumbling', writes Edward Angly in the New York Herald Tribune.

"The German government, which could not reach America except through its diplomatic and consular agents during the last war, when the British cut the cables, began to address the United States night after night over the radio when the second war came. The Germans adopted a slightly flattering tone, and their message was aimed at convincing the United States that her role was really one of isolation.

"The German propaganda toward America of the second war has disclosed much greater intelligence than the first war propaganda. In 1914 and 1915 Ambassador von Bernstorff in

11/10/39

Washington, a man of great charm and popularity among Americans, sought to put across the theme of 'Lehrfreiheit' to the United States. He did succeed in some part in taking the curse off the Belgian propaganda of events, but the German Foreign Office made him accede to heavy-handed power-propaganda schemes, executed by dull old Dr. Dernburg and Franz von Papen, the military attache, whose operations really turned out to be better for England than the most expensive British propaganda in the end. The British, at the first war's close, declared officially that they opened their propaganda campaign in the United States only to combat the German undertakings."

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CUBAN STATION LIST PREPARED BY COMMISSION

Cuba has 77 broadcasting stations, 35 of which are in Havana, a tabulation by the Federal Communications Commission disclosed this week. The listing, together with frequencies, call letters, and power, is available at the offices of the FCC.

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RADIO NEWS COMMENTATORS DRAWING BIG SALARIES

The European war and public interest in international developments have put radio news commentators in the big money along with crooners, swing band leaders, and quiz experts, according to a recent tabulation by Variety.

Weekly income of commentators and newscasters as "estimated or reported", listed by the amusement journal, follow:

Walter Winchell, \$5,000; Edwin C. Hill, \$3,500; Dorothy Thompson, \$2,500; Lowell Thomas, \$2,250; H. V. Kaltenborn, \$2,000; Gabriel Heatter, \$2,000; Elliott Roosevelt, \$1,200; Raymond Gram Swing, \$1,000; Elmer Davis, \$1,000; H. R. Baukage, \$850; Fulton Lewis, Jr., \$750; Paul Sullivan, \$750; Bob Trout, \$700; Earl Godwin, \$650; Graham MacNamee, \$500; Drew Pearson-Robert Allen, each \$500.

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11/10/39

TRADE NOTES

WCSC, Charleston, S. C., has resigned from the National Broadcasting Company Blue and Red networks, and will join the Columbia Broadcasting System, effective January 1, 1940. The station is owned by the South Carolina Broadcasting Company. Operating at 1360 kilocycles with 1,000 watts power day and night, WCSC joins Columbia's Southern Group, bringing the CBS total to 118 stations in 117 cities.

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The Federal Communications Commission this week granted the application of Orville W. Lyerla, Herrin, Ill., for a construction permit authorizing a new radiobroadcast station to operate on the frequency 1310 kc., with power of 100 watts night, 250 watts to local sunset, unlimited time.

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William Winter, Columbia's news analyst at WBT, Charlotte, N. C., has been appointed CBS Regional Educational Director for the South, Sterling Fisher, Network Director of Education, has announced. Mr. Winter will supervise the work of CBS Educational Directors in Southern States and will cooperate with educational leaders in developing Columbia's educational program schedule.

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The Federal Communications Commission this week adopted its proposed findings, which were entered by the Commission on June 6, 1939, and entered its final order granting the application of Thorne Donnelley for a permit to construct a coastal harbor radio telephone station to be located in the vicinity of Mackinac Island, Mich., to operate in the public service on the frequencies 2550 and 2738 kc., with power of 400 watts, unlimited time on A3 emission.

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The Danish Ministry of Public Works through the Mail and Telegraph Department has issued an instruction forbidding amateur radio transmitting. The prohibition has been issued as a result of the Government's strong desire to keep Denmark absolutely neutral. The country has about 450 radio amateurs. They will, as long as the European war lasts, confine their activities to receiving and to scientific and experimental purposes not involving transmissions.

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VOLUME OF RADIO SALES SEEN AHEAD OF 1937

At the present rate of unit sales, volume on radio sets will not only far exceed 1938 but will surpass the heavy 1937 total, according to estimates in the industry, the New York Times reported this week on its business page. Because of the preponderance of the portable and table models, the average unit price is much smaller than in 1937, however, and dollar volume may fall below the figure for that year. The extensive promotions on sets from \$23 to approximately \$30 are attracting customers who already have console models but are led to buy the table models because of the phonograph feature.

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CBS REPORTS PROFIT OF \$2.05 A SHARE

The consolidated income statement of the Columbia Broadcasting System, Inc., and subsidiary companies for the nine months ended on September 30, issued this week, showed a net profit of \$3,511,224 after expenses, interest, depreciation, Federal income taxes and other charges.

The profit was equivalent to \$2.05 each on the 1,709,723 shares of \$2.50 par value stock either outstanding on September 30, or to be outstanding upon completion of exchange of old \$5 par value stock.

In the corresponding nine months of 1938 Columbia reported a net profit of \$2,606,158, or \$1.52 a share.

The results do not reflect operations of the Columbia Recording Corporation and its subsidiaries, full ownership of which was acquired this year. The results of the recording corporation, which on the basis of estimates for the first nine months of 1939 do not affect materially consolidated profits, will be included in the consolidated figures at the close of the current year, it was said.

At a meeting of the Board John J. Burns was elected a Director. Mr. Burns was formerly Judge of the Superior Court of Massachusetts, general counsel of the Securities and Exchange Commission and special counsel of the United States Maritime Commission.

Directors also voted a cash dividend of 45 cents a share on the present Class A and Class B stock of \$2.50 par value. The dividend is payable on December 8 to holders of record of November 24. Including the current payment, dividends on each class of stock will amount to \$1.50 a share for 1939, against \$1.25 paid in 1938.

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INDEX TO ISSUE OF NOVEMBER 14, 1939

| | |
|---|----|
| Limited Advertising, Safeguards Urged For Television..... | 2 |
| Administrative Board Created By FCC..... | 5 |
| McDonald Urges Curb On Commercial Television..... | 6 |
| Two Classes Of Television Stations Proposed..... | 9 |
| Court Upholds FCC In El Paso Appeal..... | 10 |
| Gannett Solicits Donations To Fight Radio Curbs..... | 11 |
| Radio Censorship Seen In Argentina And Uruguay..... | 12 |

No. 1174

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November 14, 1939

LIMITED ADVERTISING, SAFEGUARDS URGED FOR TELEVISION

While insisting that television has not yet emerged from the experimental stage, the Television Committee of the Federal Communications Commission this week recommended liberalization of the rules to set up two classes of visual broadcasting stations, one of which will be permitted to carry advertising to help defray the cost of preparing programs.

Explaining that the "amber light" should precede the "green light" in television development, the Committee, headed by Commander T.A.M. Craven, asserted that the Commission should remove all obstacles to progress in the infant industry but at the same time must safeguard the public from costly over-promotion.

Finally, the FCC Committee, which has been studying the new art since last Spring, suggested that this might be an opportune time for American manufacturers to get a foothold on future world trade in television while European countries are occupied with war.

The report was the second on television, the first having been submitted last May. It was signed by Commissioners Craven, Norman S. Case and Thad H. Brown. It was divided in three parts, but the second and third sections, which deal with present licensees and applications, were withheld until after the FCC acts on the general policy set forth in Part 1.

Accompanying the report were an allocation table prepared by the Engineering Department and proposed new rules governing television operations.

While retaining the ban on unrestricted sponsorship of television programs, the FCC Committee points out "sponsorship is not prohibited, provided such sponsorship and the program facilities or funds contributed by sponsors are primarily for the purpose of experimental program development".

The Committee notes certain television progress since last May, but feels that a "crucial" stage has been reached. Less than a thousand television receivers have been sold since that time, and nearly all of these are in New York City. To date only seven of the 19 channels available for television have been developed to the point of initial readiness for technical service of any character.

Yet the Committee is of the firm conviction that, while not eager to purchase receivers at this time, "the public does not desire to be deprived of the opportunity to enjoy the benefits

of television when it is ready for public service". It is the Committee's further opinion that progress henceforth "is directly dependent upon the development of public interest in television as a broadcast service, and that such interest can only be developed through the broadcast of programs that have a high public appeal".

Accordingly, the Committee makes specific recommendations which embrace:

1. Greater public participation in experimental operation.
2. Construction of more stations by properly qualified applicants.
3. Elimination of any regulation which interferes with proper business economic processes.
4. Adoption of a license policy for television broadcasters.
5. Allocation of the seven lower frequency channels as follows: 3 channels to metropolitan districts in excess of 1,000,000 population; 2 channels to areas of between 50,000 and 1,000,000, and 1 channel for districts of less than 50,000.
6. Stimulation of technical development on additional channels now reserved for television.
7. Development of program service in conjunction with research and experimentation.
8. Establishment of minimum requirements for television transmitters.
9. Protection of the public, as far as possible, against loss through obsolescence in receivers.
10. Modification of prohibition against commercialism to permit sponsorship on experimental programs, under certain conditions.

Noting the high cost of producing programs for television stations, the Committee said:

"In spite of the convenience afforded by television in the home, it cannot be assumed safely that the public would be entirely satisfied with a quality of television program service inferior to that secured from competitive media, such as motion pictures, particularly the news reels.

"The Committee has been informed that the average cost of the average motion picture production is approximately \$300,000, and that the approximate cost of rendering television programs in New York City for one week on a 12-hour per week broadcast basis is \$15,000. Thus, if television is to become a real service to the public, the licensees must be adequately financed and be assured of an adequate revenue from the service rendered.

"Not only must this huge cost be shared by several licensees, but also many stations interconnected in a program distribution system appear at this time to be necessary before adequate program service to the public is possible.

"To date no connecting links have been constructed because there are not enough stations to justify construction of the interconnecting facilities. Applications for other than television technical research stations have come from only seven communities of the nation.

"The Committee is likewise of the opinion that a wholesale distribution of receivers at this time is unsound because it may lead to retardation rather than acceleration of the ultimate development of television. Public purchase of receivers in advance of proper television transmission facilities would naturally create a demand for such transmitters. At the present stage of development good programs cannot be furnished. The more logical procedure would be the establishment of transmitting stations adequately equipped and organized to render program service so attractive to the public that it will purchase the most modern receivers.

"Only three television stations are now carrying on regularly scheduled broadcast service to the public through their licensed facilities. Broadcast service of a suitable standard can only be rendered at a considerable expense and without any immediate monetary return unless the licensee is engaged in the manufacture and sale of television transmitters or receivers, and even in such cases the return is problematical

"The Committee has given careful and sympathetic consideration to this proposal, particularly from the standpoint of estimating the extent to which the present restrictions against commercialization constitute a barrier to orderly progress. The Committee is of the opinion that at present the claimed advantages of removing the restrictions against commercialization of television do not outweigh the potential disadvantages.

"Today there is no circulation to attract any sponsor to television as a logical media for securing public response. It appears obvious that before commercialization of television can become feasible, the service should be ready to sell on some reasonable basis of circulation value to the sponsor. Since only a few experimental stations in operation today are rendering broadcast service to not more than 1000 receivers, there is no convincing argument that the removal at this time of the ban on commercialization will affect the development of television in any positive manner.

"On the other hand, there is grave possibility that premature commercialization could retard logical development. There is particular danger that advertising rather than entertainment or education might easily become a paramount factor in programs. In addition, premature commercialization may easily lead to a scramble for television channels by unfitted applicants who have no real public service concept. It may precipitate many stations in local markets before any source of good programs is available. Consequently, it is certain that public reaction to television service would be adverse.

"The Committee does not believe that immediate commercialization of television program service would increase the sale of receivers. On the contrary, it might easily result as a retardation of the ultimate sale of such receivers on a large volume basis.

"Furthermore, immediate commercialization threatens to open the door wide to financial exploitation of the public without any sound basis therefor. And, finally, premature commercialization might crystallize employment and wage levels before a new-born art and industry has any opportunity to gain

sufficient experience to obtain the stability in this phase of the service which is so essential to employer and employee alike. . . .

"It may be that the time is fast approaching when pioneers must receive a return not only on their huge investment but also must secure remuneration for operating expenses. Consequently, the Committee feels that program sponsorship by advertisers is one of the logical means of support for the new television service to the public when such service is ready. The Committee recognizes a particular need for keeping the Commission's regulations abreast of progress. Therefore, applicants should be given the opportunity, at any time, of securing changes in the rules if, as a result of a public hearing, they can demonstrate that public interest will be served by such changes.

"While the Committee does not recommend any radical change in principle in existing rules relating to commercialization, it does suggest a clarification and simplification of existing rules in this respect.

