

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1179

## FLY AGAINST COMMERCIALIZATION OF TELEVISION

Chairman James L. Fly this week told newspaper men that he thought television has not developed to a stage where it can be placed on an outright commercial basis as the Federal Communications Commission discussed the Craven report at several conferences.

Indicating that the full Commission will approve the major recommendations of the Special Committee, Chairman Fly said:

"We will act expeditiously. There are no sharp issues involved, and we have no desire to retard development or keep the industry guessing."

Mr. Fly said he thought there are "serious dangers" to "barging ahead" in the commercial field of television, but he expressed no objections to the experimental program sponsorship suggested by the Committee as an aid to experimenters.

"There is still ample room for development in television", he commented. "Those of you who saw examples of television at the New York World's Fair will agree with me that it still has some way to go."

The FCC Chairman cautioned the reporters, however, against pessimism regarding the new industry.

"Great progress has been made", he said, "and progress will continue to be made. But to put television on a broad commercial scale at this time is to ignore the facts."

Chairman Fly then proceeded to explain that any substantial change in television transmission would make obsolete all present receivers at a loss to the public. He said a television set cannot be compared to an old automobile or an old radio receiver. They can be used until they wear out, but a television set might be made useless overnight by technical developments in transmission.

Public hearings doubtless will be held before any final regulations governing television are adopted by the Commission, Mr. Fly said. Ample opportunity will be given all interested parties to state their case.

Asked whether the FCC had considered proposing any cross-licensing of television patents in order to spur the industry forward, Mr. Fly said such a matter is bound to come up in a consideration of the broad problems involved. He did not amplify this statement.

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Mr. Fly also disclosed that the Commission is not through with its examination of the ownership and management of stations, some of which already have led to revocation of licenses.

"I think the Commission can afford to give more attention to ownership of stations", he said. "We have the duty of seeing to it that responsible people are protecting public interests in broadcasting."

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### NEW YORK STATION GIVEN THREE-LETTER CALL

On request of the New York Broadcasting Corporation, the Federal Communications Commission this week assigned call letters WOV to the new broadcast station to be constructed by that corporation in New York City, to operate on the frequency of 1100 kilocycles, with power of 5 kilowatts, unlimited time.

The new station will supplant three existing broadcast stations, namely, WOV and WBIL, New York City, and WPG, Atlantic City.

It has been the practice of the Commission not to assign three-letter calls to broadcast stations except in cases where "good will" has attached to the use of such existing call letters, as in the case of WOV. This is because conservation of three-letter calls for land stations, such as communicate with ships and planes, is implied in International Telecommunications Convention of Madrid, 1932. This convention makes no provision for assignments of call letters to broadcast stations. As a result, some foreign stations do not use call letters. There is no provision in the Communications Act relating to assignment of call letters in this country apart from blanket authority to the Commission to do so.

While the Commission issues four-letter calls to new broadcast stations as a general rule, it has not yet been necessary to replace three-letter calls previously assigned broadcast stations in order to make these calls available to land stations. Consequently, the good-will value of existing three-letter broadcast calls is considered as cases present.

Eighty-four broadcast stations still retain three-letter identification calls.

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## FTC DENIES RMA REQUEST ON TUBE RULE

The Federal Trade Commission announced to the industry this week that it has denied the request presented by the Radio Manufacturers' Association for modification of the provisions of paragraph (k) of Rule 3, Group I, of the Trade Practice Rules promulgated July 22, 1939, for the Radio Receiving Set Manufacturing Industry.

In a letter to the RMA, the FTC said:

"Reference is made to your letters of October 19 and 23, 1939, and to the request presented by your Association for modification of the provisions of paragraph (k) of Rule 3, Group I, of the Trade Practice Rules promulgated by the Commission on July 22, 1939, in respect to radio receiving sets, parts and accessories.

"Representatives of your Association conferred in the matter with Commission representatives on November 2, at which conference they requested specifically that such provisions of the rules be modified by striking out the following words from the first sentence of such paragraph (k), namely, 'in the detection, amplification and reception of radio signals', also that the last sentence of the note appended to such paragraph be deleted, such sentence being as follows:

"References to rectifier tubes, and to tubes, devices or accessories which do not serve as signal amplifying or detecting tubes or heterodyne oscillator tubes, should be such as to clearly avoid misunderstanding or deception of purchasers.'

"Careful attention has been given to the matter, and you are advised that upon full consideration the Commission has denied such request for modification of the rule.

"In this connection it is stated that the provisions of the rule relate to matters involving the sale and distribution of commodities in interstate commerce and are directed toward protection of the purchasing public and fair competition from deception and misrepresentation in respect to tubes.

"The Federal Trade Commission Act, administered by the Commission, prohibits as illegal such methods of competition and acts or practices in interstate commerce which are unfair or deceptive, and directs the Commission to proceed, where necessary in the public interest, against persons, partnerships or corporations using such unfair or deceptive methods, acts or practices. These provisions of law are of general applicability and it is an essential requirement that the rule shall in no wise appear to sanction practices or advertising methods which may be found to fall within such statutory inhibitions. It does not appear that the rule if modified as requested would be in harmony with such legal principles."

In respect to the matters involved, the provisions of paragraph (k) of Rule 3, Group I, read as follows:

"RULE 3 - Specific Types of Advertisements or Representations among Those Prohibited:

It is an unfair trade practice for any member of the industry to use, or cause to be used, any of the following described types of advertisements or representations:

\* \* \* \* \*

(k) Advertisements or representations stating, purporting or implying that any radio receiving set so advertised or represented contains a certain number of tubes or is of a certain tube capacity when one or more of such tubes in the set are dummy or fake tubes, or are tubes which perform no useful function, or are tubes which do not perform or were not placed in the set to perform the recognized and customary function of a radio receiving set tube in the detection, amplification and reception of radio signals.

(NOTE: In order to avoid and prevent deceptive or misleading tendencies or results, so-called "ballast tubes", dial or other lamps used for illumination, so-called plug-in resistors, and other accessories or devices not serving the recognized and customary function of a radio receiving set tube, are not to be included as tubes in advertisements or representations of a radio receiving set which describe or refer to the set as having a certain number of tubes or as being of a specified tube capacity. References to rectifier tubes, and to tubes, devices or accessories which do not serve as signal amplifying or detecting tubes or heterodyne oscillator tubes, should be such as to clearly avoid misunderstanding or deception of purchasers.)"

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WIRE MERGER BILL BEING PREPARED BY FCC

The Federal Communications Commission is preparing the draft of a proposed bill for merger of the Western Union and Postal Telegraph Cos., Chairman James L. Fly of the FCC said this week at a press conference. The measure will be sent in about ten days to Chairman Wheeler of the Senate Interstate Commerce Subcommittee, which is to investigate the merger problem.

A Commission group, headed by Mr. Fly, has been working for some weeks in collecting data on the telegraph companies, and this information, together with the proposed bill, will be ready for submission to the Wheeler Committee within 10 days.

The proposed measure is expected to be one which has the endorsement of the administration, as Senator Wheeler has indicated he would consider only a measure which has been approved by the executive branch of the Government.

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## NINE MILLION SET SALES FORECAST FOR 1939

The year 1939 will set a new record in the production and sale of radio receiving sets, in the opinion of O. H. Caldwell, editor of Radio Today and former Federal Radio Commissioner. Answering an inquiry from Victor M. Ratner, of Columbia Broadcasting System, Mr. Caldwell wrote:

"Answering your inquiry, this year, 1939, will see the largest unit production of radio sets in all the history of radio.

"Nine million new radios will be sold by American manufacturers during 1939.

"This will bring up to 45,200,000 the number of radios in use by American listeners.

"From the beginning of broadcasting I have annually compiled the production statistics of radio, and base the above advance estimate on the fact that all reports so far this year show sales to be up 26 percent ahead of 1938 when total set sales were 7,100,000 ( $7,100,000 \times 126\% = 9,000,000$  sets for 1939).

"Since our dealer reports show that only 50 percent of any year's sales are replacements, the remaining one-half of 1939 domestic sales (8,400,000) can be assigned as becoming new "listening posts", making 45,200,000 total such listening posts (homes, autos, portables, business places, etc.) in use as 1940 opens.

"It is even more significant that the unit value of the radios sold this year is steadily going up. The dollar value of the radios sold this year (1939) is running 30 percent to 35 percent ahead of a year ago, showing that the purchasing public is again demanding quality receivers to listen adequately to the magnificent musical and dramatic broadcasts now on the air."

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## N.Y.C. POLICE MAY CARRY HIDDEN "MIKE"

New York City's Police Department is conducting extensive experiments on the possibility of having policemen carrying an undetectable portable radio transmitter that can be used in gathering evidence, Commissioner Lewis J. Valentine has disclosed. He declared that there now were two such portable transmitters in use for experimental purposes. He said that with the microphone hidden under a person's vest, the instrument could pick up and broadcast an ordinarily spoken message 200 feet.

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## RCA SHOWS FCC PORTABLE TELEVISION PICK-UP

The first demonstration of a new type of portable outdoor television pickup equipment was to be made for Federal Communications Commission officials today (Friday).

The Radio Corporation of America laboratories sent the new equipment to Washington. The transmitting apparatus was set up on the south side of Pennsylvania Avenue at Thirteenth Street, N.W., and the receiver in one of the offices of the FCC.

The new equipment replaces the old 10-ton trucks which heretofore were necessary to transport the heavy mechanism. According to RCA officials in Washington for the demonstration, the new type is one-tenth of the weight of the material formerly used and is one-sixth as costly.

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## "SSSS" HASN'T DISPLACED "SOS", SAYS FCC

News dispatches from the war zone report that "SSSS" is rivaling "SOS" as the marine radio operators call of distress. If this is fact, the former is not internationally recognized as is the "SOS" signal in the International Morse Code, according to the Federal Communications Commission.

In any event the "SSSS" does not officially mean "Submarine Sighted" or any other particular words beginning with "S". The explanation is that the dot-dot-dot four times repeated (... ..), representing these letters, has a characteristic swing and through common understanding and usage identifies the nature of the distress case.

"SOS" does not mean literally "Save Our Souls", or "Save Our Ship" as is sometimes claimed, any more than the previous international distress call "CQD" meant "Come Quick Danger", the FCC pointed out. All such calls are based on the speed and clarity with which they can be transmitted.

There was no special wireless call for sea emergency prior to the turn of the century, according to Federal Communications Commission records. About that time the Marconi International Marine Communication Company, Ltd., began equipping ships for radiotelegraph communication. In doing so it adopted "CQ", which had been in use in wire telegraph as a "general call" for many years, as a precedence signal for any ship desiring to communicate with another ship or shore station.

The need for a common distress call was recognized at the preliminary International Radio Conference held at Berlin in 1903. Here the Italian delegation suggested that in emergency a ship should send at intervals the signal "SSSDDD". No action was taken at this conference.

In 1904 the British Marconi Company instructed its ship radio stations to substitute "CD" for "CQ". Subsequently, the "D" was inserted in the old "CQ" call. At the 1906 International Radio Conference at Berlin, however, "SOS" was formally adopted. This combination was the outgrowth of "SOE"(...---) which had been used by German ships but which was somewhat unsatisfactory because the final dot was easily obliterated by interference.

Even so, "CQD" was so firmly established with some operators that its use was continued for some years thereafter. A notable example was its employment in summoning aid for the steamship "Republic" in 1909. "CQD" finally passed from the sea calls when the international radio conferences continued to approve "SOS".

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#### LISTENER BOOKLETS AID EDUCATIONAL BROADCASTS

Pioneering along a new frontier, the U. S. Office of Education announces the inauguration of a plan to combine the advantages of radio and print for the advancement of education.

The program which takes at least 3,000,000 listeners to the Smithsonian Institution every Sunday afternoon now provides a handbook to help radio visitors remember what they have "seen" and heard by radio. "THE WORLD IS YOURS" radio series will be paralleled by "THE WORLD IS YOURS" weekly illustrated bulletins.

U. S. Commissioner of Education J. W. Studebaker today announced the beginning of the publication plan by the U. S. Office of Education, Smithsonian Institution, the National Broadcasting Company, and Columbia University Press. "THE WORLD IS YOURS" is heard every Sunday afternoon from 4:30 to 5:00 P.M., EST, over nearly 80 stations of the National Broadcasting Company's Red Network.

Inauguration of the new radio-print plan has been prompted by the persistent demand from listeners, more than 400,000 of whom have requested supplementary material to the radio programs; and by recent research findings which indicate that the learning rate of radio plus print can be greater than the learning rate obtainable by using either radio or print alone.

The new booklets, designed to promote the self-education of radio listeners, contain popularly written scientific articles prepared under the direction of the Smithsonian curators, explanatory charts, graphs, and other illustrations, reprints from the scripts, as well as suggestions for additional reading. W. P. True, Editor of the Smithsonian Institution, supervises the preparation of the aids.

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## BRITISH INDUSTRY CAUGHT WITH TELEVISION STOCK

With the cessation of television transmission in London at the outbreak of the European war, British retail dealers have been caught with an unsaleable stock of television receivers valued at approximately £250,000 or \$1,250,000, according to the Wireless & Electrical Trader.

The trade organ stated that Sir Noel Ashbridge had cited three reasons for discontinuance of the visual broadcasting service. They were: (a) interests of national security, (b) to relieve engineers needed to maintain a 24-hour sound service, and (c) the high cost of the service in relation to the comparatively small number of viewers.

Setting forth the results of a survey conducted among retailers, the Trader commented:

"(1) Dealers were asked to indicate the retail value of television sets they had in stock at the time of filling up the form (that is, early in October). The lowest return was £20, and the highest £716 17s. (from a radio dealer and not a departmental store, it may be remarked). In total, the 113 dealers who gave information had stocks amounting to £14,364 14s.

"There is no reason to suppose that the figures in The Trader's possession do not strike a fair average, and if that is so it follows that the 2,000 dealers who have been handling television had on their hands immediately after the outbreak of war some £254,230 worth of television sets - dead stock until the service is re-started. It is likely that stocks in the hands of manufacturers are still greater.

"(2) Dealers were next asked to state the retail value of sets they already had out on uncompleted hire purchase. The total for 113 dealers was £10,690 7s.

"This would make the total for 2,000 dealers something in the neighborhood of £189,200.

"(4) The fourth point was an equally difficult one to answer: number of general complaints about lack of television service. In this case the figures quoted varied enormously; many left blanks; and others indicated 'Numerous', 'Lots', 'Dozens', 'Very many', 'From all', and so on. Several dealers added footnotes to their questionnaire forms to say definitely that they could sell television sets if a service were available, and a number specially emphasized the fact that the black-out made such a home entertainment as television more desirable than ever.

"(5) In dealing with the fifth point, it was possible to be more definite with figures, for dealers were asked to estimate the number of sets they would have sold between September 1, 1939, and August 31, 1940, if war had not broken out. The total

indicated by 113 dealers was 3,577, so that 2,000 dealers in the television service area might have sold 63,310 televisions in the current year.

"In other words, the retail side of the industry alone has at this moment a dead stock of some \$250,000 worth (at retail prices) of television sets, and is losing the sale of a possible 60,000 televisions during the current season."

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 ::: TRADE NOTES :::  
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The Federal Communications Commission granted the application of M. C. Reece for a construction permit to erect a new station in Phoenix, Ariz., to operate on the frequency 1200 kc., with power of 100 watts night, 250 watts until local sunset, unlimited time.

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Benson K. Pratt, who has been publicizing the Blue Network, has resigned from the Press Department of the National Broadcasting Company, as of Dec. 2, to become Publicity Director for District Attorney Thomas E. Dewey's campaign for the Republican nomination for the presidency. Art Donegan, who has been handling trade news for NBC, succeeds him.

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A new company has applied for a construction permit for a new radio station at Salisbury, Md., the Federal Communications Commission has announced. The company, Delmarva Broadcasting, seeks to operate on 1,500 kilocycles, with power of 250 watts, unlimited time. Paul E. Watson, Salisbury banker, is president of the company; William H. Morton, vice president, and Robert N. Rogers, secretary-treasurer.

The FCC recently instituted a license revocation proceeding against Station WSAL at Salisbury, alleging that Frank M. Stearns, the licensee, made false statements concerning the ownership, management and control of the station.

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Station WOLS, at Florence, S. C., will become affiliated with the National Broadcasting Company on December 25, according to Niles Trammell, NBC Executive Vice-President, and will be available as a bonus outlet to advertisers using Station WIS in the NBC southeastern group. WOLS is operated by O. Lee Stone on a frequency of 1200 kilocycles, daytime, and 100 watts power. It will be NBC's 181st affiliate.

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RCA TESTS SALES OF PRICE-CUT TELEVISION SETS

In a test to determine whether sharply reduced prices on television sets will bring in sufficient business to assure quantity production and lower costs, the RCA Manufacturing Company has just completed a two-months' campaign in Newburgh, Poughkeepsie and Middletown, in which more than 100 sets were sold, according to the New York Times.

"In discussing the campaign, officials of the company emphasized the point that no decision as yet has been reached on whether prices will be reduced", the Times said. "The results of the drive will be thoroughly analyzed and discussed with metropolitan distributors and dealers before any final decision is made. Trade discounts and various other practices have to come under scrutiny before the company reaches any decision on prices, it was said.

"Newspapers were used to advertise the sets, although copy carried no prices. The \$600 sets were reduced to \$395, the \$450 sets to \$295 and similar reductions were made in the cheaper models. The public showed a particularly good response to the cheaper models, particularly around the \$200 range.

"While the company made no official comment on the test, it is regarded by others in the field as showing that the public will purchase sets if they are priced at levels considered by consumers to be reasonable. The area covered, Newburgh, Middletown, Poughkeepsie and surrounding territory, represents about one-thirtieth of the population of the metropolitan district.

"The fact that the Newburgh public in two months bought 100 sets as against sales of only 1,000 in the entire New York area since May indicates very graphically that prices have been one of the chief factors in the slow sales, according to observers.

"Another reason is the quality and quantity of the programs. National Broadcasting Company has been striving to improve the quality of its telecasts and Columbia Broadcasting System is now expected to get under way with programs around Feb. 1.

"Although no assurance of lower prices on television sets has been given yet, the general impression in the trade is that sets will be reduced for 1940. The industry is still conservative about sharp sales gains next year but expects that volume will be substantially larger than it was this year."

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WESTINGHOUSE ADDS TO BALTIMORE RADIO PLANT

Construction work has begun on an \$80,000 addition to the manufacturing plant of the Radio Division of the Westinghouse Electric and Manufacturing Company, Baltimore, it was announced this week, by Walter Evans, Manager of the division. The structure will add 42,000 square feet, doubling the manufacturing space and providing additional receiving and shipping facilities. It is expected to be ready for use by January 1st.

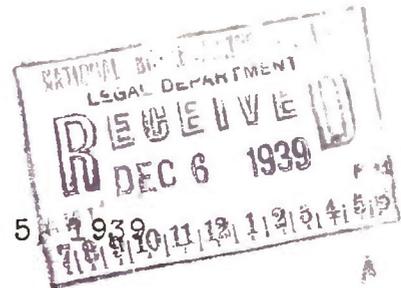
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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1180

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December 5, 1939

NON-COMMERCIAL STATIONS MUST HUG THE WAVES

The Federal Communications Commission this week sent out notices to all licensees of relay, international, high frequency, non-commercial educational, facsimile, television and developmental broadcast stations that they must henceforth adhere closely to their assigned frequencies.

Calling attention to a rule that became effective September 15th last, the FCC said that each of the non-standard stations, except relay, shall operate continuously a frequency monitor having an accuracy sufficient to determine that the operating frequency is within one-half of the allowed tolerance.

Any station not now having the required monitor, the FCC said, "shall not operate until such monitor is obtained and placed in operation".

A frequency monitor is defined as a device which will indicate automatically whether or not the operating frequency is within the allowed tolerance, as contrasted with "frequency meters" which require a certain amount of manipulation by a skilled person. A frequency monitor is required and a frequency meter is not acceptable, the FCC said.

"Frequency monitors designed for amplitude modulation may be used in conjunction with stations employing frequency modulation, it being understood that these monitors will only give an indication of the center frequency on no modulation", the notice added.

"The frequency monitors used in compliance with this rule by all broadcast stations other than standard broadcast are ordinarily calibrated at the laboratory of the manufacturer. However, the maintenance of the constancy of calibration is the responsibility of the licensee. The licensees of all stations shall be prepared to demonstrate to a representative of the Commission that the frequency monitor has the required accuracy.

"Licensees operating two or more stations at the same location coming within the purview of Section 4.1 (formerly 40.01) may operate one frequency monitor if arrangements are made to switch the monitor from one transmitter to another by a simple operation and no adjustments are required on each frequency.

"Relay broadcast stations shall provide the necessary means for determining that the frequency of the station is within the allowed tolerance. The frequency measuring equipment used in compliance with this rule may be located at the relay station, at

a central location or the receiving location. If the monitor is located at a distance from the station, provision shall be made to check the frequency in accordance with Section 4.2(d). The equipment used to determine that the frequency at a station is within the allowed tolerance may be either a frequency monitor or a frequency meter (heterodyne frequency meter or equivalent). If commercial types of frequency monitors are used it may be necessary to use a radio frequency amplifier in order to provide sufficient signal to operate the device. Frequency meters, if used, shall be capable of required accuracy and shall be capable of being maintained in calibration by comparison with the signals of WWV or standard broadcast stations."

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### NAB TO LET STATES DECIDE POLITICAL RULES

Because of the varied practices of the States governing political campaigns, the Code Compliance Committee of the National Association of Broadcasters has decided to let the member stations in the respective States determine the policies with regard to broadcasts.

A resolution, adopted at a meeting of the Committee in Washington last week, states:

"In view of the fact that different laws or practices govern the conduct of elections in the different States and local communities, it is the recommendation of the Code Compliance Committee that the broadcasting stations in the different States should be called into meeting by State Chairmen or through the efforts of District Directors, where no State organization exists, and request them, after a study of their respective State and local laws, to determine:

- "(a) When does an individual become a legally qualified candidate for public office and qualify for the sale of time under the Code, or,
- "(b) Determine the date for the opening of a campaign for election of public officials, or for the discussion of public proposals which are subject to ballot."

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Keith Kiggins, Director of the Blue Network of the National Broadcasting Company, has been named Chairman of the Radio Committee for the Department of New York of the American Legion.

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### INDEPENDENT STATIONS HIT PUSH-BUTTON RECEIVERS

An appeal to the Radio Manufacturers' Association and several set manufacturers to discontinue the production of push-button and restricted receiving sets was made last week by Harold A. Lafount, former Federal Radio Commissioner, upon behalf of organized independent radio stations.

As President of the National Independent Broadcasters, Inc., Mr. Lafount said that many independent low-powered stations in the larger cities may be forced out of business by the present trend in set manufacturing.

To supplant the four push-button receivers, which are usually adjusted to network or high-powered stations, Mr. Lafount asked that manufacturers get together in an effort to produce at least ten push-button sets for larger cities, and that the sale of the other units be discontinued. He offered the cooperation of the local stations, possibly through sales aids for the manufacturers.

"It is my sincere belief", Mr. Lafount stated, "that if many of these four and five push-button receiving sets are sold in cities that have 10 or more broadcasting stations, many of the smaller local independent stations will soon be forced out of business. I therefore, respectfully urge that you build receiving sets with at least ten push-buttons and that you discontinue the sale of sets with less push-buttons in the larger cities.

"I am sure that if you will place on the market in these larger cities receiving sets capable of reproducing the programs broadcast by the smaller local stations - in other words, sets that will without discrimination provide equality of reception and tuning convenience, the local stations will cooperate with you in their distribution and sale."

For competitive reasons, the NIB President stated, many set manufacturers are offering small inexpensive sets capable of receiving and reproducing programs broadcast by high-power chain or clear channel stations. Frequently, he said, the first stage of amplification is omitted, along with other refinements "which render these sets incapable of receiving and reproducing" low-powered stations without static or other interference. The sale of hundreds of thousands of these sets, he declared, has been very detrimental to the local broadcaster and in many large cities where noise level is high "is directly responsible for the partial loss of his listening audience". Thus, he asserted, the listener desiring to hear the local station without interference "must purchase a high-priced receiving set".

Citing the push-button set as adding to the locals' problem, Mr. Lafount declared that in a city like New York, the sets usually are adjusted or tuned to chain or high-powered stations. "The other 15 or 20 broadcasting stations must depend upon the listener to use the manual control", he declared.

## FCC SEES "VEST POCKET" TELEVISION TEST

New "vest pocket" television field equipment, so light and compact that a complete basic unit may be carried in the back of an automobile, will be delivered to the National Broadcasting Company this week, according to Alfred H. Morton, NBC Vice-President in Charge of Television.

The new apparatus, demonstrated under practical operating conditions for the first time Friday before members of the Federal Communications Commission in Washington, D. C., was developed by the RCA Laboratories at Camden, New Jersey. Among those who witnessed the test of NBC's equipment were James L. Fly, FCC Chairman, and Commissioners T.A.M. Craven, Thad H. Brown and Norman S. Case of the Television Committee.

With the new equipment, said Mr. Morton in his announcement, NBC's television field crews will be freed of limitations imposed by the necessity of finding parking space at the scene of pick-up for the large motor trucks that carry NBC's present mobile station. Entertainment such as stage shows of Broadway will lie within easy range of the stream-lined unit. Mr. Morton added that the new units will not go into immediate service, but go through a test period to determine service potentialities in the New York City area.

To facilitate transportation, engineers have assembled the various components in small carrying cases.

A complete one-camera assembly, according to Mr. Morton, requires only four of these cases, in addition to camera and connecting cables, the total weight being less than 275 pounds.

Striking innovations include a new radio transmitter for use on wavelengths of one meter and less, the shortest yet employed in practical television work, and a "fading" feature. NBC's engineers also will be able to utilize ordinary 110-volt power supplies. Apparatus for keeping two or more cameras in absolute synchronization, thus eliminating the cause of "slipping frames", is a part of the RCA development. A newly designed antenna of the "wedge" type focuses the broadcast energy into practically a searchlight beam, to be directed at the main NBC transmitter in midtown Manhattan.

The basis one-camera unit may be converted into a two-camera assembly by the addition of camera and four cases, bringing the total weight to less than 550 pounds. A third camera may be added by bringing three more cases into the equipment line, making the weight 862 pounds, exclusive of connecting cables. The radio relay transmitter with its associated power supply equipment weighs 250 pounds. With 500 feet of cable to serve the assembly, the entire three-camera unit will weigh only about 1200 pounds. NBC's present two-camera field unit, mounted permanently in two large motor trucks, has a total weight of ten tons.

The new ultra-short wave relay transmitter, according to the RCA designers, will go far in removing the relayed image from the influence of man-made sources of interference. These sources, notably elevator contactors, diathermy equipment and automobile ignitions systems, have been particularly troublesome at times.

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#### NEW STATION GRANT PUTS TOTAL AT 55 FOR YEAR

The granting of a construction permit to M. C. Reese, of Phoenix, Ariz., to erect a new radio station for operation on 1200 kc. with 100-250 watts power, unlimited time, brought the total new stations authorized by the Federal Communications Commission this year to 55.

Meanwhile, the Commission is continuing to authorize power increases in accordance with reclassification rules made effective August 1. A dozen regional stations were given power boosts to 5,000 watts last week.

Five stations on 1330 kc. were increased horizontally, along with two on 630 kc., plus individual increases on other channels. Stations granted construction permits for the 5 kw, night power are:

WMAL, Washington (now operating with 500 watts day, 250 watts night); WSPD, Toledo; KLZ, Denver; WIP, Philadelphia; WPRO, Providence; WPRO, Providence; WTAQ, Green Bay; KSCJ, Sioux City, Ia.; KGB, San Diego; WDRC, Hartford; WSAI, Cincinnati. Granted license modifications for 5,000 watts, full-time were KFPY, Spokane, and KGIR, Butte.

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#### ADDIS ABABA TO BROADCAST TO U.S. IN JANUARY

The Italian short-wave station at Addis Ababa will transmit a special program to North America on January 21, according to Alberto Garabelli, New York representative of the Italian Broadcasting Co., E. I. A. R.

The opening this Fall of a new "Imperial Radio Center", just outside Rome, now transmits "The American Hour" and other short-wave programs to the United States and other parts of the world, the correspondent said.

The new plant, he said, "may be held as the strongest and most perfected short-wave broadcasting center in the world". It consists of eight short-wave transmitters located in three buildings. More than a dozen different frequencies are used daily.

By means of a new arrangement the Italian Radio Center is able to broadcast simultaneously on two or three waves to the same locality, thus giving the listener a choice of the best frequency.

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NAB APPOINTS ATTORNEY AND ENGINEER

With the appointment of Russell P. Place as counsel, and Lynne C. Smeby as full time Director of Engineering, the National Association of Broadcasters has about completed its program of expansion as outlined in the reorganization plan.

Recently the Bureau of Radio Advertising was established to promote the use of radio advertising. It is headed by Sam Henry, Jr., former Sales Promotion Manager of World Broadcasting Company To carry on a year 'round institutional type of promotion, Arthur Stringer, former promotional consultant, was added to the staff after the Atlantic City convention.

Headquarters is also formulating plans for increased activity of the Research Department during the coming year. As being drawn the work will include some fundamental studies designed to fix the advantages of research as a tool in station management. A committee is to be appointed to work with Paul Peter, Director of Research.

The projected year's work include plans for meeting media competition in the development of facts through research. Ways and means for the development of needed information for the Bureau of Radio Advertising, public relations, labor relations and the executive office of the Association are to be established.

In addition to a consulting Research Committee, it is planned to appoint a research representative in each district to assist the Director of Research and the Research Committee.

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FCC WANTS \$50,000 FOR INVESTIGATING UNIT

If Congress appropriates a requested \$50,000 next session, the Federal Communications Commission will establish a new Investigation Division which will report on the qualification of new station applicants as well as inquire into operations of existing stations.

Included in budgetary estimates given the Budget Bureau, it is understood the new division would operate initially from Washington headquarters but perhaps eventually decentralize with trained investigators assigned to each of the 26 field offices of the Commission. A dozen or 15 expert investigators is said to be contemplated.

The proposed Investigation Division, which presumably would report to the FCC rather than to any existing departments, would operate on behalf of all FCC functions, including broadcasting, telephone and telegraph, though its primary duties would

be in the broadcast field. The innovation, it is felt, would work hand in hand with the recently instituted intervention policy, differing from past practices in that the Commission itself would seek to develop adverse matter rather than depend upon intervenor testimony to produce it.

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### WMCA IS NEW YORK KEY OF NEW NETWORK

Station WMCA, New York, will be the New York outlet of the new Transcontinental Broadcasting System, which will begin operations January 1, with stations in all major markets, according to advance predictions. The new network was organized in Chicago recently with Elliott Roosevelt taking a leading role though no office.

While the full list of stations affiliated with TBS will not be made public until all arrangements have been completed, official announcement has been made of these major outlets: WMCA New York; WJJD and WIND Chicago; KFVB, Hollywood; KYA, San Francisco; KQV, Pittsburgh; KXOK St. Louis; KCMO, Kansas City; WMEX, Boston, WDGY, Minneapolis, and North Central Broadcasting Network, comprising stations in Northern Michigan, Wisconsin, Minnesota, North and South Dakota, and the 23-station Texas State Network. It was also reported that KSCJ, Sioux City, WCBM Baltimore, and KSAL, Salina, Kan., had practically completed negotiations.

George Podeyn, New York manager for the Texas State Network, has been appointed General Manager of TBS. As Mr. Adams is still General Manager of TSN, and Mr. Roosevelt President of that regional chain, it is expected that its operations may be merged with those of TBS.

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### LINGUISTS LISTEN TO WAR PROPAGANDA AT BBC

Every day since the war began, forty expert linguists, several women among them, have sat at receiving-sets installed in secret centres somewhere in England, and listened to news and propaganda from broadcasting stations in all parts of the world, according to the British Broadcasting Corporation. Day and night, working in three shifts a day for seven days a week, these expert listeners "watch" transmissions that might contain information of value to the British Government.

To the BBC, which, in association with the Ministry of Information, has organized and operates this unique information service, the work is known as "monitoring" and the listeners as

monitors. Apart from important speeches by foreign statesmen, the monitors listen to about 150 news bulletins - representing about 250,000 words - every twenty-four hours.

After the material has been taken down and translated by the monitors, it passes to an editorial staff, the members of which, chosen for their knowledge of international affairs and political judgment, write a summary of the broadcasts. Summaries, stencilled immediately they have been prepared, are issued twice each day - in the morning and afternoon - and are often as many as 30,000 words in length. They are immediately dispatched to some twenty-five Government agencies and all the Departments directly engaged in the prosecution of the war. Information of special urgency is telephoned to the Departments known to be interested.

Teleprinters and dispatch riders, as well as the telephone, link the listening posts, deliberately spread over a number of points, with the collection and dispatch centre. High speed and accuracy are essential, and the monitors have the assistance of recording machines as well as a corps of shorthand writers. On an average, ten monitors and five sub-editors, together with shorthand-typists and the engineering staff responsible for the means of reception, are on duty in each shift, the peak number of staff at work being reached at about midnight. Both headphones and loudspeakers are used for listening.

In addition to all the principal European countries and the United States of America, places as far distant from Britain as Japan and Chile are among the countries to which the monitors regularly listen, and the languages in which they work range from the Scandinavian tongues to Arabic and Ukrainian.

Organized on the outbreak of war, the service swiftly proved to be of great value to the Government, and is proving more and more useful as time goes on. Necessarily, the work of organization was a complicated matter. Receiving points had to be established, methods of rapid communication installed, and staff recruited. Not only first-class linguistic ability was asked of the monitors: they had to be physically able to meet the demands of nightwork that involved unrelieved hours of listening - often to atmospheric-marred transmission.

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#### RADIO BILLINGS RISE ON NBC AND CBS

Billings of the National Broadcasting Company in November increased 8.6 percent from 1938 and those of the Columbia Broadcasting System rose 40.9 percent. NBC volume was \$4,234,984, against \$3,898,918 in November, 1938. The latest figure represented a gain of 0.4 percent from the October figure, which was \$4,219,253. Columbia's latest total was \$3,456,323, against \$2,453,410 for November, 1938. The total was up 2.7 percent from the previous month's figure of \$3,366,654.

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TRADE NOTES

Hulbert Taft, Jr., son of Hulbert Taft, Sr., President of the Cincinnati Times Star Co., has been named Manager of Station WKRC, acquired recently by the Times-Star. Sale of the station by the Columbia Broadcasting System was approved last week by the Federal Communications Commission.

Harry L. Sommerer, formerly assistant to Fobert Shannon, Executive Vice President of the RCA Manufacturing Company, has been appointed Manager of Manufacturing of the company's plant. Mr. Sommerer will have supervision of the company's plants at Camden and Harrison, N. J., Hollywood and Indianapolis, with headquarters in Camden.