"It should be made clear that the rules do not constitute an artificial barrier to the logical development of program technique, including the development of methods for making television useful as an advertising media conforming to favorable public reaction. Also it should be apparent that sponsorship is not prohibited, provided such sponsorship and the program facilities or funds contributed by sponsors are primarily for the purpose of experimental program development. The intent of the rules should be to prevent commercial exploitation of television as a service to the public prior to demonstrated proof of its readiness for regular operation in accord with public interest, convenience or necessity. Other than such alterations, the Committee is of the opinion that the Commission should not permit regular commercialization of television at present, but that instead the Commission should hold itself ready to consider the problem anew when general development progresses further into practicalities."

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ADMINISTRATIVE BOARD CREATED BY FCC

The Federal Communications Commission has issued an Administrative Order (No. 2) effective December 1, changing the routine duties of members of the Commission.

The Order creates a Board to be known as "The Administrative Board" to handle the routine functions formerly in the hands of individual Commissioners. The Board is composed of the General Counsel of the Commission, Chief Engineer, Chief Accountant and the Secretary.

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MCDONALD URGES CURB ON COMMERCIAL TELEVISION

Limited commercial television, confined to the New York metropolitan area, was proposed to the Television Committee of the Federal Communications Commission this week by Commander Eugene F. McDonald, Jr., President of Zenith Radio Corporation, Chicago, just a short while before the release of the Committee's report.

At the same time, Commander McDonald, who opposed the public debut of television last Spring, stated he would oppose any move toward Government subsidy of the art.

His letter to the Committee follows:

"In your consideration of television and the policies likely to be most effective in furthering its development, may I present a viewpoint that results from careful study of the engineering aspects of television as well as from long experience with broadcasting and radio reception.

"In the United States, the radio industry is the product of private enterprise. We can claim superiority over any country in the world, because our government did not hamper the industry by subsidy or control, or by such well-meant participation as resulted in holding back radio development abroad.

"First, I wish to pay tribute to the pioneering work in television of Mr. David Sarnoff and the Radio Corporation of America. With his knowledge of the great possibilities for the founding of an important new industry, he courageously invested not only considerable sums of speculative capital but high personal and engineering ability in the pioneering effort to secure leadership in this new field.

"Great care should be taken by the government at this time so that no obstacle may exist toward working out feasible solutions, both technical and economic, of the problems that must be mastered before television can launch itself in the proper sphere across the entire country.

"Just what the future role of television is, cannot now be foreseen for it is still in an early stage of development. Fundamental changes in its application and in its technical aspects may lie ahead. For example, it may be found that television transmitted over telephone wires, with each subscriber paying a monthly fee, may be more feasible than its broadcasting over radio but no method of supporting television operating costs can be proved till it is tried. In England, television was bringing sports events into the movie theatre. Such outlets may have added to self-support for programs. The problem of supporting television may be partially cared for if it may be found that television has the ability to introduce into the home, through the eye, demonstrations of new products. Very great resistance

is encountered by salesmen in entering the home to make such demonstrations, and it may be that television will have unique advertising value and can partly sustain itself on this feature.

"We must consider, however, that this side of television is still in the experimental stage. It may be wise, therefore, to confine commercial licensing to areas where enough receivers are known to exist that results may be observed, as, for example, the area surrounding New York City with its great concentration of high income population that can be reached from a single telecasting center.

"In any event advertising should be permitted in almost any reasonable form so that diversified tests can be made to ascertain the possibility of self-support from any proposed source.

"If experimentation is confined to a single area that is known to have all suitable characteristics, such as New York with its 15,000,000 potential audience within fifty miles of the Empire State Building television transmitter, it will also be a comparatively easy matter to alter or even cancel the experiment, if it is unsuccessful, whereas it might be genuinely difficult to correct a nationwide mistake.

"In the press there recently has been discussion of the possibility of a government subsidy of television. It seems to me this would have a stifling effect upon television and would be undesirable from other standpoints. Obviously the Government cannot finance all comers and it could hardly justify providing direct or indirect profits to a single entrepreneur. The government could not, without prejudice to other existing media of advertising, such as newspapers, magazines, and radio, subsidize a television development which, in its final outcome, might compete with self-supporting, existing advertising media representing private enterprise. This would be true whether the government permitted advertising at rates below cost or whether it confined itself to entertainment which is the framework by which most other advertising is carried to public attention. It would hardly be fair for government to lend its tax-secured resources to establish competition with existing advertising media in this way.

"There is the possibility that television may become a great avenue of mass communication, a great medium for the dissemination of ideas. If the Government steps in and subsidizes, it inevitably will be faced with the choice of giving preference with its subsidies to one or a few of the private organizations that might contribute acceptable material in adequate volume or of itself taking control of this new medium of communication and developing feeder and distribution services which, if successfully developed, would compete and crowd newspaper, magazine, and radio.

"Furthermore, technical and self-supporting economic progress may be hampered by government subsidies because of the rigidity of the inevitable government control. In England, for example, it has been found there was great interest in the distribution of sports events at the local motion picture houses. There, government regulation, carried over from radio broadcasting, is reported to have prevented paying substantial sums for

the right to transmit by television. Hence, sports promoters were unwilling, without adequate compensation, to permit distribution of their events, fearing that such distribution would cut off a portion of their paying audience without compensating income. And the government, with standard practices requiring nationwide observance, cannot leave to its administrators the necessary discretion and initiative to handle each case on its merits with the same effectiveness that numerous private enterprises now handle these matters.

"Finally, the problem of free speech will face television as it develops into a great avenue of mass communication and supplements the press and radio. In these fields, the Constitution guarantees the right of free speech. It would not be possible, if this new field of television were government-subsidized and government-controlled, to keep government influence from determining what should be telecast and what should not. This field of communication, it may be pointed out, is probably the most dangerous of all in which to take even a few steps leading toward government control by subsidy.

"It may be that like so many other developments in pioneering work they who introduced television are ahead of their time and that today the heavy expenditures required for maintaining television broadcasting are not warranted. It is reported that less than 500 sets have been sold to the public in the whole United States and that 90% of these are in the Greater New York area. At \$500 each, this would represent a total of only \$250,000.

"If that is the case, instead of having the Government come in and take over telecasting from its commercial backers and underwrite a development on which they misgauged the market, it might be better, at cost no greater than that expended for a few weeks of telecasting, to buy back all the sets that are outstanding so that unfavorable reaction from the public would be obviated.

"Further research and technical development may make television commercially self-supporting. That can only be proved by permitting commercial support of such development. Such proof must be based on realities and recognize that the new medium may compete with the press and with radio for the advertising dollar, for sources of programs and for the privilege of entertaining or instructing the public. But, until the real possibilities are better known and the other problems have been thought through, the government should: (a) give the greatest possible freedom to private enterprise for experimentation by removing any hampering rulings; (b) not become a financial partner by assuming responsibility for television's existence."

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John G. T. Gilmour, since 1931 Director of General Electric's Motion Picture Department, has been appointed Program Manager of the company's new television broadcasting station W2XB which will go into operation the latter part of this year, it has been announced by C. H. Lang, Manager of the Publicity Department. Charles R. Brown of the company's Market Research Section has been named to succeed Mr. Gilmour in charge of the Motion Picture Department. W. T. Cook will be in charge of scenarios for both pictures and television programs.

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TWO CLASSES OF TELEVISION STATIONS PROPOSED

Two classes of experimental stations will be established by the Federal Communications Commission if it adopts rules recommended by the Television Committee.

The two classes of stations as defined in the proposed rules follow:

Class I and Class II stations:

(a) A licensee of a television broadcast station shall not make any charge, directly or indirectly, for the transmission of either aural or visual programs.

Class I Stations:

(b) Class I stations shall operate to conduct research and experimentation for the development of the television broadcast art in its technical phases but shall not operate for rendering regularly scheduled broadcast service to the public.

(c) Class I stations will not be required to adhere to the television transmission standards recognized by the Commission for Class II television stations.

(d) No Class I station shall operate when interference would be caused by such operation to the regularly scheduled broadcast service of a Class II station.

Class II Stations:

(e) Class II stations shall operate to render scheduled television broadcast service for public consumption, and in connection therewith may carry out experiments with respect to program technique, determine power and antenna requirements for satisfactory broadcast service and perform all research and experimentation necessary for the advancement of television broadcasting as a service to the public.

(f) Class II stations shall operate in accordance with the television transmission standards (scanning, synchronization, etc.) which the Commission recognizes for this class of station. The Commission will recognize a modification in these standards upon a showing by the applicant proposing the changes that it will be in the public interest to require all Class II stations to adopt the proposed changes.

(g) Class II stations shall make all equipment changes necessary for rendering the external transmitter performance required by the Commission.

(h) Class II stations shall maintain a minimum scheduled program service of five hours per week throughout the license period. (The Commission may modify this minimum schedule in accordance with the showing on the merits in individual cases.)

(i) In case of failure of a Class II station to render its minimum of scheduled program service per week, the license therefor will not be renewed unless it be shown that the failure of program service was due to causes beyond the control of the licensee.

(j) Class II stations may broadcast sponsored programs, provided such sponsorship and the program facilities or funds contributed by sponsors are primarily used for experimental development of television program service. Solicitation, or the offering on the part of a licensee to anyone, of its licensed facilities for hire as a regular service to the public or as a service to sponsors on other than an experimental basis is prohibited.

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COURT UPHOLDS FCC IN EL PASO APPEAL

A mere showing that the income of an existing station may be reduced if another station enters its field is not sufficient to justify the Federal Communications Commission refusing to grant the newcomer a license.

The United States Court of Appeals so ruled this week in dismissing an appeal brought by the Tri-State Broadcasting Co., Inc., licensee of Station KTSM of El Paso, Tex., in its fight to overturn an order granted to Dorrance D. Roderick to construct a station at El Paso.

The company appealed from a finding of the Federal Communications Commission which contended that the firm had no right to appeal from its order, as economic injury, it suffered, is without legal damage.

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A new all-time high month in gross billings since the station was opened 19 years ago was reached in October by Westinghouse KDKA, according to S. D. Gregory, General Manager. During the month billings showed an increase of 18% over October of 1938. New business booked by KDKA during the month just closed topped the same period of last year by a margin of 63%. During the thirty day period, time and talent contracts for future programming hit the sum of \$102,469, an increase of \$63,487 over October of the previous year. The first ten months of 1939 in this phase of business show an increase of 33% over the 1938 period of January through October.

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GANNETT SOLICITS DONATIONS TO FIGHT RADIO CURBS

Frank Gannett, New York State publisher and Chairman of the National Committee to Uphold Constitutional Government, this week loaded the mails with attacks on the Code of the National Association of Broadcasters and the provision of the Communications Act which gives the President extraordinary emergency powers.

At the same time Samuel B. Pettengill, former Republican representative from Indiana and now Vice Chairman of the Gannett Committee, let loose a blast against the NAB Code in an address carried Sunday night by the Columbia Broadcasting System.

A letter and enclosures of Pettengill's speech and other data was sent to a million persons, according to the Committee's claim, in every Congressional District, including all lawyers, physicians, business men, bank presidents, and editors.

"The National Committee", wrote Sumner Gerard, Treasurer, "has a carefully planned program for nation-wide education and information to bring about, during the next session of Congress, repeal of the dangerous blank-check powers of the President."

In an open letter to broadcasting station operators, Mr. Gannett asked for contributions ranging from \$50 to \$1,000 according to the size of the station, and sustaining time for speakers.

A preliminary study indicates, he wrote, that broadcast stations should be granted three-year licenses and that the FCC should have no power to suspend, revoke, or refuse to renew a license "for an alleged offense in broadcast programs other than violation of specific prohibitions contained in the Communications Act".

"Shall radio have its independent existence assured so that it can always give a firm basis for freedom of speech over the air, regardless of any administration - Republican, New Deal or Democratic, that may be in power?" he asked.

"Shall a system be allowed to continue which at some future date may endanger or even destroy the independence of radio because of beaucratic caprice or manipulation for political purposes?"

Centering his attack on the NAB Code provision which bars sponsored controversial broadcasts, Mr. Pettengill said:

"The National Association of Broadcasters has decided that the American people need a guardian. They have elected themselves the guardian. They did this without our knowledge or consent but it is now the fact. You and I are now their wards. It is only by their leave that you can now discuss a controversial

11/14/39

question over the air waves of America. You can say nothing, you can hear nothing, except with their majesties' gracious permission. Papa knows best.

"The Broadcasters' recent Code is a threat against the free speech of a free people. No law authorized their action. No Constitution sanctioned it. No election ratified it. They did what Congress itself does not have the power to do. The Lords of the Air decided that they would decide what you shall hear. They decided that you shall not decide what you shall hear.

"As always in cases of this kind their action is surrounded by sanctimonious reasons why what they are doing to us is a good thing for us. This is old stuff - as old as Caesar and the Divine Right of Kings. Abraham Lincoln, man of the people, knew this game inside and out. Lincoln said, 'Tyrants always bestride the necks of the people on the claim that it is for the people's good.'"

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RADIO CENSORSHIP SEEN IN ARGENTINA AND URUGUAY

Both Argentina and Uruguay are preparing to put all broadcasting under strict government control, including the censorship of news, according to the Montevideo correspondent of the New York Times.

The Uruguayan President last week sent a bill to Congress to that effect and the Argentine Government on the same day published the recommendations of a Government Commission which spent a year studying the problem.

The Uruguayan bill establishes the principle that the atmosphere over the country's territory is a State domain, and that strict governmental control to use that domain does not violate the constitutional guarantees of free speech, free thought or any other individual liberties any more than those liberties are violated in the Government's control of the use of its domain in the soil and subsoil. According to this principle the State argues that it has the same right to exercise its sovereignty by prohibiting and regulating the crossing by airplanes.

Most of the other South American countries already exercise censorship over radio broadcasting by taking phonographic recordings of all programs and later fining or closing down the stations for sending anything the Government disapproves of.

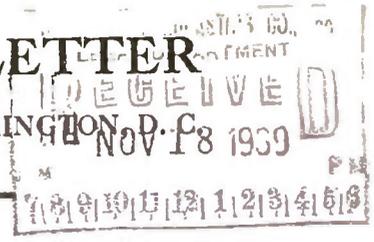
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INDEX TO ISSUE OF NOVEMBER 17, 1939

Television Problem Economic Rather Than Technical.....2

New Network Due To Start Operating January 1.....3

Code Controversy Dwindles; Coughlin Still Talks.....4

Stations Cooperate To Improve Service; FCC Approves.....5

Composer Says Radio Aids Music Appreciation.....5

Monopoly Committee Studies Factual Data.....6

Lawyers Rap FCC Procedure Started By McNinch.....7

Piping Of Television Transmission Forecast.....7

Miller To Make Tour To Raise Copyright Fund.....8

Civic Interest Held Consideration In Radio Grants.....8

War-Time Danger To Communications Seen.....9

87,500 Finch Shares Put On Market.....10

Actors Settle Television Dispute Temporarily.....10

Westinghouse To Sell Time On Short-Wave Stations.....11

Free Facsimile Service Planned By Newspaper Chain.....11

No. 1175

g f v

TELEVISION PROBLEM ECONOMIC RATHER THAN TECHNICAL

With the release of the television report of Federal Communications Commission's Television Committee this week, it became apparent that the major obstacle to rapid television development as a public service is the economic rather than a technical problem.

Until the FCC acts on the three parts of the Committee's report and actually grants construction permits for new visual broadcasting stations, it will be difficult to determine whether or not the liberalized FCC rules are going to pave the way toward economic stability for the industry.

Licensees have invested between \$12,000,000 and \$15,000,000 to date in promoting television, but it is likely that they will have to spend millions more before the art makes any substantial financial return.

Until stations are constructed in scattered sections of the country, however, networks cannot be established; and until networks are set up, it is doubtful that the high cost of programs can be so apportioned as to make television commercially feasible.

Program cost alone in New York City was found to be \$15,000 for a 12-hour per week service. Yet, the Craven Committee pointed out, the average cost of producing a motion picture is \$300,000 and hinted that television would have to step up, rather than cut, its expenditures to compete.

"If television is to become a real public service", the report added, "the licensees must be adequately financed and be assured of an adequate revenue from the service rendered."

A radio station in a small community can be constructed for about \$15,000 and program talent can be obtained for a few hundred dollars a week. Not so with television. FCC officials figure that at least \$50,000 will be needed for the initial investment and the cost of staging programs will run many times that of radio.

The Radio Corporation of America, and its subsidiary, the National Broadcasting Company, have spent between \$8,000,000 and \$10,000,000 on television without any financial return, and the Columbia Broadcasting System has invested \$1,225,000 and hasn't started broadcasting yet.

The question of who is going to pay for this highly expensive art is disturbing both the FCC and the radio manufacturers who are taking the lead in promoting it. Obviously, the

11/17/39

industry hopes that television ultimately will reach the stage, like radio, where the public foots the bill indirectly by patronizing the products advertised.

But advertisers, as a rule, are not so philanthropic as to be willing to provide entertainment without reasonable assurance of financial returns. So that until a market of television receiver owners is available, they are apt to be reluctant in taking advantage of the liberalized rules of the FCC.

The public, on the other hand, is not likely to stampede manufacturers with orders for receivers until television stations and networks are established and regular programs of high caliber are available.

The cost of television receivers will be cut shortly to an average of \$300 instead of \$600, it is understood, as a lure to prospective buyers. But FCC officials doubt even that price will bring any volume sales until more stations are operating.

If the FCC follows the recommendations of the Craven Committee, it will be careful to grant licenses only to applicants with adequate finances and experienced in public service. Newspapers, broadcasters, and motion picture companies, if able to qualify financially, would be considered capable from a public service point of view, it is understood.

Establishment of national networks, FCC officials believe, will enable television broadcasters, once audiences are built up, to present rather elaborate programs from a key station and then transmit them via relay or feeder units or other means to affiliated stations. Whether even these will become economically profitable remains to be seen.

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NEW NETWORK DUE TO START OPERATING JANUARY 1

The Transcontinental Broadcasting System, which was organized in Chicago recently with the aid of Elliott Roosevelt, is scheduled to begin operations January 1st with the backing of the Blackett-Sample-Hummert, Inc., advertising agency.

Information as to the number of stations that will be involved and the financial backing of the organization is not available at this time. Stations are reported to have received offers to affiliate on a basis of 30 percent of their card rates.

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CODE CONTROVERSY DWINDLES; COUGHLIN STILL TALKS

While officials of the National Association of Broadcasters were congratulating themselves this week that they had avoided a crisis within the industry over the NAB Code ban on controversial broadcasts, the Rev. Charles E. Coughlin, Detroit priest, was still making his weekly radio talks on a substantial hook-up of stations.

Only a handful of Coughlin's 44 stations were pledged to drop the program although John Shepard, III, President of the Yankee and Colonial Networks, which forms the nucleus of the hook-up, had promised the NAB not to make any profit from the broadcasts.

The Shepard capitulation appeared to Washington observers to have helped the NAB little, except as a face-saver, as the New England network operator has at no time said he would cut the priest off his stations. Mr. Shepard said he would no longer accept the broadcasts on an out-and-out commercial basis, but he said he would take sufficient revenue to defray actual line and overhead costs and if Father Coughlin refused to accept free time he would turn over to charity the difference between the payments to stations and his expenses.

Meanwhile, the NAB looked hopefully to Vatican City for some action that might force Father Coughlin to stop his radio blasts. Pope Pius XII, in his encyclical to the American Catholic church, took a slap at Coughlin and gave rise to speculation that he might take sterner measures if Father Coughlin continued his ethereal harangues.

"We have learned with no little joy", wrote the Holy Father, "that the Marconi radio - marvelous invention and excellent image of the apostolic faith that embraces all mankind - is frequently and advantageously put to use in order to insure the widest possible promulgation of all that concerns the church. We commend the good accomplished. But let those who fulfill this ministry be careful to adhere to the directives of the teaching church, even when they explain and promote what pertains to the social problem; forgetful of personal gain, despising popularity, impartial, let them speak 'as from God, before God, in Christ'."

The controversy continued as a subject for editorials, with the Chicago Tribune in a lead article raising the question of "How Free is Radio?"

"It is well understood that the broadcasters' code of ethics was drawn primarily to keep Father Coughlin off the air", the editorial said. "And also it is generally understood that one of Father Coughlin's offenses, if not his principal offense, was his violent criticism of Mr. Roosevelt's administration. His intemperate remarks on other subjects, his radical and social prejudices, presented a hard case for the freedom of speech to defend. But nevertheless, such hard cases frequently test the

the ability of a people to keep their privileges. If Father Coughlin had not been so obnoxious to the administration the broadcasters might not have been so willing to suppress him."

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STATIONS COOPERATE TO IMPROVE SERVICE; FCC APPROVES

An example of public benefit resultant from broadcast stations working out mutual problems of power allocation was cited by the Federal Communications this week as it granted applications of Stations KTUL, WIRE and KLO for increased power facilities.

The Tulsa Broadcasting Company, Inc., operating KTUL at Tulsa, Oklahoma; Indianapolis Broadcasting, Inc., operating WIRE at Indianapolis, Indiana, and the Interstate Broadcasting Corporation, operating KLO at Ogden, Utah, are the stations who cooperated to improve service in those areas.

The three stations were each operating with 5 kilowatts day and one kilowatt at night. Each wanted to increase its night power to five kilowatts. But they couldn't do that independently without interfering with one another. So they got together and worked out technical details whereby, through the use of directional antenna, they will minimize the interference problem and, at the same time, be able to extend their respective services.

When the joint arrangement was presented to the Commission it was approved without delay. The case is typical of mutual effort of other broadcasters who, by using modern engineering methods, are able to improve broadcast quality and coverage, the FCC observed.

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COMPOSER SAYS RADIO AIDS MUSIC APPRECIATION

Albert Spalding, American violinist-composer, believes that radio is increasing music appreciation rather than undermining it, he stated in an interview while appearing for a concert in Washington this week. He said the radio is increasing music appreciation, just as the printing press brought about the democratization of literature.

"I have no doubt, that when the first printing press was set up, there was a great outcry from the long-hairs about the vulgarizations of the arts", he said.

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MONOPOLY COMMITTEE STUDIES FACTUAL DATA

The Federal Communications Commission's Monopoly Committee is preparing to start consideration of the problems of chain broadcasting as adduced during more than six months of public hearings. The factual report on which the staff of the Commission has been working for months, it was said, will be completed, and will be submitted to the Committee. This report will not contain any recommendations, but will merely lay before the Committee the staff's conclusions as to what the evidence has indicated.

This report will not contain any reference to the investigation ordered by the Committee into the broadcasting of the World Series baseball games. It was said that this will be a matter of supplementary investigation and report after all of the radio stations have answered the questionnaire which was sent out by the Commission and the returns on which are to be in the hands of the Commission by closing hours next Wednesday.

This inquiry will bring up the question of exclusive contracts of chain stations. There is a view in some sections of the Commission that the exclusive contracts prevent radio broadcast licensees from performing their duty to the public in serving their particular communities when they contract to sell their time to the chains, and it is contended that the baseball broadcasts will serve to bring out this point.

There is little doubt that the Committee will have considerable to say along this line and this is based on the trend of questions during the course of the inquiry and the subsequent action in calling for the information about the baseball broadcasts.

There is a view in the Commission that as the frequencies used by broadcasting stations vest in the Government and are loaned to the broadcasters for specified periods to service their communities, that in granting or selling time to the chains they are not carrying out the contract involved in the grant of the license. On the other hand, it was pointed out that there is a view that the chains permit the stations to serve the public interest because they provide programs for the smaller communities which the stations in these areas could not provide alone, because of the lack of talent in the areas they serve and the great expense that would be involved in bringing it in.

The action of the Committee is being awaited with a great deal of interest in the industry, which expects recommendations of some changes in the system. However, the Committee's report will have to come before the full Commission before any action is taken, either in changing the rules of the Commission or recommendations for legislation either is found needed or desirable.

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LAWYERS RAP FCC PROCEDURE STARTED BY McNINCH

Caustic criticism of the system of conducting preliminary hearings that was introduced by former Chairman Frank R. McNinch of the Federal Communications Commission was voiced this week by Washington radio attorneys at an informal discussion in the U. S. Chamber of Commerce.

Constituting one of the sessions of the Washington Institute of Administrative Law, a division of the American Bar Association, the attorneys picked many flaws in the present FCC procedure, charging it with retarding cases and irregular legal practices.

Louis G. Caldwell, Duke Patrick, and R. A. Van Orsdel were among the chief speakers.

One speaker told the story of a designated examiner who, while hearing an attorney, interjected the comment, "Objection sustained".

"Who objected?" asked the amazed lawyer.

"I did", replied the examiner.

Mr. McNinch abolished the Examining Division of the FCC in connection with his famed "purge" and apparently to get rid of the Chief Examiner, Davis G. Arnold, whom he could not otherwise dismiss.

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PIPING OF TELEVISION TRANSMISSION FORECAST

Television networks may be nothing more than water pipes, Kenneth Jarvis, consulting engineer of Winnetka, Ill., told members of the Institute of Radio Engineers at Rochester, N. Y., this week.

Experiments with a mile-long pipe, three-quarters of an inch in diameter and filled with water have proved it to be more efficient than a telephone line for transmission, Mr. Jarvis said.

"A way has been found of keeping the electrical waves within the pipe which can be bent to go around corners or over hills", he explained. "The system is much cheaper than the coaxial cable which is the only system of network transmission now available."

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MILLER TO MAKE TOUR TO RAISE COPYRIGHT FUND

Neville Miller, President of the National Association of Broadcasters, will make a whirlwind trip around the country, beginning next month, in an effort to raise \$1,500,000 from broadcasters to establish a supply of music for the NAB and thus free the industry from dependence upon the American Society of Authors, Composers and Publishers.