The General Electric Company will put strong advertising support in the coming months behind a special offer of a seven-tube console receiver and a standard G-E record player for \$65.95 with another radio in exchange. The offer is a feature of an advertising and promotional campaign scheduled for the Winter. The set has two reception bands, is equipped for television sound and has six touch-tuning keys, and the player has an approximate retail value of \$10. A new series of advertisements has been prepared for use in newspapers by small, intermediate and key dealers.

U.S. Attorney

William J. Campbell of Chicago is conducting an investigation to determine if horse race results are being broadcast illegally by radio stations. He is especially interested to know whether or not radio companies are trying to replace the book-maker's wire service of M. L. Annenberg's Nationwide News Service, which Mr. Annenberg recently dissolved. He is also seeking an opinion from the Federal Communications Commission as to whether or not the Commission's regulations ban use of radio for transmitting race results.

Six hundred Westchester County (N.Y.) clubwomen attending a forum at the New Rochelle Woman's Club voted unanimously last week to urge radio chains to broadcast fewer love dramas, described as an "insult to intelligent women", and provide more programs dealing with homemaking and child training. The vote came after Mrs. Ida Bailey Allen, home economist, had informed the women that out of 378 broadcasting hours each week by the three major networks, only 45 minutes were devoted to problems of the home. Mrs. Allen said she had conferred with radio officials and program sponsors and had been informed that "American women are not interested in hearing about homemaking."

## ZENITH SETS ALL-TIME PRODUCTION RECORD

Zenith Radio Corporation reports a consolidated operating profit for the first six months ended October 31, 1939, of its current fiscal year, amounting to \$377,696 after depreciation, excise taxes and liberal reserves, but before provision for Federal income taxes, as per the company's books, according to Hugh Robertson, Executive Vice-President and Treasurer.

"The Company's regular 1940 line of home receivers was announced and shipment started the middle of September", he said. "The unprecedented spurt in radio demand had not been fully anticipated but delivery difficulties with material suppliers were overcome and an all-time high record for production and shipment of receivers during a single month was attained in October. This record rate of production and shipment was maintained during the month of November and will continue until the present backlog of orders for December and January delivery are filled.

"Statistics on delivery of Zenith receivers by distributors to dealers indicate that the 1940 models are moving to the public at an unparalleled rate for this period and the management confidently expects that shipments for the fiscal year will be the largest in the company's history both in units and dollar volume.

"There has been a steadily increasing demand for auto radios from automobile manufacturers with whom the company has contracts. Daily shipments of these receivers have been maintained at an all-time high and releases being received from time to time for future delivery indicate the present rate of production and shipment will be maintained well into the Spring months."

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## FREQUENCY MODULATION TRANSMITTERS OFFERED BY G.E.

After more than three years of intensive research, General Electric has made available frequency modulation transmitters in five ratings. This new departure in radio is characterized by exceptional high fidelity, freedom from distortion, nearly complete freedom from interference - either man-made or natural - better coverage of the primary service area, and reduced operating costs.

Based on the system developed by Major E. H. Armstrong, the new General Electric transmitters add several exclusive features including simplified circuit design, fewer tubes, greatly reduced power consumption, and accessibility to all parts without disassembly. With this equipment distortions are reduced to less than  $1\frac{1}{2}$  percent from 30 to 7500 cycles and less than three percent to 15,000 cycles. The transmitters are available in ratings of 250 watts and 1, 3, 10 and 50 kw.

Standard broadcast receivers are unable to receive programs transmitted on the new system, and General Electric recently announced regular production of a full line of sets to receive the frequency-modulation programs.

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#### CUBA RADIO PURCHASES NOT AFFECTED BY WAR

Cuba's purchases of American radio equipment, which dropped about 50 percent in 1938, are not likely to be increased by reason of the European war as United States firms already dominate the market, according to the Department of Commerce. The only hope for restoration of the trade, an analysis shows, is that Cuban purchasing power will be raised by recovery of the island's sugar industry.

Bernard I. Feig, of the Electrical Division, Bureau of Foreign and Domestic Commerce, in a review of American electrical trade with Cubas, has this to say of the radio market:

"After experiencing several years of excellent demand, radio equipment, which constitutes the chief item in the Cuban-American electrical trade, suffered a severe setback in 1938. The serious reduction of approximately 50 percent in Cuban imports of radio apparatus was accounted for by the decline in purchasing power and also by the heavy carry-over of radio stocks from 1937 when excessive optimism led to overstocking. Another factor, although currently of minor importance, has been the increasing activity of the Dutch Philips concern which has been gradually improving its position in the Cuban market at the expense of American producers. The importance of this factor would be greatly magnified if the preferential treatment accorded American products were ever lessened or suspended. At present, however, the radio market is strongly dominated by American producers.

"Cuban industry has looked to the European war situation for alleviation of many of its difficulties, but no material relief has thus far been forthcoming in the form of anticipated war orders.

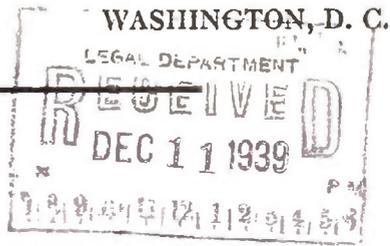
"Unlike many other Latin American countries, Cuba does not hold forth promise of increased trade with American electrical manufacturers because of the current war. Since American electrical producers already control more than 90 percent of the Cuban market, the amount of trade that Cuba might find necessary to divert from belligerent or other handicapped European nations would necessarily be relatively small and unimportant.

"Upon final analysis, American electrical exporters can only hope for the recovery of the Cuban sugar industry, the cure-all that would probably eliminate many of the prevailing obstacles in the path of renewed demand for American electrical equipment.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET



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## FCC REORGANIZATION NOT TO BE PRESSED NEXT SESSION

The Administration has scuttled the McNinch proposal to abolish the Federal Communications Commission and substitute a three-man agency with the Chairman clothed with dictatorial powers, it was reported this week on Capitol Hill.

Congressional leaders, it is said, will make no attempt to revive the legislation introduced last session upon suggestion of President Roosevelt.

Internal dissension which marked the regime of the former Chairman, Frank R. McNinch, has disappeared since James L. Fly took office, it was pointed out, and so the need for the reorganization has been eliminated. The FCC, in fact, has been calmer and more united in its policies than at any time in recent years.

The fact that 1940 is an election year doubtless enters into the decision.

President Roosevelt early this year wrote letters to the Chairmen of Senate and House Committees handling radio legislation and suggested a complete reorganization of the FCC and a re-writing of the Communications Act.

Subsequently, Chairman Wheeler, of the Senate Interstate Commerce Committee, introduced a bill providing for a three-man Board in place of the seven-man FCC. It had been drafted under direction of McNinch and with the purpose of ridding the Commission of dissenting members.

The dissenters were Commissioners T.A.M. Craven and George Henry Payne, who had refused to support the FCC "purge" a year ago. Thomas G. Corcoran, New Deal brain truster, was understood to be behind the move to punish the Commissioners.

Such a storm of protest was raised both within the radio industry and political circles that Administration leaders soon pigeon-holed the legislation and never went so far as to schedule hearings.

Senator White (R.), of Maine, countered the Wheeler-McNinch bill with a measure to enlarge the Commission to 11 members.

Cries of "dictatorship" and "government censorship" were raised so loudly that the House Appropriations Committee held up the FCC appropriation until a few days before the end of the fiscal year. Increases asked by the Chairman to expand the staff were denied.

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Demands for a Congressional investigation of the FCC have not died down, however, despite the present calm within the Commission. Representative Wigglesworth (R.), of Massachusetts, one of the chief Capitol Hill critics of the FCC, said he will again press for enactment of one of the several resolutions calling for a House probe.

Democratic leaders, however, said there is little likelihood of such an inquiry being ordered unless new dissension breaks out within the Commission.

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### FTC CURBS CLAIMS OF TELEVISION SCHOOL

Midland Television, Inc., Kansas City, Mo., conducting residence and correspondence courses in radio, television and air-line radio operation, entered into a stipulation with the Federal Trade Commission to discontinue misleading representations.

In its advertising matter, according to the stipulation, the respondent corporation published composite illustrations of the Kansas City Power and Light Building, in which the school occupies several of the upper floors, and the KMBC broadcasting tower, so arranged in some instances as to create the illusion that the buildings are contiguous to each other, when in fact they are some five miles apart; and letterheads featured a similar picture with the conspicuously printed corporate name "Midland Television, Inc."

This illustrated matter was misleading insofar as it tended to convey the impression to prospective pupils that the entire building was occupied by the respondent corporation and that the tower belonged to the school, according to the stipulation.

The respondent corporation agreed to cease making such representations and to discontinue disseminating advertising matter which tends to convey the impression that students are virtually assured of employment upon completing their radio work at the school. The respondent also stipulated that it would desist from the representation that any person connected with the school's "technical staff" is a "member of the Institute of Radio Engineers", when such is not a fact, and from representing that the sole purpose of "Midland Training" is to help students make more money.

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## U. S. S-W RADIO FREE, BUT HAMPERED BY DIFFICULTIES

Some of the difficulties of international broadcasting by U.S. stations to Latin American countries were discussed by Guy C. Hickok, Director of Short-Wave Broadcasting for the National Broadcasting Company, this week at a conference on inter-American affairs at George Washington University, Washington.

Mr. Hickok prefaced his remarks with the observation that American radio is free to broadcast the truth as it sees it and is not hampered by censorship as are European stations in countries at war.

"The struggle in Europe has reached a pitch of bitterness in which not one of the nations locked in conflict can afford to broadcast honestly, if it would. In this bitter battle of the air waves, American short-wave broadcasters are not involved. Aloof from the melee, they can still tell the nations to the south the truth, or all of the truth they can discover. . .

"But to really reach the ears of the greatest numbers of our neighbors to the south, short-wave broadcasters must do more than merely increase the distances at which American programs can be heard. They must 'process' American programs before Latin-Americans or Ibero Americans will accept them.

"We like to tell ourselves that English is becoming a universal language; but we know that it is not a universal language now.

"Ask a typewriter manufacturer. He will tell you soon enough that to sell American typewriters in Brazil he must provide them with Portuguese keyboards; and to sell them in the rest of the Americas he must give them Spanish keyboards.

"He would not get far if he insisted on shipping to the other Americas only machines with standard American keys.

"In radio, as in typewriters, North America is competing in Latin America against other nations which will, and which do, modify the product they use at home to adapt it to the export market.

"No American exporter would print his promotion or advertising matter for Latin America in English. Everyone interested in increasing commercial relations with Latin America knows that he must use the languages of his markets; and he must use these languages as well or better than any foreign competitor uses them; as well as the educated class of the population uses them.

"Therefore North American radio, to be really effective in the other Americas, must

- 1: Broadcast in their own languages, perfectly spoken.
- 2: Broadcast programs adapted to their tastes, their susceptibilities, their customs.
- 3: Time its programs to the convenience of its audiences.

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4: Key its programs in a tone which will wear away, little by little, antipathies and suspicions which have grown up - not totally without cause - against us.

"North Americans must do this if they wish to be heard. For the listener by a gesture so slight that a fly would not be disturbed, tunes out to another station.

"None of us here need be told that the languages of the republics to the south of us are Spanish and Portuguese. But perhaps some of us do need to be told that the Portuguese of Brazil is not that of Lisbon any more than the English of Kansas is the English of Oxford.

"And as for Spanish, the language of none of the nineteen Spanish-speaking republics is the language of Castille. They all speak Spanish it is true, but that does not mean that any kind of Spanish broadcast by short-wave from North America is acceptable to all of them; on the contrary.

"The Spanish of at least four of the Spanish republics has grown and evolved until many of the other republics do not care for it; and these four regional or national types of Spanish are not for the North American broadcaster to use if he hopes to make friends all the way from the Rio Grande to Terra del Fuego. He must find speakers who use what, for want of a better name, is called 'neutral Spanish', which, though it may not be loved, is at least accepted by all Spanish-speaking peoples.

"The language problem solved the North American broadcasters must solve the no less important problem of program preferences, one that presents itself every minute of every hour the station is on the air. And the only practical way to solve it is to have the broadcasting done by men and women who have grown up under, or who have lived for many years under, the influence of the cultures to which they are trying to appeal. . . . .

"News happens to be one radio offering in which North America excels over all other countries. We have the most complete, the most rapid, the most truthful and impartial news gathering organizations in the world. We are now the only great country which can put such a service on the air without first having to strain it through a war-time censorship. A news service, swiftly delivered, objectively written and edited, accurately translated and well spoken in the languages of the listeners, and done without propaganda coloring, is perhaps the most valuable offering North American short wave stations can make to Latin America or to any other part of the world."

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DID GEORGE HENRY SEE THEM FIRST?

A humorous mixup, one good for a real laugh in the radio industry, at the National Press Club dinner to President Roosevelt last night (Thursday) was the accidental seating of Commissioner George Henry Payne, of the FCC, next to Martin Codel, publisher of Broadcasting Magazine, and just across the table from Sol Taishoff, editor of that magazine. Had these men actually had to sit together, it might have been very embarrassing because a year or so ago Commissioner Payne sued Codel and Taishoff and Broadcasting for \$100,000 libel, and while the suit was settled out of court, it is not to be imagined that these gentlemen would be the most congenial companions.

Embarrassment, however, was saved either by Mr. Payne not being able to attend the dinner or, according to one guess made, arriving first and seeing who his seat-mates were, found himself a place at another table. Anyway, Mr. Payne's place was vacant. Some think there might have had to be a riot call for some of the Secret Service men, police, plain clothesmen and firemen in attendance on President Roosevelt which, by the way, was the heaviest guard ever to be accorded to a President in the history of the Press Club.

Another amusing incident to the radio industry was when Lew Lehr, of "monkeys is the kwasiest peoples" fame told about a German refugee landing in this country speaking a side-splitting gibberish nobody could understand. Nevertheless to encourage the fellow, Lehr said to him, "Where in the world did you learn such good English?" "From the American short-wave broadcasts" was the reply.

Gene Buck, President of ASCAP, was in charge of the entertainment and among the out-of-town guests was Alfred J. McCosker, President of the Mutual Broadcasting System.

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FCC DELEGATES TO CHILE CONFERENCE NAMED

The Federal Communications Commission has designated Chief Engineer E. K. Jett and Gerald C. Gross, Chief of the International Section, to represent the Commission at the Inter-American Radio Conference to be held in Santiago, Chile, beginning January 17, 1940.

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LOWER PROGRAM COSTS SEEN IN RCA TELEVISION PICK-UP

Members of the Federal Communications Commission are showing interest in the possibilities of cheaper television programs and its effect on television transmission development in the United States after witnessing the RCA-NBC demonstration in Washington last week.

Developed by RCA engineers, the field pick-up equipment is intended for use in picking up pictures of events taking place outside television studios for transmission back to the station for visual broadcasting.

As summarized by RCA, the equipment has the following advantages:

"Enables television stations to tap interesting and timely program events.

"Helps reduce high cost of television programming.

"Provides pictures comparable in definition with those produced by standard station apparatus.

"The cost of the new RCA apparatus is about one-sixth of the cost of the present mobile television equipment carried in two large vans. The new units can be transported in a station wagon or light delivery truck.

"The power consumed by the new equipment is about one-fifth of that used by the previous apparatus. This enables power connections to be obtained more readily in the field.

"The weight of the new equipment is about one-tenth of that of the former mobile apparatus.

"The power of the new transmitter is considerably less than the unit which has been used in New York for field pickups of television, but it operates on a wave length of about one meter and may be used with small but highly efficient antennas which multiply the effective power several times.

"On these wavelengths, electrical disturbances are not a serious factor nor is static produced by lightning.

"The reduced cost of the new apparatus should put it well within reach of television stations in locations other than New York and should encourage the development of program service in other cities. It costs less than a medium power broadcast transmitter.

"The apparatus may be used with one to three cameras to present varying points of view or to alternate scenes.

"Television audiences in New York and Los Angeles will soon have an opportunity to see pictures produced over sets of this new equipment."

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COUGHLIN UNCURBED BY NAB RADIO CODE

As noted a fortnight ago in the Heinl News Letter, the Rev. Charles E. Coughlin, Detroit radio priest, has not been restricted in his broadcasting activities despite the NAB code and the great to-do made over the "capitulation" of John Shepard and the Yankee Network.

The Detroit correspondent of Variety reports that Father Coughlin still has 47 of his 49 stations and is not threatened with the immediate loss of any others. Stations which failed to renew contracts are WGBI, of Scranton, Pa., and WTMJ, of Milwaukee.

Meanwhile, the NAB has lost seven members because of the Code and apparently is willing to let the Coughlin matter rest for the time being with no punishments to be inflicted on stations who took advantage of legal loopholes to evade the Code.

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FCC SURVEY OF AMATEUR RADIO SERVICE PROPOSED

Additional information which will permit the Federal Communications Commission to meet any amateur problems which may arise in connection with neutrality and national defense and other emergencies, as well as with normal regulation, is the basis of a survey proposed by the Commission.

In striking contrast to the 2,137 amateurs in the United States at the outbreak of the World War of 1914, there are now 53,500 licensed amateur operators and the same number of amateur stations. This includes about 300 amateurs in Hawaii, 200 in Alaska, 50 in Puerto Rico, and a scattered few in American Samoa, Wake Island, and Guam.

The Commission receives more than 100 amateur applications a day. About one-third of these are for new licenses for operators and stations. The license term of amateurs is three years. As in the case of other licensees, amateurs must be citizens. About 7,500 amateurs are members of the Naval Communication Reserve and Army Amateur Radio System and use their stations at regular periods for training purposes.

It is estimated that probably not more than 15,000 amateurs are active in the United States during any month of the year.