Carrying on their anti-ASCAP fight, NAB officials felt more confident this week because of support from NBC and CBS as expressed in a statement included in the registration statement filed by Broadcast Music, Inc., the NAB agency, with the Securities and Exchange Commission.

The networks said they would approve the principle of copyright clearance at the source "when an economically and legally feasible method of so clearing can be devised which is not unduly burdensome to the said networks in comparison with their present method of operation and payment."

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CIVIC INTEREST HELD CONSIDERATION IN RADIO GRANTS

The words "public necessity" in the Communications Act "are not to be construed narrowly, but rather as calling for the most widespread and effective broadcast service", declared the Federal Communications Commission in granting application of F. W. Meyer for construction permit for a new broadcast station in Denver, Colorado.

The Commission explains:

"Nothing in the Communications Act, our Rules and Regulations or our policy requires a finding of a definite need to support the grant of an application. Cases where such a finding of need is not made are, however, to be distinguished from situations in which a real lack of broadcast service is made clear. . . . In the latter class of cases the Commission will give due consideration to this fact. The 'public interest, convenience or necessity' which the statute provides as the basis for a grant, cannot be construed as a mandate that actual necessity for the particular facilities must be shown. Neither the disjunctive form nor the public convenience as an independent factor is to be entirely ignored. Indeed the words 'public necessity' in the Act are not to be construed narrowly, but rather as calling for the most widespread and effective broadcast service possible."

Opposition to granting the application argued that no public need is shown for additional broadcast facilities in Danver. All of the stations operating full time in that city are affiliated with the national chains. Thus the hours during which these stations may reach the greatest number of listeners are not available for local broadcasting. Local governmental, educational, civic, charitable, and community organizations thus lack an effective means of reaching the radio public in the vicinity.

The Meyer station proposes to operate on 1310 kilocycles with power of 100 watts at night and 250 watts until local sunset, unlimited time.

The application was denied originally on May 18, 1939. Subsequently, the applicant filed a petition for rehearing, which was granted and the case was reargued November 9th last. Under all the circumstances and evidence presented, the Commission concludes that "public interest, convenience and necessity" will be served by granting the application.

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WAR-TIME DANGER TO COMMUNICATIONS SEEN

If hostilities in Europe are begun on a major scale, one of the first and biggest objectives is expected to be an attack on communications, the ramifications of which might extend to the cutting of trans-oceanic cables and sabotage of radio telegraph stations in this country which communicate with Europe, Rear Admiral Luke McNamee, U.S.N. retired, a former chief of the Office of Naval Intelligence, told the Federal Communications Commission last week.

Admiral McNamee, as President of the Mackay Radio & Telegraph Co., testified at a hearing before Commissioner Frederick I. Thompson in an effort to convince the Commission his company should be allowed to retain frequencies for radio communication between Madrid, Paris and Berlin.

Warning that the real war has not yet broken out, Admiral McNamee pointed out that radio was in its infancy during the World War and that the central powers were not interested then in cutting the cables because they were using them. Now, he testified, they are using radio as an efficient means of direct communication and it may well be made the subject of attack.

The retired officer argued that it was most important that this Government allow all available radio frequencies to remain operative, even though the licensees were not able to use them because of inability to make contracts with the stations abroad. He explained that Mackay was negotiating with agencies in the three European points concerned and that for the Federal Communications Commission to withdraw the licenses might well be taken by the governments of France, Spain and Berlin as an evidence that this Government did not want to increase its direct communication with them. He said retention by Mackay of the frequencies in question would bolster the preparedness of the country, explaining that to remove them would leave "our radio eggs in one basket."

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87,500 FINCH SHARES PUT ON MARKET

Distributors Group, Inc., of New York City, offered this week to the public 87,500 shares of Finch Telecommunications, Inc., common stock at \$5 a share. The proceeds are to be used by the company for the purchase and installation of additional machinery, expansion of sales and advertising, for research and development and for additional working capital and general corporate purposes. The corporation's capitalization consists of 276,100 authorized shares of common stock, of which 231,100 shares will be outstanding upon completion of the present financing.

Facsimile communication, according to the prospectus, is the transmission over radio, telephone or wire circuits of any material which can be recorded on paper, such as writings or printing, drawing, charts, maps and photographs, an exact copy or facsimile being reproduced and recorded by the receiving apparatus.

Finch Telecommunications, Inc., incorporated in 1935, is engaged principally in developing, manufacturing and selling, and of licensing others to manufacture, use and sell, apparatus and equipment for facsimile communication under patents owned by the company.

William G. H. Finch, President of the company, has been identified with developments in facsimile communication since the World War, when he was engaged in developing systems for remote artillery fire control.

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ACTORS SETTLE TELEVISION DISPUTE TEMPORARILY

The controversy over television jurisdiction has been settled temporarily, Actors Equity Association apparently losing its sole control of the field, the New York Times reported this week.

A committee of fifteen empowered to negotiate contracts for six months has been recruited from Equity, the American Federation of Radio Artists and the Screen Actors Guild, which are branches of the Associated Actors and Artists of America.

A sub-committee consisting of George Heller of A. F. R. A., Walter N. Greaza of Equity and Stephen Kent of S. A. G., will assume active management of the jurisdiction.

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WESTINGHOUSE TO SELL TIME ON SHORT-WAVE STATIONS

Following the lead of Crosley Corporation and the National Broadcasting Company, the Westinghouse Electric & Manufacturing Co., announced this week that its international stations, WPIT, Pittsburgh, and WBOS, Boston, are now available to advertisers.

The change from experimental classification to commercial status for short wave broadcasting results from a recent ruling of the Federal Communications Commission.

"Thousands of letters received at WPIT over the long period of years attest public appreciation of a service which Westinghouse inaugurated in the early years of radio", said Walter Evans, manager of the company's Radio Division. "Negotiations are already under way with several advertisers who are interested in programs reaching a foreign audience established over a period of 16 years."

Mr. Evans announced that F. P. Nelson will be in active charge of programming and promotion of sales for the two international stations, with headquarters at the company's Radio Division in Baltimore. Mr. Nelson has been associated with the Advertising Department of the Chicago Tribune, the National Broadcasting Company at Chicago and more recently with the Radio Department of Blakett, Sample & Hummert.

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FREE FACSIMILE SERVICE PLANNED BY NEWSPAPER CHAIN

Guy C. Hamilton, Vice President and General Manager of the McClatchy Newspapers, whose subsidiary broadcasting company has sent a facsimile newspaper into hundreds of California homes since last February as an experiment, believes that this field of radio "is a service to the public that the newspaper, by training and experience in the dissemination of news, is best fitted to give".

Interviewed in New York last week during a business trip, Mr. Hamilton told Editor & Publisher that the McClatchy newspapers are prepared to give the public facsimile newspapers without charge next year should technical developments place a sufficient number of receivers in the areas served by the Sacramento Bee, Fresno Bee, and Modesto Bee.

"We are not in radio or facsimile trying to make a profit", he emphasized. "Our only interest is the promotion of our newspapers, and the resulting prestige and good will that can be built up.

"Facsimile is a service we can easily give because we are in the business of disseminating news and if it is demonstrated by this experiment that the public is interested enough to buy the recorders, we will continue to give the service to the public without charge."

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November 21, 1939.

CONGRESSIONAL FIGHT OVER RADIO CODE EXPECTED

Although the broadcasting industry itself apparently has become reconciled to the NAB Code ban on sponsorship of controversial radio talks, Washington observers believe that the issue will pop up again with renewed vigor when Congress convenes.

With the National Committee to Uphold Constitutional Government taking the lead in a demand for Congressional amendment of the Communications Act, a general row over threats of radio censorship, either from the Government or the industry may be expected.

The Code was the subject of an open forum discussion Sunday over the Mutual Broadcasting System with General Hugh Johnson, Morris Ernst, liberal lawyer, Ed Kirby, of the National Association of Broadcasters, and Martin Codel, of Broadcasting Magazine, participating.

NAB officials this week distributed copies of a syndicated column by Joseph Alsop and Robert Kintner, of Washington, on the significance of Pope Pius' reprimand of the Rev. Charles E. Coughlin, Detroit radio priest.

The columnists said that the new development might save the NAB Code "from the difficulties in which Coughlinite opposition is involving it".

"If the radio industry's self-regulatory effort should fail, however, it must also be remembered that the Federal Communications Commission can step in", they write. "Chairman James L. Fly is known to believe that radio propagandists must be dealt with somehow, and it is understood that, if the Code breaks down, the FCC will consider transforming the Code rules into binding Commission regulations.

"Many suppose (wrongly) that the FCC is foreclosed from effective action because the President's son, Elliott Roosevelt, is strongly against the Code. He has even denounced it on the air, in a long passage interpolated into one of his regular broadcasts of news comment after the script had been approved by the unsuspecting Mutual Broadcasting System.

"Actually, however, Chairman Fly has discussed the President's son with the President himself. The President has told Fly, on several occasions, that he need pay no attention to young Roosevelt, and, if anything, his views carry less weight at the FCC than those of other station managers of equivalent

importance. Furthermore, the President heartily favors the NAB Code which his son has attacked. Altogether, the chances appear to be good for settling the question of air propagandists once and for all, and in the rather near future."

Editor & Publisher in a follow-up discussion of the issues involved commented:

"The code is well-intentioned. It was aimed to stop the abuse of the public's air by people like Father Coughlin and his opponents by giving the individual station owner a strong line of retreat - 'Sorry, gentlemen, I'd like to accommodate you, but our code doesn't permit it.'

"Station owners, like the rest of us, favor free speech in principle but cry out when it is used to promote ends they regard as hateful. Many of them welcomed the opportunity to deny the air to programs far more objectionable than the rows between Father Coughlin and the professional spokesmen for Jewry but, despite all the 'practical' arguments for their viewpoint we believe that association censorship is a fundamental and a grievous mistake. We haven't heard the last of it."

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INDEPENDENTS PLAN PERMANENT ORGANIZATION

With a membership of some 50 local independent stations enrolled as members for a six-month period, National Independent Broadcasters is moving forward toward establishment of a permanent organization to look after the welfare of non-network affiliated stations, according to Harold A. Lafount, former Radio Commissioner, and President of the organization.

Mr. Lafount said the independent organization is being incorporated, but until that is accomplished nothing will be done in the way of establishing offices with full-time help. While preliminary thought has been given to retention of a paid executive for NIB, he indicated this move probably was months away.

Because of the present status, there is little immediate likelihood of selection of a paid executive head for the Association. Mention previously had been made of James W. Baldwin, former Managing Director of the NAB, for that post. So far as could be ascertained, no commitment of any kind has been made and the field was described as "wide open".

The post of Secretary-Treasurer of NIB at present is being held temporarily by Lloyd Thomas, KGFV, Kearney, Neb. Edward A. Allen, WLVA, Lynchburg, former NIB president, is Vice-President of the organization. A scale of dues for independent stations ranging from \$3 to \$15 per month was set upon reorganization of NIB at a special convention held in Chicago Sept. 15, coincident with the NAB special copyright convention.

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"RADIO CHRISTMAS" URGED BY NAB AND RMA

A new promotion campaign to replace old radio sets with new ones and to increase listening is being sponsored jointly by the National Association of Broadcasters and the Radio Manufacturers' Association. It is called "Radio Christmas".

Stations will encourage owners of old receivers to turn them into a headquarters in each community for reconditioning and distribution among underprivileged families. NAB also has suggested that stations ask local electric utility companies to insert in December advertising and in a stuffer in monthly billings a plug for new or additional radio sets in each family as well as promotion of early morning and late evening programs. It was pointed out that increased listening during these periods would materially increase the current load and result in increased return to the utility.

Under the "Radio Christmas" plan, as outlined by the NAB, the stations, local servicemen and parts jobbers would cooperate in the collection and repair of the old sets, assisted by set distributors, welfare organizations and local newspapers. An outline of the suggested plan as sent to NAB members, follows:

- (a) Broadcast first announcement of "Radio Christmas" about Nov. 26, requesting listeners wishing to contribute an old radio set to telephone a central number.
- (b) Names received via telephone distributed among servicemen, with proximity to serviceman's location as guide.
- (c) Servicemen pick up sets from donors in person, thus gaining the contact with set owners they desire, at the same time collecting listening data valuable to broadcasters.
- (d) Sets then picked up from various servicemen's stores and delivered to central location for repairs - either newspaper or jobber trucks to do this as part of their contribution.
- (e) Establish repair headquarters in a prominent location, i.e., a vacant store building, identifying the location with signs and posters.
- (f) Leave arrangement for handling of repair work to discretion of servicemen, explaining that a tried and proved way is for servicemen to volunteer so many hours per day for repairing the sets. Then the chairman of the group can arrange work in relays to insure activity at headquarters both afternoon and evening.
- (g) Among the sets received a majority probably will be beyond repair, but many parts can be used to repair the better sets donated, thus making the parts jobbers' contribution of new parts relatively small.