The majority of licensed amateur stations use radio-telegraphy exclusively and are entitled to use all of the amateur frequencies. The "phone" amateurs are allocated the shared use of certain amateur frequencies within the general bands assigned to the amateur service. The only radio-telegraphic code per-

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mitted amateurs is the International Morse Code. All amateurs have passed a test of their ability to transmit and receive messages in this standard code at the rate of at least 10 words a minute. Present examinations have raised this requirement to 13 words a minute.

Under the provisions of the Cairo radio regulations and the Inter-American radiocommunication agreement, the only countries which have authorized amateurs to engage in third-party international communication are, in addition to the United States, Chile, Peru and Canada. Because of the war, Canada and several other countries have closed amateur stations for the duration of the war. All countries which permit amateur radio restrict such service to communication between the operators themselves.

At the present time, amateurs in this country are permitted to operate portable-mobile stations without separate license. Portable stations can be moved about from place to place but must not be operated while in motion. Portable-mobile stations are those which may conveniently be transferred to or from a mobile unit or from one unit to another, and ordinarily operate while the mobile unit is in motion.

Monitoring stations of the Commission - which are located in Boston, Baltimore, Atlanta, Grand Island (Nebr.), Great Lakes (Ill.), Portland (Ore.), and San Pedro (Calif.), - observe the amateur bands daily. In addition, field inspectors listen to amateur operation. The amateurs, for their part, have established their own neutrality patrol during the period of the present emergency.

This Government has long recognized the necessity of providing for the development of amateur radio, and has encouraged the use of such stations in many important fields of communication. Their wide distribution not only creates a most important resource in connection with regional disasters, but also contributes a great body of experiments, making contributions to the radio art and serving as a valuable reserve for the national defense.

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World radio market reports recently issued by the Department of Commerce include: Cuba, Turkey, Nigeria, Mexico, Algeria, French Oceania, Burma, New Zealand (supplement), and Panama.

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 ::: TRADE NOTES :::  
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Negotiations are in progress with several major universities of the nation with a view to the adoption of CBS educational broadcasts as accredited work to supplement classroom study, according to Sterling Fisher, Columbia's Director of Education. Mr. Fisher told of the negotiations at a meeting in New York City of the educational directors of Columbia's Eastern stations - a session also attended by representatives from Southern and Mid-Western stations.

The Mutual network's cumulative billings for the 11 months of 1939 totaled \$3,012,083, representing an increase of 16.6 percent over a similar period in 1938 when the figures totaled \$2,582,955. Billings for November, 1939, added up to \$327,045. November, 1938, came to \$360,929, indicating a decrease of 10.4 percent.

Herbert Elliston of the Christian Science Monitor has been added to the Columbia European staff as correspondent on the Russo-Finnish Front. In Helsinki when the war broke out November 30, Elliston was immediately assigned to bring American listeners eye-witness details of the war. His broadcast on December 2 was the first account of the war from the Finnish capital by a radio staff correspondent.

Several members of Capital society were startled to receive in the mail this week a large, typewritten piece of paper which looked like a summons to court. However, on closer examination, the missive turned out to be an amusing invitation from Louis G. Caldwell, radio attorney, who had couched it in legal language to a party on Sunday, December 17, in honor of Philip J. Hennessey, Jr., newly elected President of the Federal Communications Bar Association, and Mrs. Hennessey.

"In the Matter of Philip J. Hennessey, jr., et uxor," reads the invitation, "you are ordered to show up at 200 Cleveland Avenue from 5 P.M. until the second hour after sunset. Purpose: To explore Mr. Hennessey's legal, technical and other qualifications for his special temporary experimental modification of status. Social and economic factors: cocktails and/or tea."

Hailed as a masterpiece of radio anthology by educators and experts in radio - they have had an opportunity to study its text prior to publication - Max Wylie's "Best Broadcasts of 1938-39" is to be placed on sale, Monday, Dec. 18. (Whittlesey House, \$3.50). The volume covers outstanding radio broadcasts which were heard in America between Jan. 1, 1938, and July 1, 1939.

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## TELETYPE SERVICE INVOLVED IN WIRE MERGER PLAN

The coming report of the Federal Communications Commission recommendation of the unification of the Western Union and the Postal Telegraph companies will propose in addition that the new concern be permitted to take over the leased wire and teletype services of the American Telephone and Telegraph Company so as to bolster the revenues of the consolidated organization, according to the New York Times' financial page.

"The Commission's report to Congress, expected within the next week or ten days, will for the first time inject the national defense factor into the long-standing argument for merging the two major telegraph companies", the Times said. "Such is the degree of obsolescence in equipment of both companies as to constitute a threat to national security in time of war, according to a resume of the report.

"It is the Commission's conclusion, after an extended investigation, that the financial disorganization of the two companies due to lack of business, is sufficient to warrant its recommendation that Congress authorize their consolidation. To this has now been added the important factor of national defense.

"Viewed from the standpoint of wartime requirements, the Commission finds, the combined facilities of both companies is considerably below par, notwithstanding the relatively superior equipment of the Western Union which undertook an extensive replacement program in 1929.

"It is the Commission's thought that both revenue and equipment deficiencies of the two companies can easily be remedied through a consolidation of the two properties and the turning over to the unified company under lease the so-called leased wire and TWX or teletype facilities of the A. T. & T. Considered 'the cream of the telegraph business' these two services would produce more than enough revenues to place the new company on a sound financial footing, in the Commission's opinion.

"It is the understanding of some Commission officials, moreover, that the A. T. & T. would have no serious objection to the surrender of its leased wire and TWX facilities to the new telegraph company provided lease terms satisfactory to the former organization can be arrived at. Officials anticipate no insurmountable obstacles to such an arrangement.

"The A. T. & T. offered to lease its teletype service to the Western Union after perfecting it, but the offer was rejected on the ground that the lease terms were too high, it is understood. For the A. T. & T. it is said, however, that the proposed terms were computed to cover the expense of developing the teletype device and some reduction of the original figure now would be expected."

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GOVERNMENT WIRE RATES RAISED BY FCC

The Federal Communications Commission this week ordered, effective January 1 next, Government rates on official domestic telegraph messages increased from the present 40 percent of the charges applicable to commercial communications to 60 percent of such charges.

The new rates, subject to the same minimum charges as are now effective, will continue in effect until June 30, 1940. In all other respects the charges, terms, and conditions as provided in Commission Order No. 41 and extended by Commission Order No. 58 remain unchanged.

This final action on the Commission's proposal of November 3 last, is based on petitions by the Western Union Telegraph Company, Postal Telegraph-Cable Company, Mackay Radio and Telegraph Co., Inc., of Delaware, and Mackay Radio and Telegraph Co., of California, for increased Government rates. The time for filing exceptions expired November 27. No exceptions were filed by any of the parties to the proceeding.

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RADIO CHIEF AMUSEMENT OF CHILDREN, SAYS PROF.

Instead of playing "cops and robbers" and other kid games in their spare time, youngsters of today are planting themselves beside a radio, according to Dr. John P. McKay, Principal of a suburban St. Louis School. He said a survey showed 11-year-old children spend about one-half as much time listening to the radio each week as they spend in school, the Associated Press reported. And 83 percent of the programs they hear haven't been prepared for them.

They like dramas with plenty of action, variety shows, including comedy, music and drama and audience-participation programs - all types which also are favorites with adults.

Dr. McKay based his conclusions from the answers given by 1,909 sixth-grade pupils in record books which they kept themselves. Ninety-one radio programs were listed and children were asked to jot down the broadcasts heard over a two-week period. The boys liked crime stories best while the girls preferred a drama featuring a Hollywood star. The children tuned in programs planned for them only 17 percent of the time. The first of the so-called children's serials was ranked ninth.

An average of 14 hours a week was spent by the children at the radio, with almost twice as much time being given to listening from Monday through Thursday as over the week-end. One-fifth of the youngsters had their own radio sets.

Dr. McKay said he believed that radio is a leading, if not the major, leisure-time activity of children.

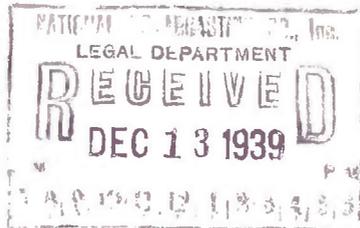
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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1192

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December 12, 1939

## MILD HOUSE INQUIRY SEEN DURING BUDGET HEARING

The Federal Communications Commission on Wednesday of this week will go before a Sub-Committee of the House Appropriations Committee for its annual grilling as to its past year's record.

Ostensibly, the inquiry is for the purpose of determining how much money the FCC needs to operate for the next fiscal year, but it has been the custom for several years to put the Commissioners, especially the Chairman, on the grill with regard to matters only indirectly connected with expenditures.

This year the inquiry is expected to be comparatively mild, however, because of the change within the Commission since the resignation of former Chairman Frank R. McNinch. The present harmony within the Commission appears to have silenced FCC critics even on Capitol Hill.

Republican members of the Sub-Committee, particularly Representatives Wigglesworth, of Massachusetts, and Dirksen, of Illinois, are prepared to cross-examine Chairman James L. Fly and perhaps other members of the Commission, but it is doubtful that their attitude will be as severe as it was last year when McNinch was in the midst of an FCC "purge".

The FCC is asking for additional funds this year to finance expended activities, and Commissioners are afraid that the general national economy move may block the appropriations.

The FCC encountered the first disappointment along this line this week when the Budget Bureau cut out of the Commission's estimates a request for \$329,000 to set up a staff for stricter regulation of the telephone industry. Officials of the FCC are afraid that the Budget Bureau's action, unless reversed by Congress, may result in another year's delay in effecting some of the reforms recommended in the telephone report.

Officials are pondering the latest act of the Budget Bureau in rejecting the current request, in the fact of the fact that the President toward the end of the last session of Congress approved a request of the Communications body for a similar amount. However, Congress did not provide it, although that body is said to be fully cognizant with the lack of regulation, not only as a result of its own investigation, which resulted in including regulatory provisions in the Communications Act, but was again fully informed in the Commission's report on its investigation, which it conducted for Congress at a cost of more than a million dollars.

The Commission informed Congress that it has become apparent as a result of the telephone investigation that the issues involved in the regulation of interstate telephone rates are broad and intricate, and that highly organized effort will be essential to any adequate or effective permanent regulatory procedure. It was asserted that efficient machinery for the gathering, digesting and presentation of all necessary facts must be devised and brought into continuous operation, and a carefully developed administration must be set up in order to perform these specialized functions.

Without the necessary funds to carry out the mandates of its organic act, the Commission's functions so far as telephone regulation is concerned, is largely that of providing a place where its tariffs may be filed. Although the small force which it uses for this purpose is able to detect inconsistencies in tariffs from time to time, and has made efforts to regulate same, the force is not large enough for the necessary research whereby the tariffs and their background may be thoroughly examined, to determine the fairness of the various charges.

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BBC HIRES FIRST WOMAN RADIO ANNOUNCER

Elizabeth Cowell, former television announcer, has returned to the British Broadcasting Corporation, by arrangement with the Air Ministry, as the first regular woman announcer in the British Home Service programs.

"Elizabeth Cowell fully deserves the honor of breaking into this hitherto forbidden ground", says the Radio Times. "Her television announcing, of course, established her claim, and television announcing is in many ways a harder job. There was in the early days the constant apprehension that something would go wrong, and all through a program the announcer would have to be ready to leap into the breach if it did."

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RADIO WAR NEWS COVERAGE PRAISED BY SARNOFF

David Sarnoff, President of the Radio Corporation of America, who attended the Gridiron Club dinner in Washington last Saturday night, said the radio has done a good job in covering the war.

"I think the radio has done a standout job in presenting facts about the European crisis and the war to American listeners", he said. "I think it has lived up to its best traditions of freedom of speech and equal opportunity for all to be heard. I think the radio has had an important part in making the American people the best informed people in the world. Americans know more about what's going on in Europe today than the Europeans."

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## RCA SAYS WAVES NEEDED AS U. S. DEFENSE MEASURE

Retention of radio point-to-point telegraph frequencies by licensees who have held them for a period of years without making commercial use of them is most important in the national defense, Maj. Gen. James G. Harbord, former head of the service of supply in the American Expeditionary Force and Chairman of the Board of the Radio Corporation of America, told the Federal Communications Commission last week.

General Harbord testified RCA radio stations had been located with national defense in mind, and that it was for that purpose that he was originally selected to supervise the RCA program.

At the same time, the Commission was informed by William A. Winterbottom, Vice-President in charge of R.C.A. Communications, Inc., that British domination has prevented his corporation from gaining a contact point in Australia for use of the frequencies allocated to the organization in 1931. The hearing was before Commissioner Frederick I. Thompson on the matter of renewal of licenses for the three frequencies for use in point-to-point telegraph between the United States and Australia.

At present, it was said, there is no direct communication between the United States and Melbourne and Sydney. Messages to and from this country to Australia have to go by way of Montreal or British Columbia. As a consequence they are subject to all the delays involved in relays and to scrutiny during periods of conflict.

Soon after the licenses were granted to R.C.A. Communications, the American corporation entered into a contract with the Consolidated Wireless of Australia, Ltd., for contact stations at Sydney and Melbourne. The service was not established, however, because about a month after the contract was signed, a new Committee was formed, which set up a communications policy for the Empire.

The general purpose of this was to direct traffic over British systems. But it appears that within a short time steps will be taken which will permit the Australian company to establish contact with the American stations.

It was pointed out that if the frequencies were withdrawn from the company now, the impression would be gained that the United States was turning its back on its nationals in the matter of communications.

Col. Manton Davis, Vice-President in Charge of the Legal Division of R.C.A., told the Commission he had been authorized by the Secretary of State to inform it the State Department was deeply interested in this service. He suggested that it might serve a useful purpose if the Commission before acting on the matter would contact the State Department.

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## RADIO CELEBS DINE IN STATE

Two of the major national political dinners of the year, held within a few days of each other - the Gridiron and the National Press Club - brought many notables to Washington last week. President Roosevelt attended both dinners.

Among those identified with the radio industry at the Gridiron Dinner were:

E. F. McDonald, Jr., President, Zenith Radio Corporation; David Sarnoff, President, Radio Corporation of America; Commissioners, Thad H. Brown and T.A.M. Craven, Federal Communications Commission; Edward Klauber, Vice-President, Columbia Broadcasting System; Gene Buck, President, American Society of Composers; Harry C. Butcher, Vice-President, Columbia Broadcasting System, Washington; Senator Burton K. Wheeler, of Montana; and Edgar Morris, Zenith distributor, Washington.

Radio was represented at the Press Club Dinner by Alfred J. McCosker, President, Mutual Broadcasting System; Louis Ruppel, of New York, in charge of press relations for the Columbia Broadcasting System; Frank M. Russell, Vice-President, National Broadcasting Company, Washington; Oswald F. Schuette, short-wave coordinator for the Radio Corporation of America; Paul M. Segal, radio counselor; Kurt Sell, German Broadcasting Company; Sol Taishoff, editor, Broadcasting magazine; Kenneth Berkeley, Washington Manager of NBC; Gene Buck, President, American Society of Composers; Martin Codel, publisher, Broadcasting magazine; Earl Godwin, radio commentator; F. P. Guthrie, Washington Manager, R.C.A. Communications, Inc.; and Ben S. Fisher, radio counselor.

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## DUTCH COLONY BANS USE OF RADIO NEWS

A recently published "Radio Publication Ordinance" prohibits the publication in the Netherlands Indies of radio news without the permission of the Director of the Department of Traffic and Communications, according to the American Trade Commissioner at Batavia, Java. The object of the ordinance is to prevent the spread of news, received via radio, which might be injurious to the national interest and the order and peace of the Netherlands Indies. Under these regulations, only news agencies - in the present case only the Aneta qualifies to the prescribed terms - which can adequately guarantee an expert and critical treatment of the news, are given permission to distribute radio news to others for publication by the latter. Publicists, publishers of periodical and others who are equipped to regularly receive and expertly process radio news may also be granted permits to publish such news in their own publications. Permission to relay foreign radio news is given only to holders of broadcasting permits.

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## ZENITH DESIGNED RAILWAY RADIO SYSTEM IN 1926

News reports of the installation of a two-way radio communication system between the engineer's cab and the caboose recalls to Commdr. Eugene F. McDonald, Jr., President of the Zenith Radio Corporation, that Zenith designed a similar outfit as early as 1926.

The development was described by Henry C. Forbes, formerly of the Zenith Corporation, in the October, 1927, issue of "Proceedings of the Institute of Radio Engineers".

Explaining the workings of the system, Mr. Forbes wrote:

"Duplicate two-way telephonic transmitter-receivers were mounted (for the purposes of demonstration) in an iron box 30 in. long, 6 in. deep, and 10 in. high, the receiving apparatus occupying a left-hand compartment and the oscillator circuits a right-hand compartment, with the modulator, speech amplifier and switching relay circuits in the center. A simple regenerative receiving circuit was employed having a detector and three stages of audio-frequency amplification. A power tube was used in the third stage. A single tuning control, with fixed regeneration is thereby possible, and has been found adequate.

"The transmitter employed two tubes of 50-watt rated plate dissipation, one as oscillator and the other as modulator, with a  $7\frac{1}{2}$ -watt tube as a speech amplifier. Power for the plate circuits of the transmitting tubes was obtained from an Electric Specialty Company dynamotor of 200-watt capacity mounted in a totally enclosed frame, and provided with ball bearings. This dynamotor starts and stops very quickly. The dynamotor is driven by a twelve-volt Exide storage battery of the heavy-duty vehicle type, although the system is readily adaptable to any battery voltage. Power for lighting all filaments is obtained directly from this same battery."

"In practice, the receiving sets are left in operation at all times when the train is under way, a switch being provided for the purpose. When communication is desired, the button on the handle of the microphone is pressed, thereby actuating the relays which make the necessary switching connections for operating the transmitter. The button is released to restore the receiver to operation. The switching, including the starting of the dynamotor, takes only about one second, and very rapid two-way conversation is possible.

"The functioning of the apparatus is indicated to the operator by the flashing of colored pilot lights. One light indicates that the receiver is in operation. A second flashes when the 'talk' button is pressed, and indicates that the transmitter is ready for operation. A third pilot light is operated directly from the antenna current, and the flashing of this light indicates to the operator that the transmitter is function-

ing properly. This third light also flickers with the modulation, giving a direct indication that modulation is taking place. The meters shown in the photographs are not to be used on permanent apparatus.

"A signaling system has also been provided which may be used to attract the attention of the crew at either end of the train. This signal is operated by pressing a second 'signal' button which is mounted either on the microphone handle or on the set proper, and, when operated, produces a shrill note of about 800 cycles in the loudspeaker at the opposite end of the train. This frequency was selected for this purpose after some experiment, and is readily discernible in the locomotive through the noises encountered in running. This signal may also be used to pass code signals in case of failure of the telephonic system.

"Special microphones were used in order to avoid the introduction of the terrific road noises into the communicating system. An aircraft type of anti-noise microphone, originally developed for war service, was found to be very satisfactory."

"With the application of radio communication to railroad freight service comes also the application of a similar service to passenger train operation, not only for the purpose of train handling, but also for the purpose of intercommunication between trains, and between a train and a way-station. A further application which has been given some consideration is that to large freight yards where one towerman controls all of the locomotives working in a yard perhaps five miles in length. Much time is now lost because of the lack of prompt communication between the tower and the individual locomotives."

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#### BBC LIKES NEW SIGNAL BETTER THAN MUSIC

"Our more ingenious readers might like to consider an alternative to the BBC interval signal", the British Broadcasting Corporation comments. "A well-known wireless journalist in India has been drawing attention to it. He does not like the 'tick-tock', and says that it reminds him of a firing party taking a prisoner out to be shot. The present metronome signal is really a reversion to an old practice; and was re-introduced because the sound of Bow Bells was inclined to be too loud for listening in certain quarters where it is a serious offence to listen to a foreign station. One difficulty in devising a really good interval signal is that music is not distinct enough and mere noise might be mistaken for distortion."

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: : : TRADE NOTES : : :  
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The Federal Communications Commission this week issued a new list of all radio stations in the emergency service in the United States. This includes municipal and State police, inter-zone police, marine, fire, zone police, special emergency, and forestry stations.

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"The Magic of Radio Transmission" is the title of a booklet just issued by the Columbia Broadcasting System. In simple language it explains the technique and methods of broadcasting, both on long and short waves.

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Radio promotion activities by the San Francisco Chronicle and San Francisco News are confined to a few special events and are not to be construed as heralding the return of radio columns to San Francisco newspapers, it was stated last week in Editor & Publisher.

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Commissioner George Henry Payne is the author of an article entitled "Theodore Roosevelt, Fox Hunter" in the December issue of the Long Island Forum.

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For the third time since it established a nation-wide competition four years ago, Variety magazine has chosen WLW as the recipient of one of its Showmanship Awards, James D. Shouse, Vice-President of the Crosley Corporation in Charge of Broadcasting, was informed this week. In a telegram to Mr. Shouse, Variety editors said that WLW had been selected for the award in the field of national exploitation. In 1936 and 1938, WLW received the award in the division of program-originating stations.

The Variety Showmanship Awards are considered the foremost of their type in the radio industry. A bronze plaque, emblematic of the award, will be presented to WLW.

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The Office of the American Commercial Attache, Caracas, reports it is estimated that over \$500,000 worth of radio receivers were imported into Venezuela during 1938, and of this more than 75 percent came from the United States. The market at this time is principally for the larger table models and console models. Practically all receivers sold are the so-called "all-wave" models. Short wave reception is good, and almost all radio-users demand sets with tuning in the higher frequencies, as well as in the 250-550 meter band.

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## CIO LEADER HITS FCC; VIEWS DIFFER ON WIRE MERGER

The Federal Communications Commission last week was charged with ignoring the rights of labor in perfecting plans to ask Congress to authorize the merger of Western Union and the Postal Telegraph Company as rumors were circulated that the members of the FCC are not in entire accord on the proposition.

A lengthy forecast in the New York Times of what the FCC report will contain was called "premature" by an FCC official, who pointed out that the Commission had just received a copy of the findings of its investigating staff and had reached no decision.

Joseph Selly, Vice President of the CIO American Communications Association, assailed the FCC in a statement based on the New York Times' report ( see December 8 issue of Heintz Letter).

Mr. Selly said that the FCC was concealing plans to permit the discharge of "thousands of workers" without really investigating the labor situation involved, and is hiding this alleged attitude behind the assertion that one of the chief obstacles to be overcome in the merger is a jurisdictional dispute between the C.I.O. and the American Federation of Labor with regard to which workers are to be employed.

"The main question is not what union, A. F. of L. or C.I.O., shall have jurisdiction over the workers in the merged company", Mr. Selly asserted. "The main question is whether the companies should be permitted to merge at the expense of their employees or whether a merger should mean better and more secure jobs for these employees.

"The American Communications Association (C.I.O.) has taken a very clear position on this question. We believe, on the basis of our intimate knowledge and evidence of conditions in the industry, that any merged company which would give efficient service to the public, meet the needs of the national defense and provide really national telegraph service, would require the services of all those presently employed and many more besides. We believe that any merged company which eliminated the bad working conditions now prevailing in Western Union would require many more employees in order to provide adequate service.

"This position was set forth in the hearings on Senate Resolution 95, which provided for an investigation of the telegraph industry. Our organization actively supported S.R. 95 because we believed that an investigation of the facts by a governmental agency would support our contentions.

"But the Federal Communications Commission has not bothered to investigate the facts before it blithely proposes to eliminate the jobs of thousands of workers. The FCC held meetings with the A.C.A. on its proposed merger plan after it had completed

its plan instead of before. The FCC representatives at a recent meeting with a committee of our union members told us that they were merely 'crystal gazing' as far as labor was concerned. Yet the FCC in the public press claims to have carefully studied this matter. This claim is fraudulent.

"The attempts of the FCC to present the labor side of the merger as a jurisdictional dispute are merely a blind to cover up its own ignorance on the whole question of labor in the communications industry, despite the fact that it is the regulatory agency involved."

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### ENGLAND NOT TO GIVE UP ELECTRICAL TRADE DURING WAR

The U. S. Bureau of Foreign & Domestic Commerce, Electrical Division, last week published an article taken from "The Electrical Review" of London, with the observation that it "indicates England does not intend to relinquish the export trade built up in Latin America or other countries and will do all possible to maintain exports as well as to cultivate export trade formerly enjoyed by Germany."

The "Electrical Review" article follows, in part:

"Modern warfare demands for its successful prosecution the concentration of the whole of the resources of a nation upon that one aim. But this does not mean that the production of munitions of war is the sole consideration. A country like Great Britain has to ensure continuance of essential supplies from overseas, and while payment for these can be made in several ways, one of the most important is by the counterbalancing of imports by exports as far as possible. This need is accentuated by the difficulties of providing the 'invisible' exports (shipping, services, etc.) which help to square the account in peacetime.

"The stoppage of German electrical exports to a number of important markets should not merely be allowed to bring advantage to neutrals. The United States naturally hopes to capture a large share of former German trade, particularly in Latin America and there is no reason why she should not. But the large volume of our imports from South America demands that we should export as much as we can to these countries.

"The importance of maintaining export trade is fully recognized by the Government. In a recent memorandum to trade organizations, the President of the Board of Trade said that it was essential in the national interest that traders should be encouraged to maintain and increase their export trade to the greatest extent, consistent with vital war needs, and the Government was anxious to assist them in every possible way.

"The obtaining of the necessary supplies of materials is naturally the principal obstacle to production at the moment. A substantial proportion of materials used in electrical manufacturing has to be imported, but apart from this much of these materials is of the kind required for munitions of war. . . . .

"It will be seen, therefore, that provided the supplies of materials can be maintained, and so far as war demands permit, there is ample scope for holding on to much of our electrical export trade. That trade, built up so laboriously during the past twenty years, must not be allowed to go by default. We are not shutting our eyes to the extremely severe handicaps which have to be surmounted, but we have sufficient faith in the inherent strength of our electrical manufacturing industry to feel sure of the preservation of a substantial proportion of the trade with the assurance that the Government will abide by its declared intention to foster and encourage export business."

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FCC "EMINENTLY FAIR", WLW EXECUTIVE SAYS

James D. Shouse, Vice-President of the Crosley Corporation in charge of broadcasting and General Manager of WLW for the first time made public reference to the Federal Communications Commission last week, when he addressed 500 members of the Cincinnati Electrical Association.

"As most of you know, we at WLW have had in some respects more than our share of contact with this Commission", Mr. Shouse said. "Yet I would like to assure you that while our adherence to the policy of high power as the best means of improving service to small town and rural people seems currently to be at variance with the philosophy of the present Commission, we regard this divergence of views as an honest difference of opinion.

"We have found the Commission", he added, "in our many dealings with them, to be eminently fair and sincerely attempting to keep American broadcasting progressive and honest in its assumption of the obligation it incurs while operating on facilities supplied to it by the people of this country for the use and enjoyment of all Americans."

Mr. Shouse noted that radio is often accused by disgruntled critics of being subservient to pressure from Washington or Wall Street or any other group in particular disfavor with a considerable group.

"But", he said, "nothing could be further from the truth. Broadcasters have made mistakes, they make mistakes now, and I have no doubt but that in the future they will make mistakes, but I think it is extremely unlikely that these mistakes will include, at any time on the part of any thinking broadcaster, any foundation for the charge that radio broadcasting as we have it in the United States is the tool of any group or is influenced by any power other than the best judgment and the conscientious thought of the broadcasters themselves."

Freedom of the air is the fundamental principle of the American system of broadcasting, Mr. Shouse pointed out. "Nobody controls radio programs and nobody censors them except to conform with good taste and public interest. The result is that in the entertainment and educational end of radio there is a free and untrammelled expression of opinion and unlimited scope for ideas."

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#### RCA TO REDUCE TUBES TO 36

Reduction in the number of receiving tubes in the radio industry from 453 to a total of 36 types, which perform virtually all basic tube functions is the aim of a new program of the RCA Radio Tube Division, it was announced last week. A survey under the supervision of L. W. Teegarden, RCA Tube and Parts Sales Manager, has revealed that although 453 different types are produced by the industry, 90 percent of all sales are centered in only 90 tube types, for which only 20 basic functions exist.

Taking the initial step in the direction of tube standardization, Henry C. Bonfig, Commercial Vice-President of the RCA Manufacturing Company, announced that all new RCA Victor radio receivers and Victrolas now contemplated for future production will be designed to include the radio tube types on the "preference" list of thirty-six basic types. It was pointed out that standardization would not only help tube and radio manufacturers but wholesalers, dealers and service men as well.

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#### PRESS MUST CHECK RADIO PROPAGANDA, SAYS WRITER

The short-wave broadcasts of propaganda from abroad have saddled the American press with a new and serious duty, according to B. E. Lucas, author of a daily column, "We're Listening" in the Chicago Times, and veteran correspondent.

Writing in the December 9th issue of Editor & Publisher, Mr. Lucas said he had become convinced from listening daily to these broadcasts that "our newspapers have to be - for the duration of the war at least - the watchdog of radio.

"To consider the radio merely a competitor in the business of news dispensation is no longer possible. Long before the war started radio had become, to put it mildly, a force laying foundations for the molding of public opinion. The government shortwave stations London-Daventry, Paris-Mondial, and Berlin-Zeesen are the outspoken proof for this.

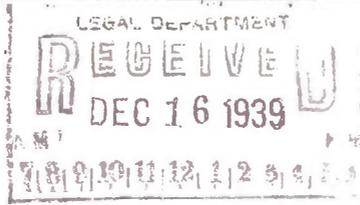
"It is these millions of Americans on which foreign radio propaganda is focused. They form the nucleus on which foreign propaganda is working with all its might to mold foundations for coming national and international events. And how many of these listeners conform with the outpourings of the people who run England, France and Germany, also Italy, Spain and Russia, becomes instantly evident if one listens to the letter box editors of the foreign stations. . . . It would be ridiculous to assume that American shortwave listeners fall for foreign propaganda 100%."

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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No. 1193

*Handwritten notes:*  
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FCC DISTURBED AT REPORTS OF MEXICAN WAVE SHIFTS

The Federal Communications Commission and the State Department are disturbed at authoritative reports that the Mexican Government is preparing to allow high-powered border stations to squat on clear channels assigned to the United States.

The border stations, which have been a source of friction between the United States and Mexico for several years, are operated by two Americans, who encountered difficulties with United States radio regulatory agencies and moved into Mexico. They still direct their broadcasts, however, at United States listeners.

According to reports current in the Capital, Station XERA, at Villa Acuna, operated by John R. Brinkley, and XENT, of Neuvo Laredo, operated by Norman T. Baker, are to be transferred from shared Canadian wavelengths to American clear channels. XERA uses 180,000 watts and has authority to operate with 850,000 watts, whereas XENT broadcasts with 50,000 watts and has authority to use 150,000 watts.

Four channels used by 50,000-watt stations in the United States are being studied by Mexican officials, FCC officials are informed, with the idea of selecting two of them for the border stations' use. They are 710 kc. channel occupied by WOR, Newark; 720 kc. used by WGN, Chicago; 750 kc., WJR, Detroit; and 1170 kc., WCAU, Philadelphia.

XENT now shares 910 kc. with CFB, of Montreal, while XERA operates on 840 kc. along with CBL, Toronto.

The State Department and the FCC are still waiting for Mexico to ratify the Havana Treaty, which was designed to place relations between the United States and Mexico in radio matters on an amicable basis.

Officials are afraid that the new plan of Mexico, if carried out, will bring about another rift similar to that which existed between the two countries in radio matters several years ago.

The FCC also has been advised of the reallocation of 15 Cuban stations to eliminate interference with the United States. CMQ, Havana, has shifted from 780 kc. to 690 kc., used by CFRB, Toronto, in the principal move.

The immediate result of the CMQ shift was to relieve WMC, Memphis, WTAR Norfolk and WEAN, Providence, all on 780 kc., from interference which has troubled them for approximately a year.

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## RADIO PROTECTION FOR GREAT LAKES AND INLAND WATERS URGED

Present radio communication facilities of shipping on the Great Lakes and coastal waters do not adequately protect life and property, Commissioner Thad H. Brown reported to the Federal Communications Commission this week in recommending legislation and other regulation to insure better safeguards.

For ships on the Great Lakes, a uniform system of radiotelephony is proposed. This would be established by formal agreement between the United States and Canada, supplemented by legislation of the respective countries, to take effect for the 1942 navigation season.

For vessels using the bays, sounds, and other seaboard waters of the United States, an optional use of radiotelephony or radiotelegraphy is recommended, effective January 1, 1942.

This is the gist of an exhaustive "special study of the radio requirements necessary or desirable for safety purposes of ships navigating the great Lakes and the inland waters of the United States" ordered by Congress on May 20, 1937, in amending the Communications Act of 1934 for the purpose of promoting safety of life and property at sea through the use of wire and radio communication.

The Federal Communications Commission, on May 26, 1937, designated Commissioner Brown to conduct the study, with the aid of a special staff of selected technicians.

The FCC as a whole must now consider the report and transmit "recommendations and reasons therefor" to the Congress not later than December 31st.

"The present system of radiotelegraph communication is not sufficient for the adequate protection of Great Lakes shipping because of the limited number of vessels subject to compulsory installation and the short season of operation of those vessels", the report says in its conclusions. It points out that "a very large part of the merchant marine of the United States is engaged in the navigation of the Great Lakes".

"The Great Lakes area is visited by frequent storms because of geographical location and distance from mountains and other protective land masses", comments the report. Because of ice conditions the season of interlake navigation is restricted to about eight months of the year. From 1923 to 1937 there were 1570 navigation casualties on these lakes involving American vessels, in which 326 lives were lost and property damage amounted to nearly \$30,000,000. Most of the vessels concerned were not equipped with radio. In instances where vessels were so equipped there was little or no loss of life. Captains of American cargo vessels on the lakes testified to the usefulness of radio facilities in facilitating safe navigation."

The United States, on July 7, 1936, ratified the International Convention for Safety of Life at Sea (drafted at London in 1929), but radio requirements for vessels engaged on international voyages have not been interpreted to apply to the Great Lakes. The Governments of the United States and Canada have confirmed this interpretation by enacting legislation with respect to the lakes without regard to the convention. However, radio requirements of both countries are not uniform. Congress seems desirous of correcting this situation for, in the report which accompanied the bill directing the present inquiry, it was said:

"In this situation, it is earnestly hoped and expected that the State Department will in the near future reach an agreement with the Canadian Government for the utilization of radio to its fullest extent as a safety factor for shipping on the Great Lakes so that the ships of both countries will be placed on a basis of equality in this respect and will receive assistance from the ships of each other as on the high seas."

Specific recommendations in the report include:

"1. A system of radio communication for safety purpose should be required by law for designated classes of vessels navigated on the Great Lakes.

"2. The system should be uniform in all fundamental respects for vessels navigated on the Great Lakes regardless of national registry.

"3. The method of communication to be employed for safety purposes should be radiotelephony.

"4. The Great Lakes are the territorial waters of the United States and Canada, respectively, therefore it is believed that the desired uniform system of radiotelephone communication for safety purposes can best be established by formal agreement between the Governments of the United States and the Dominion of Canada, supplemented by legislation of the respective countries.