(h) As sets are repaired stack them where they can be seen by the public. Complete all repair work by Dec. 20 at the latest, and immediately afterward have the organization which is to distribute the sets pick them up and start deliveries.

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FCC UPHELD IN REGIONAL POWER CASE

The Court of Appeals of the District of Columbia last week dismissed the case of WLAC, Nashville. This was an appeal from a decision of the Federal Communications Commission of May, 1938. The Commission denied rehearing to WLAC on its granting of an application of WMEX for a construction permit to operate on 1470 kilocycles, 5000 watts, unlimited time using a directional antenna. WLAC appealed because of the alleged failure of the Commission to make findings with respect to interference WMEX would cause to WLAC. WLAC operates on 1470 kilocycles, 5000 watts, day and night.

This is a companion case to the Yankee Network case rendered by the Court, and arose out of the same proceeding. In its conclusions in this case the Court said:

"We have said that if the Commission's prior consideration of a previously filed and copending application - where request has been made for joint consideration - has 'seriously prejudiced' an application we would have a case in which we might say that the latter applicant has an appealable interest as a person aggrieved. However, we cannot say, under the circumstances of the present appeal, that appellant has been prejudiced as a matter of law. The Commission's rule, permitting a joint hearing of pending applications, is certainly a reasonable one. As appellant, full-handed with knowledge of the situation, failed to request such a joint hearing, he is in no position to demand - and we have no power to require - that the Commission suspend its normal functions and reopen its proceedings in order to determine the large questions which he seeks now to have determined. For, indeed, large and important questions will be involved in determining whether the Commission's Rule 119 should be amended and kilocycles frequency 1470 reallocated for clear channel purposes; whether the classification of Station WLAC should be changed from a regional to a clear channel station; whether Station WLAC should be required to install directional antenna; whether Station KGA should be permitted to change its frequency from 1470 to 950 kilocycles; whether or not - and if so to what extent - the Commission should integrate into its rules the 'Standards of Good Engineering practice' or provisions of the Havana Treaty.

"So long as the Commission complies with the mandate of the statute it has, and should have, wide discretion in determining questions both of public policy and of procedural policy,

and in making and applying appropriate rules therefor. It is not the function of this Court to direct the Commission as to the routine of its administrative procedure, so long as it conforms to the law. No violation of law is revealed by the record or shown by appellant."

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NEWSPAPERS WARNED TO GET HOLD IN TELEVISION

Newspaper publishers were warned last week not to be caught "flat-footed" by the commercialization of television, as they were by radio, in an editorial of Editor & Publisher on the Craven Committee report.

"If television reaches the stage where combined sound-and-sight programs can be broadcast on a scale comparable to that of the present top-flight programs, considerable dislocation of present advertising methods can be expected", the editorial said. "There may be a repetition of the scramble from other media to the brilliant newcomer, with a probable result that two, or at most three, programs will dominate the air to the complete shut-out of all contemporary offerings. That has been noted in commercial broadcasting, and we believe that it constitutes a definite limit on the expansion of broadcasting as a major advertising medium.

"But commercial exploitation of television will come, beyond doubt, and its arrival will not be marked by new advertising appropriations, but by diversion of funds from other media. Immediacy will be the natural appeal, which will make sound broadcasting and daily newspapers the principal objects of competition. With years of forewarning, newspaper should not be caught flat-footed as they were by the radio craze - and we don't believe they will be."

The Washington Post this week in an editorial on the Craven report, expressed gratification that limited sponsorship is to be permitted but suggested that more commercialization might be desirable.

"It does not appear that mere restraints are adequate to protect the public interest in television", the Post said. "A previous report to the FCC pointed out that 'television technology stands at approximately the same point on its road of development as did the automobile business immediately prior to the advent of mass production'. Receiving sets are expensive. Equipment purchased now may soon be obsolete. Yet if commercial programs continue to be forbidden and if very little equipment is sold, the industry may be arrested before its possibilities can be reasonably ascertained.

"In drawing the analogy between television and the infant automobile industry the investigators failed to note that it was the public demand for automobiles that brought about mass production and made subsequent improvements possible. A comparable development in television may be expected only if it is permitted to sell its services to the public.

"The high cost of automobiles and radio receiving sets, when they were first offered to the public, did not prevent improvement of those inventions and gradual reduction of costs. Perhaps the FCC has been too much concerned over the protection of individuals inclined to purchase television sets and too little concerned over the transition of this invention from the experimental to the commercial stage. In any event, it is encouraging to see the Craven committee taking a more progressive view."

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SUPER-POWER STATIONS OPERATE IN MEXICO

Three super-power broadcasting stations are operating in Mexico and none in Canada, according to a list of stations in both countries just released by the Federal Communications Commission.

The Mexican stations which exceed in power any of the 50,000 outlets in the United States are: XERA, Villa Acuna, which is authorized to use 250,000 watts but actually operates with 180,000; XEW, Mexico City, 100,000 watts; and XEAW, Reynosa, 100,000 watts.

Mexico has 104 licensed stations, four of which are temporarily suspended, while Canada has 85, the highest power being 50,000 watts.

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BROADCAST STATION TOTAL PASSES 800 MARK

There were 809 licensed broadcasting stations in the United States of of November 1st.

During October, the Federal Communications Commission issued operating licenses to eight stations. The Commission granted eleven permits for the construction of new stations and cancelled two construction permits which it had previously granted.

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ENGINEER CAN NOW TUNE IN CABOOSE

A two-way radio communication system has been installed by the Bessemer & Lake Erie Railroad on one of its long, rumbling freight trains.

This new equipment will enable the engineer and conductor to talk back and forth between the cab and caboose while low-frequency radio waves carry their voices through the steel rails. Even though hundreds of car wheels may be grinding and thumping along, the voice reproduction is said to be sharp and clear.

The system is based upon research extending over several years, particularly with respect to an experimental set still in use on one of the Bessemer & Lake Erie freights. So far the railroad, a United States Steel subsidiary, is believed to be the only carrier making use of such an innovation, but company engineers think it is "worth all it costs".

Aside from increasing safety, the communication system was believed to lower operating costs through reduction in lost time. On a 125-car freight such as the B. & L. E. often runs, it's quite a problem for the engineer and conductor to go into a huddle on some question of operation. That's because trains of that length are slightly more than a mile from engine to caboose. The carrier wave communication system ends all such trouble.

When the conductor wants the engineer to stop a train equipped with the system, he simply presses a button and speaks into a microphone and almost at the same instant a loud-speaker booms out above the engineer's head. Then when the engineer wants to reply, he presses a button in the cab likewise. To listen, he merely lets go of the button which normally is set for receiving.

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BRITISH BROADCAST TO OWN TROOPS IN FRANCE

A daily broadcast especially for the British troops in France was introduced into the British Broadcasting Company's Home Service programs recently. It consists of a short summary of the day's programs, and has been designed in the hope that it will enable troops using battery-operated receiving sets to save current by selecting only those program items that appeal to them.

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 ::: TRADE NOTES :::
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W. A. Winterbottom, of R. C. A. Communications, Inc., and Frank C. Page, of International Telephone & Telegraph Co., were appointed on the Telegraph Committee of the New York Merchants' Association last week. Other members of the Committee are Henry Meyer, C. W. Hopkins, C. O. Pancake, C. E. Thompson, D. F. Webster, J. C. Wellever, and J. T. Wilson.

Sterling Fisher, Columbia's Director of Education, has called a conference of Columbia's Eastern educational representatives for December 1, at Columbia's headquarters in New York. The conference will discuss future educational plans for the Network. The entire group will be guests of Mr. Fisher at lunch and dinner, and will watch a performance of the "This Living World" portion of the American School of the Air, held at one of New York's high schools. Mr. Fisher, who previously had held a similar conference with Columbia's mid-West educational directors at Chicago, plans to confer with Columbia's regional educational leaders throughout the country, in a series of conferences.

Effective January 1, 1940, Station WSPD, at Toledo, O., will become a basic Red Network station of the National Broadcasting Company. WSPD has heretofore been optional with advertisers using the Blue and Red networks of NBC.

Paul Dullzell, Executive Secretary of Actors Equity Association, formally denied Saturday that his union had surrendered sole control over television performers. He insisted that the Committee named to prepare contracts which would be good for six months had only the power of consultation and not of administration. Besides Equity officials the Committee consists of representatives of the American Federation of Radio Artists and the Screen Actors Guild, which had been at odds with the stage union over the jurisdiction.

Station KOWH, Omaha, Neb., has become affiliated with the National Broadcasting Company as a supplementary outlet available to advertisers purchasing the facilities of the NBC basic Blue Network. KOWH is the 179th NBC affiliate.

Station WALR, Zanesville, O., will change its call letters to WHIZ as of Sunday, Nov. 19, and became a supplementary affiliate of the NBC Blue and Red Networks - the 180th NBC affiliate. Owned and operated by the WALR Broadcasting Corp., the station is a 100-watter, operating on a frequency of 1210 kilocycles.

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To assist in extending NBC commercial international service to Latin-American and European countries, L. P. Yandell, executive of the Radio Corporation of America, has been assigned temporarily to the National Broadcasting Company, according to Niles Trammell, NBC Executive Vice President. Mr. Yandell will be in charge of all commercial activities in connection with the NBC short-wave broadcasting.

Promotions in both Columbia Artists, Inc., and Columbia Management of California, Inc., have been announced, effective immediately. Herbert I. Rosenthal, General Manager of Columbia Artists, has been appointed Executive Vice-President of that organization. I. S. Becker, Business Manager, has been made Vice-President, retaining his present activities. Murry Brophy has been given the position of Executive Vice-President of Columbia Management of California. He has been Managing Director. Rudolph Polk has become Vice-President. The positions in both organizations are newly created.

Rubey Cowan, formerly associated with the NBC Artists Service, and more recently with Paramount Pictures at their West Coast studios, will return to the staff of the NBC Artists Service effective December 1st, according to George Engles, NBC Vice-President and Managing Director of the Artists Service. Mr. Cowan will handle vaudeville, motion picture and television bookings in his new post.

Radio Wire Television Corp. of America has announced that John E. Otterson, President, has disposed of his interest in the company and is no longer connected with the management. A. W. Pletman, Vice-President, has taken over managerial control of all the company's affairs effective immediately.

Private James J. Kelley, who more than any other man was responsible for the Washington police radio system, has applied for retirement.

Designer and builder of WPDW, the Washington police radio, Mr. Kelley was termed "one of the best radio men in the country" by Inspector L. I. H. Edwards, Assistant Superintendent of Police, who said he saved the District \$100,000 by his knowledge and ingenuity. He also arranged for two-way radio communication with Maryland police.

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MARKET QUOTATIONS SHORT-WAVED TO FAR EAST

For the first time in history, New York Stock Exchange quotations and those of leading commodity exchanges are being broadcast daily by short-wave to the Far East.

In stock exchanges in the Orient, including those at Manila, Shanghai and Hong Kong, American and British business men have installed special receiving equipment to hear the latest reports from Wall Street. And since the start of the broadcasts, trade in American securities and commodities in the Orient has shown a decided increase.

The broadcasts were arranged by the new General Electric international broadcasting station KGEI, on Treasure Island in San Francisco Bay. This station, the sole short-wave broadcasting station west of the Mississippi, is the only United States station whose programs are regularly received in Asia.

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STATE HOLDS NETWORK SUBJECT TO DAMAGE SUIT

The Washington State Supreme Court held Saturday at Olympia that the Columbia Broadcasting Company was dealing in interstate commerce and could be sued in the State of Washington. In a 4 to 1 opinion, the high court denied a writ of prohibition by which the company sought release from King County Superior Court on jurisdictional grounds.

The action started when the Waldo Hospital Association filed suit seeking to recover damages for an allegedly defamatory broadcast originating at the St. Louis affiliated station and broadcast over Seattle Station KIRKO.

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CUBAN IMPORTS OF RADIO DECLINE IN 1939

Cuban imports of radio sets during the first nine months of 1939 numbered 13,669 units, with a total value of 257,310 pesos, as compared with 15,067 sets, valued at 361,672 pesos, entered during the corresponding period of 1938, according to the American Commercial Attache at Havana.

Imports of Netherlands sets during the first nine months of this year numbered 1,981 valued at 31,462 pesos, as compared with 1,674 units valued at 34,070 pesos, during the corresponding period of last year.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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LEGAL DEPARTMENT
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INDEX TO ISSUE OF NOVEMBER 24, 1939

| | |
|--|----|
| War Outbreak Fails To Halt U.S. Radio Exports..... | 2 |
| C.P. Licensee Threatened With Recall By FCC..... | 3 |
| FTC Closes Case Against Three Radio Firms..... | 4 |
| FMA Directors To Consider Xmas Radio Promotion..... | 4 |
| Radio Stations Watched On Race Track Reports..... | 5 |
| S-W Listening Growing In Mexico..... | 5 |
| Stricter Control Of Temporary Authorizations Seen..... | 6 |
| Stuttering On Air Hit By Speech Teacher..... | 7 |
| Radio Liaison Council Organized In New England..... | 8 |
| Community Listening Encouraged In Germany..... | 8 |
| Trade Notes..... | 9 |
| Radio Has Loud Voice, Weak Heart, Says Editor..... | 10 |
| Change In Big Radio Ad Budgets Forecast..... | 11 |

No. 1177

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WAR OUTBREAK FAILS TO HALT U.S. RADIO EXPORTS

Despite the outbreak of the European war, United States radio exports continued to climb in September and actually set a new high mark for receiving set sales abroad, according to a compilation by the Electrical Division of the Bureau of Foreign and Domestic Commerce.