"5. It is suggested that the formal agreement be negotiated by the Department of State of the United States and the appropriate Government body of the Dominion of Canada. However, it is the belief of representatives of the Federal Communications Commission and of the Department of Transport of the Dominion of Canada that a more satisfactory result could be obtained from a technical standpoint if another year of experience and experiment with radiotelephony could be obtained before the conclusion of such an agreement. It is further the belief of these representatives, and it is recommended, that agreements be negotiated and that supplementary legislation be drafted with a view of placing the radio requirements in effect beginning with the 1942 season of navigation on the Great Lakes."

Other recommendations specify the classes of vessels which should be subject to requirements as to radio apparatus and the maintenance of radio watches, provide forfeiture against a vessel for violation, and would authorize the Federal Communications Commission to administer the provisions of such an international agreement in its application to Great Lakes shipping under the American Flag.

In the case of shipping on bays and sounds, the same report makes these recommendations:

"1. Radiocommunication facilities for safety purposes should be required by statute for designated classes of vessels of United States registry navigated on bays and sounds of the United States.

"2. The method of radiocommunication, whether radiotelegraphy or radiotelephony, should be optional for all bay and sound vessels compulsorily equipped by reason of such statute."

After specifying types of passenger vessels subject to radio installation and discussing radio requirements, the report says that any such vessel should for safety purposes carry at least one qualified operator and that a continuous watch should be maintained whether by a qualified operator or by an approved type of automatic receiving apparatus. Likewise, these supplemental recommendations provide forfeiture for violation and propose legislation to give the Federal Communications Commission authority to approve, inspect and otherwise regulate such marine radio equipment.

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FCC FIELD OFFICE ESTABLISHED AT CLEVELAND

Establishment of a permanent field office at Cleveland, Ohio, effective January 1, was ordered this week by the Federal Communications Commission. It will be located in quarters used for the Commission's Great Lakes and Inland Waters Survey, now completed. This office will be a sub-office of the main district headquarters office at Detroit, and will be manned by one inspector and an assistant to be transferred there.

The Cleveland office is made necessary by the fact that in the past fiscal year inspectors from the Detroit office, besides making regular inspections of broadcast, police, aeronautical, and other radio stations in the Cleveland area, made regular trips to Cleveland to examine 734 applicants for radio operator licenses.

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## DISK DESIGNATION REQUIREMENTS CONTESTED

Elimination from the regulations of the Federal Communications Commission of its requirement that transcribed and recorded programs be announced as such was sought in a petition filed this week by Gerald King, President of the Radio Transcription Producers' Association of Hollywood, Inc. In the event the Commission does not look favorably on elimination of such announcements, the petition asks that they be required only at the end of the program.

Mr. King, through Attorney Ben S. Fisher, asks that the Commission give serious attention to this problem during its consideration of the report of its Monopoly Committee. The Commission was informed that the section of the regulations which require announcement of the fact that a radio broadcasting station is using a transcription at the beginning of such a program and during each 15-minute interval has grown obsolete and is of no value to the listening public and should be eliminated.

The petition contends that the public is interested only in the substance and quality of the program broadcast and whether it comes from a transcription made by live talent or by means of mechanical devices such as a transmitter and wire line of live talent, makes no difference to the listening public.

It was added that the more recent perfection of mechanical transcriptions tended to make the quality of both types of programs similar and the effect upon the listening public would be almost indistinguishable.

The public, the petition continued, has the privilege of listening to the program of its choice and whether it be live talent or transcriptions, the latter should not be penalized by reason of the fact that the broadcasting station has chosen this type of program as being superior to live talent.

The regulation regarding transcribed programs, it was said, has been in effect since the days of the old Federal Radio Commission. It was adopted on the premise that it was misrepresentation without informing the public.

However, it was pointed out some stations with live talent programs available, are unable to put them on the air at the time they come over the chains, and therefore record them for reproduction later in the day.

There is a probability that the Commission's Monopoly Committee will have something to say about the matter in its report to the Commission. The fact-finding report has been completed and was delivered to the Committee early this week. It is to be considered immediately. The Committee gave considerable attention to the matter of transcription broadcasting during the public hearings which covered a period of more than six months.

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12/15/39

## FCC FAR AHEAD OF NEW DEAL IN "ALPHABET SOUP"

The Federal Communications Commission now has approximately 65,000 active radio call letter assignments outstanding, exclusive of Government stations, according to a report issued this week.

In round figures, this includes some 800 standard broadcast call letters; 600 broadcast other than standard; 400 experimental; 3800 ship radio; 1800 aviation radio; 1100 police radio; 250 forestry radio; 54,000 amateur radio; 300 coastal radio; 800 fixed radio, and the rest miscellaneous.

Licensing of both radio stations and operators is now according to a definite plan. This is in contrast to the early days of radio when there was little or no system.

At the turn of the century it became apparent that wireless stations should have certain designated letters in order to avoid confusion. The Berlin international radio convention of 1906 proposed such a system, effective in 1908. This convention was not ratified by the United States until 1912, consequently the procedure of assigning call letters was not followed in this country until after that time.

Under the international system, the first letter or the first two letters of the call signals indicates the nationality of the station. Ratification of the Berlin convention gave the United States use of three letters - N, K and W. Hence the present domestic assignment of combinations beginning with those letters. These are allocated by the Federal Communications Commission as follows:

Call letters beginning with N are reserved for the exclusive use of the United States Navy and the United States Coast Guard.

Call letters beginning with K are assigned to stations located west of the Mississippi River and in the territories of the United States.

Call letters beginning with W are assigned to stations east of the Mississippi River.

Call letters beginning with KH followed by various combinations of three letters are reserved for aircraft radio stations.

Any existing call letter assignment not in accordance with this policy is due to the fact that the station was licensed before the allocation plan was adopted.

12/15/39

Prior to radio regulation, wireless stations used whatever call letters struck their fancy, the FCC report pointed out. Thus, a commercial station at Point Judith, Rhode Island, used PJ, and one in New York City adopted NY. Enactment of the pioneer Radio Act in 1910 reassigned calls and did away with duplication.

During the infancy of radio practically all land stations were on the coast and all communication was between ship-to-shore stations. As inland stations developed, the Mississippi River was made the dividing line of K and W calls. KDKA, at East Pittsburgh, Pa., is one of the early broadcast stations which were assigned the K letter before the present system was put into effect.

Most of the early call letter assignments were for three letters. About the time the United States entered the World War this combination had become exhausted, making it necessary to add another letter. The International Radio Conference in 1927 allocated the remaining combination beginning with KA, KB and KC to the United States. Four-letter calls under this convention are assigned to ships and fixed stations in domestic point-to-point service and five-letter calls are given to radio equipped aircraft.

All classes of experimental stations are assigned calls with the initial letter K for outside stations and W for those within the continental limits of the United States, followed by a number designating the radio district, followed by the letter X to denote experimental, followed by a group of not more than two letters.

When broadcasting first gained popularity, the idea of assigning call letters that would have special significance reached its climax in picking KOP for a Detroit Police Department station. This brought a deluge of requests for call letters embodying the initials of places, names, or slogans. Thus there still is WRC, meaning Washington station of the Radio Corporation. WGN was assigned the "World's Greatest Newspaper" (Chicago Tribune); WCCO, to Washburn Crosby Company, and WACO to Waco, Texas. WMMN, Fairmont, West Virginia, bears the initials of Senator Matthew M. Neely of that State and WJJD was initialed for James J. Davis, head of the Loyal Order of Moose and now Senator from Pennsylvania. Miami Beach, Florida, couldn't get all the letters in its name but was appeased with WIOD, meaning "Wonderful Isle of Dreams".

Some call letters used today have been inherited from stations which made headlines through tragedy. KGB, now assigned to a station at San Diego, was formerly used by the steamship D. H. LUCKENBACH, sunk by a submarine off the coast of France in 1917. KOB, at Albuquerque, New Mexico, was assigned to the steamship PRINCESS until she broke in two on Rockaway Shoals, New York. Radio played an important role in the rescue of the 106 persons on board.

Using four letters, there are nearly 50,000 possible call-letter combinations. This is not sufficient to take care of amateur radio stations, which greatly exceed all others in number, so a special system of call assignments had to be worked out for the self-styled "hams".

Result: about 100,000 letter permutations have been used in amateur calls. Hundreds are assigned weekly in new, renewed, or modified licenses. The plan adopted for amateurs is governed partly by treaty, partly by statute, and partly by regulation.

Treaty limits an amateur call to not more than two letters plus one digit plus not more than three letters, and assigns initial letters to indicate nationality. Statute authorizes the Federal Communications Commission to designate and publish calls. Regulations give preference to assignment in regular order rather than on a request basis. The digit in amateur calls indicates location in one of the nine amateur call areas now in operation.

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#### RETIREMENT OF BROWN RUMORED BUT UNCONFIRMED

The imminent retirement of Thad H. Brown from the Federal Communications Commission was rumored this week but brought neither confirmation nor denial from the Commissioner. The story is that Mr. Brown would practice law in Washington and Ohio.

One of the reports went so far as to suggest that Carl I. Wheat, special counsel of the FCC in the telephone investigation, has been chosen as Mr. Brown's successor.

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#### LABOR RELATIONS UNIT OF FCC TO BE CONSIDERED

The Federal Communications Commission will study in the near future a suggestion that a labor relations unit be set up within the FCC to keep abreast of labor conditions in the communications industry, Chairman James L. Fly has indicated.

The Chairman said some thought has been given to the matter, but it has not been taken up formally by the Commission. Such a unit, it is understood, would be concerned principally with labor problems in the telephone and telegraph fields, but might concern itself with broadcasting labor troubles as well.

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 ::: TRADE NOTES :::  
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The Federal Communications Commission this week granted authority to the Atlanta Journal Company to sell Station WSB, Atlanta, to James M. Cox, Ohio and Florida publisher, and one-time presidential candidate. The sale price was \$1,826,125, and in addition Mr. Cox agreed to purchase outstanding preferred stock for \$117,560.

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Austin E. Joscelyn, who has been Eastern Sales Manager of the Radio Sales Division of the Columbia Broadcasting System for two years, has been appointed manager of Station WBT, Charlotte, N.C., owned and operated by Columbia. Mr. Joscelyn succeeds Lincoln Dellar, who has resigned to become Manager of Station KSFO Columbia's affiliate in San Francisco. Howard Meighan, a member of the Radio Sales sales staff, for five years, becomes Eastern Sales Manager in Mr. Joscelyn's place. The appointments were announced by Mefford R. Runyon, Vice-President of CBS.

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Clarence W. Farrier, television coordinator of the National Broadcasting Co., this week addressed 50 members of the American Society of Agricultural Engineers, Washington Section, on "Recent Developments in Television".

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A contract-signing ceremony at Griffith Stadium this week revealed that Arch McDonald will return to Washington to resume his broadcasting role for the Nats' 1940 games both at home and on the road. This ended long negotiations between McDonald, President Clark Griffith, of the Washington Club, and A. D. Willard, Jr., General Manager of Station WJSV, which owns the radio privileges of the Nats' games.

McDonald, highest-paid baseball announcer in the United States last season when he initiated the broadcasting of the Yankees' and Giants' home games in New York, was elated at the outcome of the negotiations.

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The Portorican American Broadcasting Co., of Ponce, Puerto Rico, was granted a construction permit this week by the Federal Communications Commission to operate on 1340 kc., with 1 KW power, unlimited time.

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Station KOH, Reno, Nevada, will become affiliated with the National Broadcasting Company effective Jan. 1, as a supplementary outlet available to network advertisers using either the Pacific Coast Blue or Red Network, according to William S. Hedges, NBC Vice-President in charge of Stations Department. KOH is owned by The Bee, Inc., of the McClatchy Newspapers, and operates on

a frequency of 1380 kc., with a power of 500 watts. Addition of KOH will bring the number of NBC affiliates as of Jan. 1, to 181 stations.

The net income of R.C.A. Communications, Inc., for the ten months of 1939, ending October 31, was \$959,395 as compared with \$292,902 for the corresponding period in 1938, it was disclosed this week. The comparative statement follows:

	1939	1938
October gross	\$742,488	\$457,404
Net income	234,404	55,779
Ten months' gross	5,276,002	4,342,938
Net income	959,395	292,902

From Leonard Lyons' "The New Yorker" column:

"Saturday Night, in Washington, Jim Farley saw Frank McHale, campaign manager for Paul V. McNutt, conferring with Louis Ruppel, the former editor of the Chicago Times, who now is Publicity Director for the Columbia Broadcasting System . . . "Just one bit of practical advice", Farley told McHale. "Don't hang out with Ruppel" . . . "Why not?" asked McNutt's manager . . . "Because", explained Farley, "he can't get you any delegates."

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FREQUENCY MODULATION REPORT BEING STUDIED

Use of frequency modulation in radio broadcasts in place of the amplitude modulation now used in standard broadcast stations is being studied by the Federal Communications Commission. In view of the fact that its adoption will completely change the present radio broadcast transmitting systems, it is expected that the Commission will consider the matter at some length before acting.

Adoption of this plan for use by broadcast stations, it was said, requires a complete change of transmitters and would make all standard-wave receiving sets obsolete. This would mean a heavy expense on the listening public. It was indicated at the Commission's offices that if the plan is approved for licensing purposes that the changes would have to be gradual.

The matter was laid before the Commission in a report by its Chief Engineer, Lieut. E. K. Jett, which went into detailed description of the two systems. Technical radiomen familiar with the proposed system, which uses ultra-high frequencies in the radio spectrum, say that it may eliminate static. Receivers in the center of electrical storms do not register static, it was said. The transmitting apparatus, it was said, is cheaper to construct, as well as cheaper to operate, and occupies considerably less space than the present apparatus used in broadcasting.

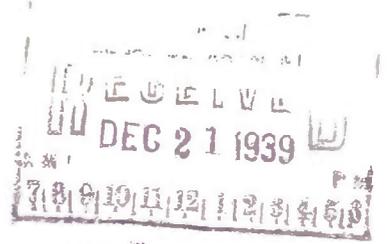
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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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INVESTIGATION UNIT POSSIBLE IN FCC BUDGET

Creation of an investigation division within the Federal Communications Commission, which would examine the qualifications of applicants for new radio stations, was seen this week if Congress approves a Budget Bureau recommendation of \$2,100,000 for the FCC in the fiscal year 1940-41.

FCC officials appeared before the House Appropriations Sub-Committee last week in executive session and explained the need for the investigation unit.

The Commission asked the Bureau of Budget for \$3,115,000 for the new fiscal year but was allowed only \$2,100,000, which is \$300,000 more than the current appropriation. Of the \$300,000, additional \$150,000 will be for personnel and the other \$150,000 for modernizing its monitoring system.

Additional funds may be asked of Congress for the FCC under the Special National Defense Appropriation which President Roosevelt will submit to Congress shortly after it convenes, it is understood.

Included in this budget may be estimates for mobile monitoring units to be used in checking short-wave operations. It has been suggested that these mobile monitors would be a safeguard against unlawful operations of short-wave stations, either licensed or unlicensed.

The Investigation Division, if set up, would include a dozen or fifteen experts, and would cost about \$50,000 a year, it is estimated.

As has been indicated, the Investigation Division would be used primarily to inquire into the qualifications of new station applicants as well as to pursue other inquiries specifically assigned by the Commission. Need for preliminary study of prospective station licensees has been repeatedly emphasized not only to assure the Commission of first-hand information regarding prerequisites but also to prevent hearings on such applications when it might be learned beforehand that the applicant is automatically disqualified. Such matters as citizenship, lack of financial responsibility and character of background, are included.

Chairman James L. Fly has already taken cognizance of the plight of broadcasters forced to defend themselves against irresponsible applicants, declaring he hoped to devise means of correcting this situation.

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## PROGRESS NOTED IN RADIO WEATHER FORECASTING

Recently, a significant advance has taken place in weather forecasting, based on the routine collection of upper-air data to heights of  $15\frac{1}{2}$  miles by means of radio soundings, according to the Bureau of Standards. This method, developed at the Bureau, has supplanted the use of airplanes carrying calibrated recording instruments for securing upper-air data.

"The radio-sonde system", a report in the Technical News Bulletin, explained, "employs an instrument carried aloft on a small unmanned balloon, and ground-station receiving and recording equipment. The balloon instrument, or radio sonde, comprises elements for measuring barometric pressure, air temperature, and humidity; a radio transmitter and power supply; and means for impressing on the radio transmitter modulating frequencies which have predetermined relationships to the values of the factors measured. At the ground station, the frequencies of the received signals are measured and recorded automatically, thereby providing a plot of temperature and humidity against pressure.

"A year's experimental use of the system during 1938-39 at 12 stations by the Navy Department, Weather Bureau, and Coast Guard provided data which exceeded both in regularity and accuracy the observations previously obtained by the airplane soundings. During the present fiscal year, the service is being expanded to include 30 land and 5 shipboard stations. One of the features of the experience with the radio-sonde system has been the excellent operation obtained by the shipboard stations.

"An improved form of the radio sonde has been introduced at three of the stations and is to be used soon at six more stations. The essential improvement consists of the incorporation of a new device for measuring relative humidity, which utilizes the phenomenon of variation in conductivity of a hygroscopic salt when exposed to different relative humidities. In its operation as a resistor - the value of which varies with relative humidity - it parallels the temperature element used in the radio sonde, which functions as a resistor varying in accordance with the ambient temperature. The two measuring resistors and two fixed reference resistors are switched into the modulating oscillator of the radio sonde by a switch responding to changes in the ambient pressure. The modulating frequency is thereby controlled to provide measurements of pressure, temperature, and humidity.