The receiving set exports valued at \$1,033,200 established an all-time high, while total radio exports, amounting to \$1,995,646, were the largest of any month during 1939. Radio exports for the nine months ending with September, totalled \$15,368,091, only slightly below those for the corresponding period in 1938.

Brazil was the largest purchaser of American radio equipment, valued at \$140,581. Mexico and the Union of South Africa were the next most important markets, receiving shipments valued at \$96,941 and \$91,404, respectively. Great Britain imported \$89,980 worth of American-made products, while other important outlets for this class of merchandise were found in Colombia, British India, Venezuela, Philippine Islands, Chile and Peru. Shipments to these markets varied at between \$33,000 and \$67,000.

Great Britain, Canada, Argentina, and Brazil were the foremost purchasers of radio receiving tubes; shipments to these nations being valued at \$45,426, \$38,130, \$37,136, and \$35,917, respectively.

The war caused great dislocations in foreign radio markets, the Radio Manufacturers' Association noted. The September Government report showed a "zero" for radio exports to Germany, usually small, together with great decreases (from the preceding month) in American radio exports to Belgium, France, Netherlands, Norway, Sweden, and also Canada, Turkey, and the Philippine Islands. Large increases during September were shown in radio exports to United Kingdom, Ireland, Portugal, Switzerland, Greece, and the Latin American countries, especially Mexico, Cuba, Brazil, Venezuela, Guatemala, Nicaragua, and Panama, and also increased exports to British India and the Union of South Africa. The usually small exports to Soviet Russia were normal. No September shipments to Spain were recorded.

Receiving set exports for the nine months ending last September totaled \$7,140,609 compared with \$6,914,979 for the nine months ending September 1938. Set exports last September numbered 52,897 valued at \$1,033,200, against 41,218 sets valued at \$802,154 in August and compared with 37,385 sets valued at \$876,691 in September, 1938.

Radio tubes exported during the nine months ending September 1939 were valued at \$2,139,808 compared with \$2,030,943 during the nine months ending September 1938. Tube exports last September numbered 746,109 valued at \$295,120, compared with exports of 719,781 tubes valued at \$258,657 during the preceding month of August, and with September 1938 exports of 474,716 tubes valued at \$198,402.

Radio parts and accessory exports during the nine months ended last September totaled \$3,843,652 compared with \$4,785,200 during the comparative nine months of 1938. Parts and accessory exports last September totaled \$439,105 against \$484,203 in September 1938.

Loud speaker exports were valued at \$448,225 during the nine months ended September 1939, against \$510,520 during the comparative nine months of 1938. Loud speaker exports last September numbered 22,645 valued at \$31,066, compared with 31,529 valued at \$47,437 in September 1938.

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C.P. LICENSEE THREATENED WITH RECALL BY FCC

The Federal Communications Commission for the first time this week directed the recipient of a radio broadcasting station construction permit to show cause why the authority should not be recalled. The ground given by the Commission was that the concern involved, the Kentucky Broadcasting Co., is not financially qualified to construct and operate the proposed station in the public interest

The issue was raised when the Kentucky company petitioned the Commission for a rehearing in the case of the Northside Broadcasting Corp., of New Albany, Ind., which had been granted a permit for increased facilities. The Northside station already is on the air.

The Kentucky corporation told the Commission the grant to the other company "would result in such severe loss of operating revenue to the petitioner's proposed station as to impair the service which it could render", and added: "It would destroy the ability of the Kentucky Broadcasting Corp. to render proper service in the public interest."

"Since the petitioner's station is not yet constructed, much less operating", the Commission said in its opinion, "and petitioner is not a licensee under the act, and is not engaged in the operation of a broadcast station, it is difficult to see how proof of the allegations could constitute proper grounds for a denial of Northside's application. At the most, such allegations cast serious doubts upon the petitioner's financial qualifications to construct and operate its proposed station."

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FTC CLOSES CASE AGAINST THREE RADIO FIRMS

The Federal Trade Commission has closed its case in which International Radio Corporation, 559 Williams St., Ann Arbor, Mich.; Wieboldt Stores, Inc., 106 South Ashland Blvd., Chicago, and Davega-City Radio, Inc., 76 Ninth Ave., New York, were charged with misrepresentation in the sale of radio sets.

The three respondent companies have agreed to discontinue the unfair practices charged in the complaint and to accept and abide by the rules of fair trade practice for the radio receiving set manufacturing industry as promulgated by the Commission July 22, 1939.

The case was closed without prejudice to the Commission's right to reopen it, should future acts so warrant.

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RMA DIRECTORS TO CONSIDER XMAS RADIO PROMOTION

Industry plans for 1940, including radio sales promotion, and results of the closing year, will be discussed by the Board of Directors of the Radio Manufacturers' Association, Wednesday, December 6, in Chicago. Among the 1940 sales promotion projects to be considered will be short-wave radio, which has been greatly stimulated by the war, and a joint national promotion of the National Association of Broadcasters and the RMA. The latter includes the national "Radio Christmas" promotion for which details have been sent by the NAB to all of its member stations and in which a large number of local broadcasters, in addition to all networks, have agreed to participate, beginning early in December. (See story in Nov. 21 issue) Many local utility companies also are cooperating in the radio promotion by inserting enclosures in their December bills to customers calling attention to specific programs in suggesting the purchase of new and additional radios for Christmas.

In short-wave promotion, there has been a large increase in the weekly RMA programs of short-wave broadcast stations and further stimulated by the sponsored programs now permitted on American short-wave stations.

The Board will also make arrangements for the Sixteenth Annual Convention to be held in Chicago in the Spring. They will likewise receive reports on technical advances in the art, including television, facsimile, and frequency modulation. There will be a meeting of the Association's Export Committee in Chicago the day before the Director's meeting, Tuesday, December 5th.

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11/24/39

RADIO STATIONS WATCHED ON RACE TRACK REPORTS

The Justice Department is studying the effects of radio broadcasts of race track results on inter-state gambling, it was learned this week, as a follow-up of its campaign which brought the closing of the Annenberg wire service.

Attorney General Frank Murphy stated that the "whole subject is under study" after newspapers pointed out that many gamblers, especially in the District of Columbia, were getting all of their information from radio stations.

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S-W LISTENING GROWING IN MEXICO

Short wave is becoming more popular every day in Mexico due in part to the fact that United States stations and European ones have, during the past year, increased their broadcasts in the Spanish language, according to the U. S. Trade Commissioner at Mexico City. Short-wave programs from the United States are popular and their reception is good. Other western and European stations are heard regularly and are popular. Progressive improvement in Mexican broadcasting stations and other transmitters have improved reception and eliminated interference.

"Reception on the 49-meter band is not very good", the report to the Commerce Department said, "because there are too many stations operating on this frequency. There are not as many stations operating on the 31-meter band and, therefore, the reception is better than on the 49-meter band. Reception on the 25-meter band is the best. Reception on the 19-meter band is good at mid-day and during the early evening, on the 16-meter band good during the early morning and at noon time, and on the 13-meter band good during the very early hours of the morning. There have been no developments on the tropical bands. It is believed that there are not more than 12 or 15 ultra short-wave radios throughout the entire country."

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The Federal Communications Commission this week adopted a final order granting the application of WJMS, Inc., for construction permit to erect a new radiobroadcast station in Ashland, Wis., to operate on 1370 kilocycles with power of 100 watts, unlimited time, subject to certain conditions.

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STRICTER CONTROL OF TEMPORARY AUTHORIZATIONS SEEN

The Federal Communications Commission this week sent out notices to broadcast licensees that it will enforce more strictly henceforth the FCC rules regarding temporary authorizations.

Loose practices by individual Commissioners in granting temporary extensions for fulltime operation to stations licensed for only limited time will be stopped, it was said. A precedent established several months ago when WDGY, Minneapolis, was granted authority to operate fulltime on 1180 kc. resulted in pressure from Congressional and other sources for similar grants to stations in other areas.

At a special meeting the FCC decided to adhere strictly to its rules against such grants unless based on special programs of outstanding public merit. It was pointed out that extensions currently granted have been for one month periods covering all program renditions rather than those of special interest.

In its notice to licensees, the FCC said:

"The attention of all licensees of standard broadcast stations is called to the provisions of Section 1.365 of the Rules of Practice and Procedure. This section governs the filing and action on requests for special temporary authorizations. Two provisions are particularly called to the attention of these licensees. These provisions are briefly summarized as follows:

- "1. Requests must be made 10 days prior to the time of desired operation. In special cases where the request could not be made on time, a full explanation must be made in the request as a basis for acceptance.
- "2. The requests must be limited to temporary periods for the transmission of programs or events which are not recurrent.

"All requests for special temporary authorizations will be considered strictly under all other provisions of Section 1.365, as well as the two provisions outlined above. Requests for operation not in accordance with this section will not be granted.

"The provision requiring that the request be made 10 days prior to the desired time of operation means that events which are known 10 days in advance, such as the broadcast of election returns, addresses by prominent citizens, sports events, etc., must be filed 10 days before the event. In such cases a request for acceptance upon the basis that arrangements for the broadcast were not made 10 days prior to the event cannot be accepted. However, requests for operation in connection with an emergency or play-off of a sports event tie or championship

which could not have been foreseen, would constitute a basis for requesting an exception to the requirement for filing 10 days in advance.

"Requests must be limited to temporary periods for transmission of programs which are not recurrent. This means, for example, that a program concerning a community chest drive, the dedication of a public building, an address by a prominent citizen, a sports event, etc., may be considered, provided that only the actual time required for such operation is involved. Additional time for holding the audience or for the convenience of the licensee is not in order. Requests to carry programs which are recurrent and extend over considerable time, particularly beyond a definite 30-4ay interval, cannot be considered as proper basis for a request for temporary operation. Requests for such operation should be made by formal application in accordance with the rules governing the same.

"Any licensee making a request for a temporary authorization should read carefully and must comply fully with all provisions of Section 1.365. Such procedure is essential to avoid unnecessary expense and delay in the handling of the request."

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STUTTERING ON AIR HIT BY SPEECH TEACHER

Censuring the use of stuttering speech as comedy in broadcasting, Dr. James Sonnett Greene, founder and director of the National Hospital for Speech Disorders, New York City, has appealed to the program directors of 170 radio stations affiliated with major networks to halt the practice, asserting that it not only was unfair to those with speech defects, but also caused children to imitate stuttering and possibly acquire a permanent disorder.

In a letter to the program directors, Dr. Greene said:

"For many years we have been carrying on a crusade against depicting the stuttermen in a 'humorous' or ridiculous role. However, we quite often hear the unfortunate stuttermen used for comedy relief on the air. His handicap is just as real and just as serious as that of the person who has lost his sight or hearing. Yet no one thinks of deriding those who are physically disabled."

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11/24/39

RADIO LAISON COUNCIL ORGANIZED IN NEW ENGLAND

The Radio Council of Western Massachusetts, a new venture in cooperation between the listening public and the radio industry, has been organized in Springfield, Massachusetts. Its membership is drawn from various sources, including women's clubs, education, men's civic organizations, churches, social agencies, and the radio industry. It attempts to voice the opinion of a representative section of the general public.

The avowed purposes of the organization, as stated in its charter, are as follows: (1) to provide a medium whereby persons and organizations interested in radio programs may confer; (2) to develop mutual cooperation between radio stations and the general public; and (3) to consider the effectiveness and desirability of local and network programs, and to encourage types of broadcasts best suited to the community.

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COMMUNITY LISTENING ENCOURAGED IN GERMANY

Public address systems have been carried farther and are used more extensively in Germany than in any other country, the Commerce Department reports. The main reasons for this development are seemingly the great emphasis placed on the spoken word as the most efficient means of propaganda; the desire of having a complete network of public address systems as the fastest means of communication for anti air raid instructions; to provide workers with musical entertainment during breakfast and lunch time; and last, but not least, Government regulations concerning the installation of community receivers and the policy of the radio industry to supply them at very low cost.

Every large factory and office building is required to have a room for community reception and often loudspeakers are so arranged that employees do not need to leave their working premises for listening-in.

The enormous output of community receivers - over 1,500,000 units in 1938-39 - illustrates the wide spread use of public address systems but also of central receivers. It should not be overlooked that in most cases these community receivers are connected with several loudspeakers installed in various premises or at points of vantage in mass meetings.

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 : : : : TRADE NOTES : : : :
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Substantial seasonal increases in radio factory employment, payrolls and working hours, together with the upturn in national industrial employment, were cited in the current employment report for August, 1939, of the U. S. Bureau of Labor Statistics.

Radio factory employment last August increased 4.8 percent over last July and was 38.3 percent above radio employment in August, 1938. The comparative indexes of the U. S. Bureau of Labor Statistics have been changed to conform to the 1937 Census of Manufactures, and the August radio employment index on the old series basis was 123 percent, compared with the July index of 117.3, while the new August index was 135.9. A supplementary government report stated that the percentage of radio employees laid off last August was 2.98 per 100, while the September percentage of layoffs was .86 per 100, compared with 1.27 per 100 in September 1938. The ratio of new radio employees hired last August was 8.16 per 100, and there followed in September an unusually large increase of 16.50 per hundred, compared with 7.67 percent in September, 1938.

The Federal Communications Commission this week adopted a final order granting the application of Vincennes Newspapers, Inc., for a construction permit to erect a new radiobroadcast station in Vincennes, Indiana, to operate on the frequency 1420 kilocycles with 100 watts power, unlimited time.

World Radio Market reports of the Bureau of Foreign and Domestic Commerce released this week covered the following: French Oceania, Cuba (supplement), Algeria, Bolivia, Mexico, Gibraltar, Burma, and Germany.

New York socialites are planning a Television Ball on the night of December 15 in the Grand Ballroom of the Waldorf-Astoria for the benefit of the Goddard Neighborhood Center at 599 First Avenue.

The Ball Committee has arranged with the National Broadcasting Company for the telecast of the ball itself and three preliminary programs. With television as the theme of the ball, the special entertainment program will be telecast and guests at the party will be able to see the program as intercepted from the air on receivers installed in the ballroom for the occasion.

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RADIO HAS LOUD VOICE, WEAK HEART, SAYS EDITOR

Further criticism of the NAB Code ban on sponsored controversial talks came last week in an editorial published in the Washington Times Herald, which said as follows, in part:

"We've been doing some more investigating of the code of ethics clamped down on the radio industry October 1 by the National Association of Broadcasters and the further we go into the matter the greater grows our contempt.

"The central theme of the code is a project to keep down the broadcasting of programs which may cause public controversy.

"A very nice piece of window dressing has been installed to make it appear that the broadcasters are not trying to dodge their responsibilities but are eager to be fair to everybody. The NAB says they are not forbidden to give away time for controversial programs. They just aren't allowed to sell it.

"All the flossy chatter they can think up concerning free speech and equal debate can't conceal the catch in this.

"Radio stations, like newspapers, grocery stores and peanut peddlers, have to make a profit if they are going to stay in business. The station managers naturally sell all their time if they can. If they have a dull hour when not enough people are listening to make it worth while for an advertiser to sponsor a program, they are glad to have somebody fill in and save them the cost of paying for sustaining talent.

"But in the hours when lots of people are likely to be tuned in, they sell to the highest bidder, naturally.

"The radio industry, if it lets the NAB ride it with this 'no controversy' saddle, is taking a big chance on getting ridden straight into the corral of Government ownership. Which would be a catastrophe for all of us.

"Something a lot of broadcasters are inclined to overlook is the fact that they operate their stations only by public sufferance. The Government grants them a license, tax free, to maintain the very profitable and entertaining institution we call radio. And what the Government gives free it can take back.

"Every radio broadcasting license is granted on the premise that the holder will serve public interest, necessity and convenience. When he fails that test he isn't worthy to have the license any longer.

"And one of the elements of serving the public interest is giving rein to public discussion of public issues. We don't hold any particular brief for John L. Lewis, Father Coughlin, Elliott Roosevelt, ex-Congressman Pettingill, or anybody else insofar as the line of controversy he wants to stir up on the radio is concerned.

"But we do have a deep conviction that these gents ought to be allowed to pay the radio stations and get their controversial chatter out over the airwaves just as freely as the food companies shove their gelatine and coffee by courtesy of Charlie McCarthy and Jack Benny.

"Radio has the most powerful voice the world has ever known. It can reach the minds and heart of people up in the sky, speeding along the roads, at sea and under the earth. It has a duty to let those people in on whatever is controversial as well as whatever is the latest Broadway wisecrack.

"And it better develop a heart as strong as its voice is loud, or it is headed for the muffler."

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CHANGE IN BIG RADIO AD BUDGETS FORECAST

The intense scrutiny that advertisers and agencies are beginning to give to all media may bring about important changes in 1940 expenditures, according to agency executives, the New York Times reported this week. "Although there is disagreement on this point, some executives hold that there is a definite tendency to question heavy expenditures on radio and to wonder whether equal sums spent in publication advertising might not be more than profitable.

"Just as advertisers disliked the forced combinations in newspapers, so do some of them object to having to pay for certain stations in basic networks, covering territories in which they have a poor distribution. This objection has caused many of them to turn to spot broadcasting, accounting in part for the sharp rise in that medium this year. But the anxiety of many stations to become affiliated with chans may in turn hamper spot programs.

"Criticisms of media by advertisers, however, are not confined to radio. The rate differential between local and national advertising in newspapers is still a sore spot. As far as magazines are concerned, the chief reason apparently why linage does not increase at a greater rate is that advertisers dislike the time lag between approval of ads and publication in monthly magazines, under present unsettled conditions, it was said."

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INDEX TO ISSUE OF NOVEMBER 28, 1939

| | |
|---|----|
| FCC Explains How Its Staff Polices The Ether..... | 2 |
| FCC Preparing To Act On Craven Television Report..... | 4 |
| Attitude Of FCC Toward Press Ownership Changed..... | 6 |
| Amateur Rules Amended, Effective December 1..... | 7 |
| Camden Puts Municipal Station On Block..... | 7 |
| Canada Raises Fees On Private Radio Stations..... | 8 |
| Trade Notes..... | 9 |
| Better Radio Trade With Peru Seen Because Of War..... | 10 |
| Almonte Again NBC Night Host..... | 11 |
| RCA Declares Dividends For Quarter..... | 11 |
| Radio Industry Sponsors Charity Dinner..... | 11 |

No. 1178

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November 28, 1939.

FCC EXPLAINS HOW ITS STAFF POLICES THE ETHER

The Federal Communications Commission this week explained how its field staff polices the ether, in a press release describing the various activities of its monitoring stations and inspectors.

In administering and enforcing laws, regulations, and international treaties pertaining to radio, the FCC depends largely upon its field staff, the review pointed out. The ether waves are, in effect, patrolled by 26 offices located strategically throughout the United States and its possessions, augmented by seven monitoring stations -- at Atlanta, Baltimore, Boston, Grand Island, Nebr.; Great Lakes, Ill.; San Pedro, Cal., and Portland, Ore.

The monitoring stations, in general, do not participate in the investigation of "pirate" or other unlicensed stations other than to report and record their signals as proof of operation. This task is performed mainly by inspectors.

The 115 inspectors in the Field Division are radio engineers and, in addition, are capable radio operators, many having had previous experience in maritime, aviation, and other communications services. They are familiar with the procedure employed by authorized stations, including the military, and this assists them in uncovering illicit operations. Inspectors are selected through Civil Service competitive examination.

Besides investigating unlicensed stations, these experts inspect all classes of radio stations -- broadcast, police, ship (domestic and foreign), amateur, aviation, and television; examine radio operators for various classes of licenses; monitor radio transmission for adherence to frequency, quality of emission and compliance with prescribed procedure; and investigate complaints of interference to radio reception.

The Federal Communications Act specifically prohibits the transmission of information concerning lotteries and other similar schemes. Licenses have been revoked for using obscene and indecent language on the air. Certain announcements are required of broadcasting stations, including identification. The law prohibits the transmission of false distress signals and the rebroadcasting of certain programs, except with authority of the originating station. A certain radio station was reprimanded recently for intercepting, decoding, and broadcasting secret radio communications of the British and German governments, in violation of the Federal Communications Act and treaty obligations. Also, there

is definite provision in the Act requiring regulation by the Commission "for the purpose of the national defense".

Though highly technical to the layman, the apparatus and technique employed by inspectors are well known to radio engineers. Advantage is taken of certain factors such as the directive properties of antennas, attenuation of field intensity with increased distance from the transmitting antenna and skip distance phenomena. When taking radio direction finder bearing, allowance is made for reflections from standing waves on wires, coastline effect, fading and polarization of waves.

In many cases of unlicensed operation in the broadcast band from 550 to 1600 kilocycles the inspector gains his information on the basis of complaints of broadcast listeners, particularly the ardent DX'ers, who are constantly striving to identify foreign stations and are quick to note appearance of a strange station in the band.

Frequently, an unlicensed station operating in the amateur bands first comes to the attention of an inspector when investigating a complaint of interference in the home of a broadcast listener by recognizing the interference as originating from key clicks in a telegraph transmitter even though the frequency of operation may be in a band many kilocycles removed from the broadcast band. Field offices also receive tips from the monitoring stations concerning the operation of illegal stations.

At each radio district headquarters, inspection cars are provided, one at least of which is equipped with an all-wave communication receiver which may be operated, if necessary, from the car's 6-volt battery while the car is in motion. Under certain conditions, it may be necessary to watch a station for a particular length of time. These receivers are constructed so that they may be removed from the car and operated from a 110-volt AC power supply available in a residence, tourist cabin or such other place that might be chosen by an inspector as a base of operation.

The mobile units are equipped with special antennas to help run down unlicensed stations. The mobile equipment is also used to transport examination equipment to various points in the United States where applicants for operator licenses are examined. In addition, technical equipment necessary for inspection of radio stations is so transported.

At certain field offices, mobile field strength measuring equipment is provided. This equipment is used primarily to determine the efficiency of broadcast station antennas. From the data accumulated, Commission engineers can ascertain whether a station is making legal use of its facilities. The actual coverage or service to the public from a technical standpoint is determined from these field intensity surveys.

The first determinations made by an inspector on the track of an unlicensed station are the call letters employed by the station as well as the station or stations called, the type of emission, frequency or frequency band used for transmission, time and duration of operation, nature of the communication, and whether in plain text or code (if a telegraph station, characteristics of the operator's "fist") and any other peculiarities.

In cases of this kind a milliammeter requiring but a small current for full scale deflection is fitted with a crystal rectifier which in turn is connected to a wire concealed in the trouser leg of the inspector, or in a loop circuit made in the form of a vest worn by the inspector. A device of this kind is easily concealed and the meter can be easily held in the hand or pocket of the investigator as he proceeds from floor to floor, or door to door, observing at what point the highest deflection of the meter occurs.

Resourcefulness, keen power of observation, and patience on the part of investigators have been of invaluable aid in the locating of transmitters, as for example, observing that a certain light circuit on a back porch was nearly resonant and became incandescent each time the key of the transmitter was closed.

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FCC PREPARING TO ACT ON CRAVEN TELEVISION REPORT

The Federal Communications Commission was engaged this week in close study and discussion of the second television report submitted two weeks ago by the Special Committee headed by Commdr. T.A.M. Craven, and general approval was expected.

The industry is pressing for Commission action on the report, and the FCC is anxious to settle the problem involved, in order that the manufacturers may get a clear picture of just where they stand.

Members of the Commission have been besieged during the past week by representatives of various branches of the industry pleading for and against the report. Not all of the industry is convinced that television is ready for the public, and some have urged the Commission not to give its approval of this phase of communications at this time, in the belief that it will hurt the industry later.

On the other hand, in other branches of the industry, it was said at the Commission's offices, there is a belief that the art has reached such a stage where it should be presented to the public, not only to get public reaction, but also to give those who have spent millions in experiments an opportunity to capitalize, at least to some extent, on their expenditures.

The right to sell program time on a commercial basis is what is being sought by one group in the industry, as this is the only way in which any income may be expected to provide funds with which to continue experiments without continually delving into capital and earnings from other branches of the industry, it was asserted. However, the Committee, which has made a thorough study of the whole problem covering a period of many months, has recommended against this commercialization, but has made provision in its proposed new rules accompanying the report providing for sponsored programs.

But the restriction is that any funds contributed by the sponsors must be used primarily for the purpose of experimental program development. The intent of the rules should be, it was explained, to prevent commercial exploitation of television as a service to the public prior to demonstrated proof of its readiness for regular operation in accord with public interest, convenience and necessity.

As a matter of fact, programming for television broadcasts is one of the serious problems which has confronted the Committee. Such broadcasts will require an entirely new and most expensive technique, and members of the body believe that, if sponsors are available, their contributions at this time should be devoted to experiments with programs to find out just what part television is to play in the broadcast spectrum. When experimentation passes through this stage, then, the Committee informed the Commission, the body should be ready to consider a commercialization plan.

It is the belief of those who have studied the problem that further progress does not rest on experimentation with the technical phases, but rather on the development of public interest in it as a broadcast service. This is borne out not only by the fact that television has not gained the public acclaims expected of it in New York where, it was said, there are less than a thousand receivers, but on the public reaction to it in England and France.