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GENERAL ELECTRIC APPLIES FOR TELEVISION PERMIT

General Electric Co., Schenectady, last week applied for a construction permit for a new television broadcasting station to be located at New Scotland, N. Y., for operation on 156000-162000 kc., with 10 watts power, unlimited time.

The international short-wave station, WRUL, operated by World Wide Broadcasting Corp., Boston, asked for authority to increase its power from 20 to 50 KW.

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NAB CODE SUBJECT OF NEWSPAPER FORUM DEBATE

A full page of contrary opinions on the Code of the National Association of Broadcasters was carried by the Washington Post Sunday in its weekly "American Forum" feature.

The lead articles were given to Neville Miller, President of NAB, who defended the Code, and to Elliott Roosevelt, who criticized it. Others who wrote in its behalf are Roger Baldwin, Director of the American Civil Liberties Union, and Norman Thomas, Chairman of the Socialist Party of America. Siding with young Roosevelt were Frank E. Gannett, publisher, and Morris Ernst, liberal lawyer and writer.

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FIVE NEW STATIONS RAISES TOTAL TO 812

The Federal Communications Commission issued operating licenses to five stations during the month of November. One operating station was deleted and four construction permits were issued for the construction of new stations.

There are now 755 standard broadcast stations operating and 57 under construction; bringing the total to 812.

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Willi Falke was sentenced to four years in the penitentiary last week for listening to a foreign radio broadcast in Berlin, according to the Associated Press. The court ruled that "it is dishonorable for a German to listen to lying foreign broadcasts which form the main weapon against Germany".

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REVOCAATION HEARING OPENED BY FCC

The Federal Communications Commission this week was holding a hearing on revocation proceedings against WSAL, Salisbury, Md., based on charges of purported lack of financial responsibility and transfer of license without authority. The licensee is Frank M. Stearns. Glenn D. Gillett, consulting engineer, also was named a party, in view of financial interest in the station.

A hearing on the renewal of license of WBAX, Wilkes-Barre, Pa., was ordered for Jan. 16 under a tentative calendar. The station license is held by John H. Stenger, Jr., but litigation developed over ownership and operation of the outlet. The hearing was ordered on the matter of control, with Mr. Gillett also a party.

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EUROPEAN PROGRAM EXCHANGE CONTINUES DESPITE WAR

A striking example of how international broadcasting remains undeterred by wartime difficulties was given by a concert from Italy that British listeners heard recently. Arrangements had been made months before for the relaying in BBC transmissions of the Italian program, but, on the assumption that the new conditions would prevent the broadcast's taking place, a concert by the BBC Salon Orchestra was planned as a substitute. While the orchestra was in the studio, waiting for the flick of the red light, there was a sudden 'phone call from the control room to say that the Italian engineers had come through to test the lines, and to confirm that Britain was waiting to take their program as planned.

Since then, programs originating in European countries have been - and are being - frequently heard by listeners to BBC broadcasts. In recent weeks, concerts from, for example, Turkey, Holland, Finland, and Switzerland, and several programs from Paris, have been relayed. Similarly, countries in Europe continue to relay programs originating in BBC studios.

Many of the broadcasts already heard were arranged before the war through the International Broadcasting Union at Geneva, that from Finland being taken by Germany as well as by Great Britain.

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## FCC KIDDED AT RADIO LAWYERS' CHRISTMAS PARTY

There were some hearty laughs at the expense of the members of the Federal Communications Commission, who, generally speaking, are inclined to take themselves pretty seriously, at a Christmas party given by Louis G. Caldwell, former president of the Federal Communications Commission Bar Association, in honor of Philip J. Hennessey, Jr., newly elected president of that Association, and Mrs. Hennessey. For several years now, these radio lawyers in their clever skits at annual dinners, have caused many a Commissioner to feel probably as does President Roosevelt sometimes, when the boys make it particularly warm for him at the Gridiron.

Even as the guests entered the Caldwell home, they realized they were in for a pretty hilarious time when they saw a large sign over the door of the room where the men checked their hats and coats, which read: "Inter-Venenors", while over the doorway into the room where the ladies left their wraps was a placard reading "Inter-Venuses".

Downstairs most every room was labeled. One had a sign, "Hearing Room - Intervenors Not Allowed (for Long)". "Persons Adversely Affected -- This Way" was a sign pointing from the Hearing Room to the Bar Room. Other inscriptions noted were: "Please Reflect International Culture and Good Will (This Rule Temporarily Suspended By FCC)"; "No Controversies On Important Matters"; and "This House is a Closed Shop Under the NAB Code".

There was a witness book which every guest had to sign and a bound volume containing the guests' acceptances, which was presented to Mr. and Mrs. Hennessey. In accepting, at least two of those invited said that they were enclosing 14 copies of their acceptance, thus complying with the FCC extra copies rule.

There were three past presidents of the organization present - first president, Mr. Caldwell, formerly Chief Counsel of the Commission and now attorney for Station WGN, of Chicago, and others; Duke M. Patrick, and Frank J. Roberson.

In presenting the illuminated crown of the presidency to Mr. Hennessey, Mr. Roberson remarked, "I hope you have better luck with the Commission than I did".

The proceedings were interrupted by the shrieking of police sirens, which proved to be the broadcast, presumably, of a riot occasioned by the pleading of the Federal Communications Commission Bar Association, and the election of Mr. Hennessey. This broadcast, which was made to order by NBC, under the direction of Mr. Bellar of Mr. Caldwell's law firm, proved to be a regular Orson Welles, "Martian" thriller.

Among those at the party, many accompanied by their wives, were Federal Communications Commissioners Paul A. Walker and T.A.M. Craven; Congressman Clarence F. Lea, of California, Chairman of the House Interstate Commerce Committee; Senator Wallace White, of Maine, of the Senate Commerce Committee; Frank M. Russell, Vice-President of the National Broadcasting Company; Kenneth H. Berkeley, Manager of the NBC in Washington; Ted Shawn, of the NBC; Paul Porter, counsel of Columbia; William J. Dempsey, Chief Counsel of the FCC; former FCC Commissioner Judge E. O. Sykes; Thomas P. Littlepage, Jr., radio counsellor; Jouett Shouse; Donald Richberg; Marriner S. Eccles, of the Federal Reserve Board; Justin Miller and Harold M. Stephens, Associate Justices of the D. C. Court of Appeals; Justice Bolitha J. Laws of the U. S. District Court, and Martin Codel, publisher of Broadcasting Magazine. There were also present numerous members of the Gridiron Club and their wives.

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#### FORMULA FOR CHILDREN'S PROGRAMS APPROVED

An eight-point formula was prescribed for children's radio programs this week at a luncheon meeting at the Town Hall Club of members of the Radio Council on Children's Programs and representatives of the National Association of Broadcasters and major networks, including the National, Columbia and Mutual systems.

The formula, which was approved by the broadcasting officials, provides that children's programs be entertaining, be dramatic with reasonable suspense, possess high artistic quality and integrity, express correct English and diction, appeal to the child's sense of humor, be within the scope of the child's imagination, stress human relations for cooperative living and inter-cultural understanding and appreciation.

Mrs. Harold V. Milligan, Radio Chairman of the General Federation of Women's Clubs and head of the Council, cited the eight points as attributes juvenile radio entertainment should have in order to be included in the recommended lists that the Council will distribute to affiliated organizations.

It also was reported that the Broadcasters Association intends to include the eight-point formula in its code of self-regulation, the New York Times reported.

The Council, which has national headquarters at 45 Rockefeller Plaza, was formed "to bring about better children's radio programs". Mrs. Nathaniel Singer, Radio Chairman of the United Parents' Association and National Vice-Chairman of the Council, is Executive Secretary in charge of activities. Five organizations compose the Council: the General Federation of Women's Clubs, the American Library Association, the United Parents' Association, the New England Council of Women and Junior Programs, Inc.

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## A. T. & T. EMPLOYEES PROTEST WIRE MERGER PLAN

An organization of employees of the American Telephone and Telegraph Co., announced this week in New York City that it would protest to the Federal Communications Commission against any unification of the Western Union and Postal Telegraph companies which would affect the A. T. & T.

The memorandum of the Federation of Long Lines Telephone Workers, to be filed with the FCC, objected to the FCC's reported plan to recommend a merger of the telegraph companies which would permit the new concern to take over the leased wire and teletype-writer exchange services of the A. T. & T., "so as to bolster the revenues of the consolidated organization".

Opposition to such a plan, the organization said, was based on the possibility of "damage to a large number of employees in our organization which might very well result therefrom through furloughs, layoffs, discharges or otherwise". The Federation claims a membership of 8,500.

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## BRITISH GET RADIO SCRIPTS FROM WESTERN FRONT

Much of the war news broadcast by the British Broadcasting Corporation and heard via short-wave in this country, is obtained directly from the front-line of the western front, according to the BBC.

Describing how its observers "get the story", the BBC submits the following account:

A machine-gun post in the French front-line was the studio; a BBC observer the artist. The control-room was a camouflaged car, drawn up in a tree-shaded position 200 feet behind the post. About eighty-five feet away was the enemy's front line. . .

Peering through the gun embrasure, the BBC observer, microphone in hand, described what he could see; back in the car, an engineer ensured that the description was satisfactorily recorded. The enemy may well have watched him at work.

But all was quiet in the German lines that day, and so, in due time, a graphic sound-picture of life on the edge of No Man's Land was heard by listeners to BBC programs.

The occasion was typical of how the BBC's observers on the Western Front - Richard Dimbleby, David Howard, and the recording engineer, H.F.L. Sarney - "get the story".

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Already the saloon car that carries the recording equipment has travelled thousands of miles in the search after "actuality", and the results have given to listeners not only vivid impressions of daily life in and behind the lines, but unique assurances of the welfare, cheerfulness, and determined enthusiasm of the men who are "out there".

Officially accredited as war correspondents, wearing uniform and ranking as officers, Dimbleby, Howarth, and Sarney are based in a hotel in a French town behind the lines. (The BBC observer with the R.A.F. in France - C.J.J. Gardner - is stationed elsewhere.)

An attic that is at once a recording studio, office, sitting-room, and a bedroom for their betman is their headquarters; on a baize-topped table is a microphone; there is a mattress on the floor and a couple of armchairs, a sideboard, and a radiogram against the walls. Through the window runs the cable that connects the microphone to the recording car in the garage below.

"We use the room", said Dimbleby, in an interview, "as a studio for recording the commentaries linking the actuality accounts, and for modifying the records in accordance with the censor's requirements."

Scripts are made of all recorded material and of the linking commentaries for submission to the censors. The records are "sub-edited" as corrections on the scripts may demand, then the censors are invited to the studio in the attic to hear and check the final recordings. On each passed disc an officer records a few words signifying approval.

Then the records are ready for despatch. While Dimbleby and his colleagues sleep, the discs are flown to England, and less than twenty-four hours after their original cutting, are available for broadcasting.

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MOTHER HEARS SON BROADCAST GRAF SPEE SINKING

A Washington woman had a double thrill Sunday when she heard the radio description of the sinking of the German pocket-battleship, Admiral Graf Spee, off Montevideo. The woman is Mrs. Jane Bowen, Director of the Alva Belmont House, headquarters of the National Woman's Party. The announcer who delivered a rapid-fire eye-witness story of the sinking is her son, James, whose voice she had not heard in four years.

Just as James, who is 43, was asking National Broadcasting Company headquarters in New York to communicate with his mother so that she would know he was to broadcast what was expected to be the Graf Spee's dash through the Allied cordon, the battleship exploded and he was immediately connected in with the regular hook-up. NBC notified Mrs. Bowen by phone.

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TRADE NOTES

Powel Crosley, Jr., President of the Crosley Corporation, of Cincinnati, has been appointed to a colonelcy by Governor John E. Miles of New Mexico. He will serve as aide-de-camp on the Governor's staff.

Consolidated Edison, advertising in the New York Times last week, pointed out that one cent's worth of electricity "will bring you three hours and six minutes of radio entertainment from your G.E. radio-phonograph."

One of the busiest spots around Washington is the site of WJSV's new 50,000-watt transmitting plant at Wheaton, Md., just north of Kensington. Workmen from a dozen trades swarm over the swanky, ultra-modern building. Already the three 340-foot antenna towers have altered the complexion of the countryside. When the plant is completed about February 1st, a new sightseeing spot becomes available, an old familiar landmark near Alexandria will pass (the existing 10,000-watt transmitter on Memorial Boulevard).

Frederick L. Redefers, Executive Secretary of the Progressive Education Association, has been added to the Board of Consultants of "Columbia's American School of the Air", according to Sterling Fisher, CBS Director of Education. Other officials of the Association on the Board are Miss Margaret Harrison, the organization's radio consultant, and Miss Alice V. Keliher.

A Wireless Telegraph Board has been established in South Africa, according to the American Commercial Attache at Johannesburg. Its functions will be to consider all matters relating to radio, to coordinate Government policy in respect of radio, and generally to assist the Postmaster-General in exercising the control vested in him. The new Board will be presided over by the Director-General of Signals. The telegraph regulations have now been amended by the addition of a provision that in all matters relating to radio within the Union, the Postmaster-General shall be guided by the recommendations of the Wireless Telegraph Board. No license shall be issued under the Radio Act of 1926 without the recommendation of the Board.

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## RCA, G.E. AND WESTINGHOUSE SIGN AGREEMENT

Announcement that the Radio Corporation of America has entered into new license agreements with the General Electric Company and Westinghouse Electric & Manufacturing Company was made this week by officers of the three companies. The new agreement is supplemental to license agreements which have been in effect between the companies since 1932.

Expanding research and engineering activities of the several companies, providing new horizons of application of radio and electronic devices, make the new arrangement desirable, it was stated. Under the new licenses for the United States and most foreign countries, RCA will be enabled to put the results of its research to broader uses in both radio and other industries employing electronic devices. In general, RCA has acquired from General Electric and Westinghouse the right to sell, and to grant licenses to others for the sale of, most types of radio tubes for all uses, and has also acquired the right to sell associated apparatus for many uses.

Under the agreement, General Electric and Westinghouse acquire from RCA the right to sell equipment, including tubes, for many radio applications, such as broadcasting transmitters, television and facsimile apparatus, and airport equipment.

The new agreement widens the scope of activities of the three companies by giving to each a broader market for its products and services, a joint statement said.

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## WOR SPECIAL FEATURES INCREASE 23% IN YEAR 1939

The stroke of midnight marking the New Year 1940 will bring to a close a year marked by an increase of 23% in Special Features, spot news, talks and sports broadcasts heard over WOR, New York City, during the past twelve months. It also will mark the fifth anniversary of the Special Features Division, begun in 1935 by G. W. Johnstone, Director of Public Relations and Special Features.

More than 1005 spot news, talk and special feature programs will have been heard over WOR by January 1 in contrast to 720 heard over WOR in 1938. Five hundred and twenty-two were broadcast in 1937. Of the 1939 total of 1005, more than 637 were originated by the WOR Special Features Division. The WOR originations do not include a large number of European originations by Mutual which were handled in one form or another by the WOR staff. For example, the scores of European broadcasts technically booked and accounted for by the Mutual Broadcasting System during the war crisis and ensuing months were in a large part supervised, directed and routed by WOR Special Featuresmen, assisted by members of the Program Department.

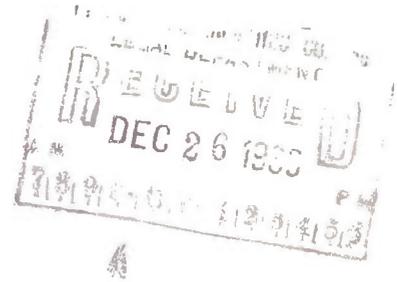
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2400 CALIFORNIA STREET

WASHINGTON, D. C.

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## STUDEBAKER HOLDS COOPERATION VITAL IN REPORT TO FCC

Broadcasters and educators must work together for the preservation of democracy if the American system of radio is to survive, Dr. John W. Studebaker, U.S. Commissioner of Education and Chairman of the Federal Radio Education Committee, told the FCC in a lengthy report on the Committee's activities late this week.

"There is, and there can be, no basic conflict between the educators and broadcasters within the proper concept of the American way", he said.

"Broadcasters enjoy the privileges of broadcasting only because the American people are abidingly devoted to the perpetuation of a system of life under which the individual may enjoy the fullest freedom as a concomitant of his actions in the commonweal. The American system of education is the strongest bulwark for the continuation and perpetuation of that system in this country today. Therefore it is a mutual necessity that broadcasters and educators shall work together for the solution of the problems of education through radio in the truly democratic manner represented by the Federal Radio Education Committee."

In a preface to the report, Dr. Studebaker said:

"I hope that I shall not be considered too naive if I introduce this report with the simple statement of a fact which is well known to everyone in radio and, now, to a generous portion of the American public:

"Among the several possible approaches to broadcasting the American approach and the British or European approach offer sharp contrast. Each reflects the basic philosophy of the nation using it.

"A statement which is equally true, but not so well known, is that thousands of earnest men and women are at work throughout America today evolving, within the structure of the American plan of broadcasting, the American system of education through radio.

"It is at once the responsibility and the privilege of the Federal Radio Education Committee to share in guiding this development.

"The development itself may be observed to be taking place in two fundamental divisions:

- "1. A significant ferment is taking place all over the country, launched and kept alive by enthusiastic educators and idealistic broadcasters who see, in radio, infinite potentialities for education and public service. This ferment is taking the form principally of experimentation -- in the classroom -- the studio -- the university radio workshop -- the library, and the home. Here pioneers are approaching, and in many cases solving, practical problems of production.
- "2. As a concomitant of this extended experimental activity a second and equally important development may be observed. This development adheres more rigidly to the scientific formula of the collection of data, the classification of data, and the interpretation of data. Its object is to provide the necessary formal structure which will be essential to the eventual creation of a basic and comprehensive plan for the accomplishment of sound education through radio.