While representations have been made to the Commission that failure to give television a boost by providing commercialization may end progress at this time, members of the Commission are inclined not to take this too seriously, since the industry is by no means unanimous on this point.

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A visitor from Chile interested in radios is expected in this country November 21, 1939, for a visit of one month. He will visit New York City only. His name and address while here can be obtained from the Bureau of Foreign and Domestic Commerce through its District or Cooperative Offices. A World Trade Directory Report is available.

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ATTITUDE OF FCC TOWARD PRESS OWNERSHIP CHANGED

Concrete evidence that the Federal Communications Commission has altered its attitude toward newspaper ownership of radio stations since the days of former Chairman Frank R. McNinch has been accumulating in recent weeks.

All present indications are that the FCC now intends to act upon applications from newspapers on the same basis as those from other applicants without prejudice. Previously, under McNinch's domination, the FCC had been inclined to be hostile toward press ownership of radio stations, especially where there was danger that the newspaper might have a monopoly on news dissemination in any community.

The most recent decision, announced last week, was in favor of the Vincennes Newspapers, Inc., Vincennes, Ind. The applicant was granted a permit to construct a station at Vincennes for operation on 1420 kc. with 100 watts power, unlimited time.

Samuel M. Emison, as intervenor, raised objections to the early proceedings and cited the fact that the applicant was a newspaper syndicate that was not locally owned. The FCC rejected these flatly in its final report.

Exception was taken to the failure of the Commission to include a finding that the president of the applicant and the parent company, Central Newspapers, Inc., in which he has a majority stock interest, "not only does not reside in Vincennes but spends very little time there, being there probably twice a year", and also to the failure of the Commission to find that none of the five members of the Board of Directors of the controlling corporation reside in Vincennes or are familiar with the needs of that area.

In its brief in support of its exceptions, the intervenor argued that Section 310(b) of the Communications Act would be violated by a grant of this application because of a provision in a mortgage and deed of trust entered into on October 1, 1930, between the applicant and the trustee under the indenture. Under this provision, there are conveyed in trust all of the properties of the applicant, including all "property, real, personal and mixed, and any and all interest therein, which the Company may now own or shall hereafter own or which the Company may hereafter acquire or become entitled to acquire of whatsoever kind and description and wheresoever situated".

"If it be assumed that this provision may have the legal effect of transferring in trust any station license which may be issued to the applicant, it does not follow that a violation of Section 310(b) of the Act will result", the FCC stated. "The types of transfers which this section is designed to prohibit are those which may involve the construction, operation, or maintenance of broadcast facilities or control of the operations of a

station by the transferee or any person other than the person who has been authorized by the Commission for such purposes. Neither the foregoing provision nor any other provision in the indenture would have this effect except in the event of default on the bonds. The Commission cannot assume that such default is a likely contingency in the fact of its findings with respect to the applicant's present financial condition. Aside from the question of the probability of the occurrence of default, however, the presence of this contingency is no legal basis for the denial of the present application since it cannot be assumed that anyone other than the applicant will or may control the operations of the proposed station without prior Commission assent or approval pursuant to Section 310(b) of the Act, nor will the grant of this application imply any determination to this effect by the Commission.

"For the same reasons, the foregoing provision does not render the applicant legally unqualified on the theory that it is not the real party in interest herein. Such a contention would lead to the result that either the trustee or the holders of the bonds, or both, are the real parties in interest. Since it is apparent that under this provision the construction, operation and maintenance of the station and control of its operations would not be in the trustee or bondholders, such a contention is clearly untenable."

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AMATEUR RULES AMENDED, EFFECTIVE DECEMBER 1

The Federal Communications Commission this week announced amendments in the rules allocating frequencies to amateur stations to conform with changes in the spectrum necessitated by the permanent allocation of frequencies above 30,000 kc. The changes will become effective December 1st.

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CAMDEN PUTS MUNICIPAL STATION ON BLOCK

Mayor George E. Brunner announced last week the city of Camden, N.J. would dispose of its radio station, WCAM, to any one who makes a suitable offer. The station has lost money for the last two years, the Mayor said, because the Federal Communications Commission, under threat of revoking the license, required the city to operate it instead of renting it.

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CANADA RAISES FEES ON PRIVATE RADIO STATIONS

A substantial increase in the government license fees payable by private commercial broadcasting stations in Canada has been put into effect recently, according to the American Commercial Attache at Ottawa. The license for such stations under the radio regulations issued by the Department of Transport heretofore was \$50 per fiscal year ending March 31. The new schedule provides a minimum fee of \$50 for a station of 100 watts or less operating in a service radius with a population of less than 25,000. The fees for a 100 watt station range up to \$500 per fiscal year, this rate applicable when the service radius exceeds 500,000 persons.

Broadcasting stations with a wattage power between 250 and 1,000 watts will pay annual license fees ranging from \$100 to \$700, depending upon the population of the area served; stations powered with equipment for 5,000 to 10,000 will pay fees from \$500 to \$4,000. Stations of 15,000 watts covering a service radius of less than 500,000 people will pay \$3,000 and if the service radius covers more than 500,000 people the fee will be \$4,000. Stations with a power of 20,000 to 25,000 watts will pay \$5,000 in service areas covering less than half a million persons, and \$7,000 in more populous areas. Stations powered with 50,000 watts for which the service radius is defined as 100 miles will pay a license fee of \$8,000 if the service radius contains a population of less than 1,000,000 persons and a fee of \$10,000 in more populous districts. Annual fees for stations powered in excess of 50,000 watts (none such operate in Canada at present) will be determined by Order in Council.

It is anticipated that the new schedule of fees operative in the fiscal year beginning April 1, 1940, will produce an annual revenue of approximately \$26,000 in contrast to \$4,250 which accrued under the \$50 rate operative in the fiscal year ended March 31, 1939.

Minor changes in the radio regulations provided in the same Order in Council exempt private radio receiving stations using a crystal receiver from the annual license fee of \$2.50 collected on each private receiver utilizing vacuum tube circuits. Further, the receiver license fee is waived in the case of special commercial stations employed by public utilities and manufacturers of electrical apparatus for the sole purpose of investigating inductive interference. The fee for a broadcasting station operated on a non-commercial basis by universities is established at \$50 annually.

Radio dealers heretofore required to obtain assurance from a purchaser of a receiving set that a private receiving station license had been secured are no longer under such obligation. In the future, vendors of radio receiving sets shall inform the Radio Branch of the Department of Transport the names and addresses of individuals who purchase a radio receiving set.

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 ::: TRADE NOTES :::
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The Federal Communications Commission this week granted permission for Station WMAL, The Evening Star station, leased to the National Broadcasting Company, to construct a new transmitter on a site northwest of Washington and to increase its maximum power tenfold. Directional antennae will be used with the greater power, 5000 watts. The station transmitter now operates daytime with 500 watts and at night with 250 watts.

The New York Employing Printers' Association, Inc., announced last week that the three major promotional releases of the Mutual Sales Promotion Department had each won a special award of merit in its Fifth Annual Exhibition of Printing. The Mutual pieces selected were: "Some Think Them Sacred", "The Guinea Pig Goes to Town", and "How Big Is A Rubber Band?"

The Electrical Division, Bureau of Foreign and Domestic Commerce, has received a copy of tender and specifications covering one long wave marine radio beacon transmitter to be purchased by the Post and Telegraph Department of the New Zealand Government, delivery to be made at Wellington, New Zealand. Closing date for bids is January 23, 1940. Interested firms may obtain a copy of the tender and specifications on a loan basis upon request to the Electrical Division or any of the Bureau's District or Cooperative Offices.

The Dallas (Tex.) Morning News and radio station WFAA have resumed daily facsimile broadcasts over their transmitter W5XGR, for the first time since the close of the State Fair of Texas on Oct. 22, and will continue them without interruption, providing a daily newspaper service by radio. The first edition contained United Press news, cartoons, comics and pictures. Gene Wallis is editor of the facsimile edition. The radio edition will go on the air each day, including Sunday, between 2 P.M. and 4:30 P.M. Some receivers are on display at business houses in downtown Dallas. The receivers, through timing devices, begin operating and shut off automatically.

When WROK, Rockford, Ill., becomes an affiliate of the Mutual network on December 1, the newcomer brings Mutual's nationwide tally to 123 stations. WROK will operate on 1410 kilocycles with 1000 watts day, 500 watts night.

Elliott Roosevelt announced Sunday night, according to an A.P. report from New York, that the Transcontinental Broadcasting System would go on the air New Year's Day with a nationwide network of more than 100 stations. Roosevelt, President of the new chain, said the Board of Directors included John T. Adams, General Manager of the Texas State Network, President; William A. Porter, Washington lawyer, Vice President, and H. V. Brennan, owner of two Pittsburgh (Pa.) stations, Treasurer.

Wilfred S. Roberts, who recently rejoined the National Broadcasting Company after a six months leave of absence during which he was under contract to Paramount Pictures, has replaced William S. Rainey as Manager of the NBC Production Division, John S. Royal, Vice President in Charge of Programs, announced last week. Mr. Rainey, who has been with the company since December, 1927, has resigned to join the Trans-American Broadcasting and Television Corporation as a program executive.

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BETTER RADIO TRADE WITH PERU SEEN BECAUSE OF WAR

American electrical equipment, including radios, probably will find a greatly improved market in Peru as a result of the European war, according to an analysis of American-Peruvian trade by Bernard I. Feig, of the Electrical Division, Bureau of Foreign and Domestic Commerce.

Radio receiving sets and refrigerators heretofore have constituted the largest trading items in electrical equipment, the report points out. Radio set sales for the years 1936, 1937, and 1938 were \$315,000, \$298,000 and \$156,000 respectively.

"The serious decline of 50 percent in United States radio receiving set sales to Peru between 1936 and 1938 may be attributed to a number of factors", Mr. Feig said. "Extremely vigorous sales campaigns based on over-liberal credit terms resulted in a saturated market condition which in turn put a damper on radio sales. In addition, European competitors, chiefly the Dutch Philips and several German manufacturers, increased their sales efforts and succeeded in winning over some of the business which was formerly dominated by Americans. To further add to the problems confronting American radio exporters, the depreciated currency and shortage of dollar exchange have also operated to limit importations of American merchandise.

"A more immediate reason for more favorable American-Peruvian trade prospects may be found in the prevailing European war. Several of the countries now directly involved and a number of those indirectly hampered by military and naval operations have heretofore supplied an important share of Peru's electrical needs, and have been responsible for America's declining participation in the Peruvian electrical trade. Now that many of them can no longer render efficient service nor give this market the same vigorous attention as previously, it may be expected that Peruvian importers will necessarily turn to the United States for many of the electrical supplies formerly purchased from Europe.

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ALMONTE AGAIN NBC NIGHT HOST

John de Jara Almonte, Assistant to the President of the National Broadcasting Company, has been transferred from the World's Fair, where he was in charge of the RCA exhibit, to the New York office of the networks. Mr. Almonte will act as official host of NBC in the evening and will represent the President, Executive Vice President and Vice President in Charge of Sales.

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RCA DECLARES DIVIDENDS FOR QUARTER

Following the meeting of the Board of Directors of the Radio Corporation of America last week, David Sarnoff, President of the company, announced that the following dividends had been declared:

On the outstanding shares of \$3.50 Cumulative Convertible First Preferred stock, 87-1/2¢ per share, for the period from October 1, 1939, to December 31, 1939, payable in cash on December 21, 1939, to the holders of record of such stock at the close of business December 4, 1939.

On the outstanding shares of "B" Preferred stock, \$1.25 per share, for the period from October 1, 1939, to December 31, 1939, payable in cash on December 21, 1939, to the holders of record of such stock at the close of business December 4, 1939.

On the outstanding shares of Common stock, 20¢ per share, payable in cash on January 16, 1940, to the holders of record on such stock at the close of business Dec. 8, 1939.

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RADIO INDUSTRY SPONSORS CHARITY DINNER

The third week of the 1939 merged appeal of the New York and Brooklyn Federation of Jewish Charities was ushered in last Sunday night with a dinner in the Hotel Waldorf-Astoria attended by 1,200 representatives of the radio, music, refrigeration and allied industries.

The dinner was the eleventh annual affair sponsored by the radio industry and was part of the campaign to raise funds for the 116 affiliated hospitals, orphan asylums, family service agencies, community centers and other welfare agencies serving Greater New York. The tickets to the dinner were \$100 a couple.

Among the guests at the dinner were David Sarnoff, James Skinner, Elmer Cunningham, A. Atwater Kent, Powel Crosley, Jr., Larry Grubb, George Throckmooor, George Mason, Arthur Murray, Benjamin Abrams, E. G. Bigler, F. M. Merrick, Charles Wilson, Westley M. Angle, I. Goldberg, Frank Hiter and H. M. Stein.

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