"The Federal Radio Education Committee, representing the joint cooperative effort of broadcasters and educators, not only is interested in every phase of both of these significant developments; it is actively participating in both of them."

After citing the work of the Committee, with especial emphasis on the educational radio script exchange and the newer department of information, the Commissioner of Education said in his conclusions:

"The discovery of radio and its mushroom growth have seemed to present no problem which could not be accommodated within the basic American philosophy. Admittedly the air belonged to the people. Admittedly, also, it was not the American way for government to establish a monopoly for the development and use of this newly discovered natural resource. It belonged to the people; it should be developed and regulated by the people, in the public interest.

"Broadcasters represent that small group of body politic which has sought and found self-expression through the development and administration of radio. According to their lights they have administered this public trust in the public interest, and there is no principle in the American philosophy which forbids that they should receive rewards of the kind which accrue to other citizens who find opportunities for self-expression through other commercial or industrial channels. This is basic and undeniable if we are to adhere to the American system of living.

"The maintenance of this system -- a system of freedom of expression which demands free communication, is more closely identified with the responsibility of maintaining the American system of freedom in education than with any other force in our scheme of living. Public education is supported and controlled by the public; yet education must make possible freedom to learn if

democracy is to be nurtured and developed. Radio, by its nature, must be regulated by the Government, but radio must provide freedom of communication if it, as a powerful instrument of influence, is to strengthen and not stifle the processes of democracy.

"In the kindergarten, the elementary school, the secondary school, the college, the university -- from the rostrum, the forum platform, and at the table around which a discussion group may gather, educators are today, and for years have been upholding and inculcating an appreciation of the American way of life and especially of the basic necessity of freedom to learn. In doing so they have increased the understanding of the need for a system of broadcasting free from the compulsions of censorship.

"We have indicated that broadcasters administer a public trust -- free to derive profit from that administration if they choose, but enjoined to operate in the public interest; to assume responsibility which is always a concomitant of privilege. All through the American system these two factors will be found ranged side by side -- privilege, and responsibility -- noblesse oblige.

"Now it so happens that radio, as an industry, differs from other enterprises in our economic structure. Viewed commercially, radio is an advertising medium. Its purpose is to sell merchandise. If that were all there is to it the problem would be very simple. But that is emphatically not all there is to it! The impact of the spoken word upon the radio listener -- to take a very simple example -- achieves education of some kind in some degree. It helps to formulate attitudes and opinions -- conditions action.

"In radio, under the recently adopted Code of the National Association of Broadcasters, only 10 percent of the available time in a commercial program of 60 minutes may be devoted to telling the story of the product being sold. There is no suggestion of arbitrary control of the industry here, but merely reasonable assurance that no actual abuse of the public confidence will result during those portions of the broadcast hours devoted to commercial programs. Broadcasters have assumed the responsibility themselves of providing this assurance.

"From the standpoint of public service the department of sponsored programs, under the American system, may be considered the 'commercial side'. As we have indicated, broadcasters themselves have undertaken to impose certain safeguards through adherence to a code of ethics to prevent abuse of the public confidence. We turn, then, to the noncommercial side of broadcasting -- the public-service side.

"In making this transition a word may be said about what educational or public-service broadcasting is or should be. At the outset it should be understood that considerably more clarification will be needed before this department of radio can be accurately defined. Arbitrary definitions can, of course, be imposed. We might assume, for instance, that any program aimed at

achieving education, as that word is popularly understood, is an educational program, and that other programs fall beyond the pale. Such a definition, however, obviously would be inadequate. A program sponsored by a toothpaste manufacturer, for instance, might promote oral hygiene and thus exert an influence toward commendable objectives of public health, yet its basic purpose would be the sale of toothpaste, and hence educators generally would prohibit the use of the program in the classroom because of the advertising features involved. Neither can we throw the gates wide open and assume that any nonsponsored program aired by a station is, ipso facto, a public service or educational program. We all know that stations air a tremendous amount of trivial material during these nonsponsored hours. To consider such material in any terms save those of public entertainment would lead to false conclusions. We are faced then with the necessity for pointing out that perhaps one of the most important responsibilities which the Federal Radio Education Committee may ultimately be able to discharge will be that of formulating a standard for the classification of programs. But we are fully cognizant of the limitations of present definitions. Recognizing these limitations we come to the purpose of and the need for the Federal Radio Education Committee. How far should the broadcaster go in the matter of education? What are the limits of his responsibility? What activities of an educational nature should he undertake? What should he try to teach -- and how?

"As this report is written we cannot offer all of the answers to these and other equally basic questions. But we are steadily moving toward solutions, and the Federal Radio Education Committee, representing the cooperative effort and will of broadcasters and educators toward true public service, is a very proper vehicle for seeking answers to these questions which must eventually be satisfactorily answered. . . . .

"Further -- it is mutually essential that this agency of cooperation shall be preserved, to guard and to guide the evolution of the American system of education through radio. No one should make the mistake of considering this matter of small importance or of a temporary nature. As I have said, the educational implication of radio is intrinsic. It is not something which either broadcasters or educators may accept or reject as they please. It exists, and it will continue to exist so long as a single program is aired over a single station for a single listener. This force, then -- ready to our hand and filled with promise of public service and constructive accomplishment -- this force must be conserved in the public interest. Not only must it be conserved, but that conservation must be accomplished in the American way."

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## BROADENING OF RADIO CENSUS REQUESTED

The Radio Manufacturers' Association and the National Association of Broadcasters have joined several government offices in a request to the Census Bureau to develop statistics in the proposed federal housing census next year on multiple radios in American homes, including short-wave receivers. Formal requests to Director W. L. Austin of the Census Bureau for inclusion of these features in the special housing census have been made.

Instead of the present tentative question in the housing census questionnaire, "Is there a radio in this dwelling?", the RMA and others interested have requested the Census Bureau to substitute the question: "How many usable radio sets are in this dwelling unit?" The Census Bureau also was asked, in view of the great social significance attending the reception of foreign broadcasts, to add another question as follows: "Is a radio set in this dwelling unit usable for listening directly to international short wave broadcasts?" This would apply to direct radio reception from Asia, Africa, Europe, or South America.

Broadening of the housing census on radio was agreed upon at a conference in the office of John H. Payne, Chief of the Electrical and Radio Division of the Bureau of Foreign and Domestic Commerce, on December 13. The conference agreed unanimously on the proposed extension of the housing census and included representatives of the National Association of Broadcasters, Department of State, Bureau of Foreign and Domestic Commerce, Federal Communications Commission, U. S. Office of Education, and the Federal Radio Education Committee. The RMA was represented by Bond Geddes, Executive Vice President; Robert R. Kane, of Camden, N. J., and Meade Brunet, of Harrison, N. J.

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## EXPERIMENTAL AUTHORIZATION EFFECTIVE DATE CHANGED

The effective date of application of paragraph 3(b) of Section 3.32 of the Rules Governing Standard Broadcast Stations, insofar as it pertains to existing experimental stations, has been postponed from January 1, 1940, to May 1, 1940, by the Federal Communications Commission.

This particular provision reads:

"In case a special experimental authorization permits additional hours of operation, no licensee shall transmit any commercial or sponsored program or make any commercial announcements during such time of operation. In case of other additional facilities, no additional charge shall be made by reason of transmission with such facilities."

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## FCC TO STUDY HIGH FREQUENCY AURAL BROADCASTING

Because of the growing interest in frequency modulation and filing of applications to begin regular broadcast service as distinguished from experimental service on frequencies above 25,000 kilocycles, the Federal Communications Commission announced this week that it will inquire fully into the possibilities of this system of modulation as well as amplitude modulation for aural broadcasting. An informal engineering hearing will be held before the full Commission beginning at 10 A.M. February 28, 1940.

Pending the outcome of this hearing, it was decided to grant the following classes of applications:

(a) Applications for permission to carry out programs of fundamental research not authorized in the past and which show satisfactory promise of being able to contribute substantially toward the development of aural broadcasting service, and

(b) Applications filed by existing licensees to experiment with aural broadcasting on frequencies above 25,000 kilocycles, provided the request to operate additional stations involves a program of experimentation directly related to the existing station.

About 20 applications are pending action by the Commission for new stations desiring to use frequency modulation. There are now 34 amplitude modulated stations and 20 frequency modulated stations authorized by the Commission.

Before a permanent policy can be established with respect to either or both systems of modulation on frequencies above 25,000 kilocycles for regular broadcasting service, studies and investigations must be made regarding the relative values of the two systems, the patent situation, the frequency needs of all radio services, and whether amplitude or frequency modulation, or both systems, should be recognized for other services as well as broadcasting. It is also necessary to consider the possible future effect that broadcasting on ultra high frequencies may ultimately have upon standard broadcasting in the band 550 to 1600 kilocycles.

The frequency bands above approximately 25,000 kilocycles are sometimes referred to as "very high frequencies", "ultra high frequencies", or "ultra short waves". These frequencies possess relatively short distance characteristics as compared with the lower frequency bands. The signals are subject to rather wide diurnal and seasonal variations in signal strength at distances beyond the horizon; therefore, as a practical matter, these frequencies may be said to be useful for broadcast service up to about 100 miles only.

Maj. E. H. Armstrong, Professor of Electrical Engineering at Columbia University, appeared as a witness in behalf of frequency modulation at the Federal Communications Commission

engineering hearing in June, 1936. On the basis of testimony of experts who testified at this hearing, and after studies had been made jointly by the Commission's Engineering Department and the Interdepartment Radio Advisory Committee, the Commission and the President adopted permanent allocations above 25,000 kilocycles for the various government and non-government radio services.

Amplitude modulation has long been used as the standard system for transmitting speech and music by radio. It is the only system of modulation which is used by the existing services operating on conventional frequencies, i. e., below 25,000 kilocycles.

The claimed chief advantages of the two methods are set forth briefly as follows:

#### Amplitude Modulation

1. Amplitude modulation utilizes a much narrower band of frequencies, i. e., about one-fifth of the frequency band required for wide band frequency modulated signals of equal fidelity.
2. Amplitude modulation may be used on all frequencies throughout the radio spectrum, whereas frequency modulation has proven useful only in the very high frequency bands.
3. Amplitude modulation is the only system which has been used successfully for television on the frequencies allocated by the Commission for television service.

#### Frequency Modulation

1. Frequency modulation possesses characteristics whereby it is possible to reduce the effects of all kinds of disturbances including atmospheric static, electrical noises, and background signal interference.
2. A frequency modulated broadcast station employing low power will provide greater service than a similar station using amplitude modulation. However, if the power of the two stations is substantially increased the percentage increase in service area of the frequency modulated signal will be materially reduced.
3. A frequency modulated receiver will accept only the strongest signal or noise as the case may be when the ratio of the desired to undesired signal strength is approximately 2 to 1. In the case of amplitude modulation, the ratio must be at least 20 to 1 for good broadcast service. Consequently, it is possible to operate frequency modulated stations at relatively close geographical locations without interference.
4. Frequency modulation has definite advantages over amplitude modulation in operating the low power services such as forestry, police, aircraft, etc. In such cases, each system is under the control of one licensee who can plan for the purchase, installation and operation of the entire transmitting and receiving system.

RMA SCHEDULES CONVENTION IN CHICAGO

The Sixteenth Annual Convention of the Radio Manufacturers' Association and National Radio Parts Show will be held at the Stevens Hotel in Chicago, June 11-14, inclusive, 1940, Bond Geddes, Executive-Vice-President announced this week. The RMA Convention, membership meetings, and annual industry banquet will be held Tuesday and Wednesday, June 11 and 12. The National Radio Parts Show, again under the joint sponsorship of RMA and the Sales Managers Clubs, will be held in the Exhibition Hall of the Stevens Hotel from noon, Tuesday, June 11, until 10 P.M. Friday, June 14. Paul V. Galvin, of Chicago, is Chairman of the RMA Convention Committee, and Ken Hathaway continues as the Manager of the Parts Show. The annual all-radio industry banquet will be held Wednesday evening, June 12 and the industry golf tournament is scheduled for Thursday, June 13.

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DEMPSEY ASKS COURT TO CLARIFY FCC POWER

Whether the refusal of the Federal Communications Commission to grant a license to a radio station is reviewable by the courts remains an unsettled question, so counsel for the Commission have asked for a reargument of four cases decided against it in the most recent decision.

William J. Dempsey, General Counsel, has petitioned the United States Court of Appeals for the District of Columbia to take up these cases before its entire bench. The court, Mr. Dempsey points out, twice has decided the issue - once in favor of the Commission and once against it. The cases involved the Columbia Broadcasting System of California, Inc., the Associated Broadcasters, the Voice of Alabama, Inc., and the Alabama Polytechnic Institute.

In urging the appellate tribunal to listen to a reargument of the four cases, Mr. Dempsey explains that Chief Justice Groner dissented in the earlier cases, which were decided in favor of the Commission, and in a later case he and one other justice, in a 2-to-1 decision, held against the Commission.

In the latest decision, it is pointed out, Chief Justice Groner, adhering to the view in his previous dissenting opinion, and Associate Justice Miller held that an appeal could be taken to the courts when the Commission denied an application for assignment of a radio station license.

Five members of the court have held that there is no appeal in such a case. The five were former Chief Justice Martin and Associate Justices Robb, Van Orsdel, Gitz and Stephens. Only two justices have taken the position that an appeal could be taken, the Commission's lawyer cited, while three members of the present court - Associate Justices Edgerton, Vinson and Rutledge - never have passed on the question. Mr Dempsey said that in view of these differences in judicial opinion, involving present and former members of the Court of Appeals, the right of the Commission to grant or refuse transfer of control over stations was shrouded in mystery.

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: : : TRADE NOTES : : :  
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M. H. Aylesworth, former President of the National Broadcasting Company, has resigned as publisher of the New York World-Telegram. He is returning to his public relations practice as well as the practice of law. It is reported that he proposes to gather a select number of accounts for private consultation work on public relations matters, and rumors are that RCA-NBC will be among the first to retain him in that capacity.

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Among the honorary pall-bearers at the funeral of Representative Sirovich (D.), of New York, in New York City this week were David Sarnoff, Donald Flamm, and Gene Buck.

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The European war has developed such increased public interest in foreign short-wave broadcasting that many additional American newspapers have subscribed to the weekly service of the Radio Manufacturers' Association detailing foreign short-wave features. The RMA service to newspapers has increased 71 percent since hostilities broke out in Europe and there are now 268 American newspapers receiving the RMA weekly programs of short wave broadcasts. The RMA short-wave programs are furnished without charge to the press and are now used by most leading daily newspapers.

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The Federal Communications Commission this week granted an amended application of Station WEEI, the Columbia Broadcasting System, Inc., Boston, Mass., for a construction permit to employ present daytime directional antenna pattern for both day and night-time operation and increase night power from 1 KW to 5 KW, on 590 kc., unlimited time.

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Spanish importation of radios is virtually prohibited by its exchange control regulations, according to advices from the American Commercial Attache of the Department of Commerce at San Sebastian. No import permits covering radio equipment have been granted by the Spanish authorities since the cessation of hostilities, although a few barter deals are reported of nominal size from Germany and The Netherlands.

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The Federal Communications Commission this week tentatively granted the application of the Times Dispatch Radio Corporation (WRTD), Richmond, Va., for a construction permit to change the operating assignment of the station from 1500 kilocycles, 100 watts power, unlimited time, to 590 kilocycles, with power of 1 kilowatt, unlimited time, using a directional antenna at night.

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The Federal Communications Commission announced this week that from this date (December 20), through December 30, 1939, it will entertain on 48 hours' notice and may grant, through the usual officials, applications for individually designated programs of a religious, ceremonial, or other nature having to do with the celebration of Christmas and the New Year.

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In Marienau, near Danzig, five members of one family have been imprisoned for listening to and spreading foreign radio broadcasts, according to the New York Times. Johannes Jakobsen was sentenced to two and a half years' imprisonment and his wife Marta, who spread reports in the village, received a similar sentence. Each of Jakobsen's three young brothers were sentenced to a year and a half. The family was deprived of all citizenship rights for five years.

In Berlin a large number of persons have been sentenced for the same crime, which carries a maximum penalty of death. The press continues to warn all who insist on listening to foreign broadcasts of the dangers not only to the State but also to themselves.

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The Federal Trade Commission has closed its case against Parker-McCorory Manufacturing Co., 2609 Walnut St., Kansas City, Mo., manufacturer and distributor of radio sets and parts and mechanical devices, it appearing that the respondent company has agreed to discontinue the misleading representations alleged and to abide by the rules of fair trade practice for the radio receiving set manufacturing industry, promulgated by the Commission July 22, 1939. The case was closed without prejudice to the Commission's right to reopen it and resume prosecution, should future facts so warrant.

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The Federal Communications Commission this week granted the applications of The Bee, Inc., (KOH), Reno, Nevada, and McClatchy Broadcasting Co. (KERN), Bakersfield, Calif., for construction permits, KOH to move its transmitter locally, install new equipment and change operating assignment from 1380 kilocycles with power of 500 watts, unlimited time, to 630 kilocycles with power of 1 KW, unlimited time, using directional antenna at night; and KERN to change frequency from 1370 to 1380 kilocycles, increase power from 100 watts to 1 KW, change transmitter site and install new equipment.

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NOTE: DUE TO THE GOVERNMENT OFFICES BEING CLOSED OVER THE ENTIRE WEEK-END, THERE WILL BE NO ISSUE OF THIS SERVICE ON TUESDAY, DECEMBER 26, 1939.

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## TELEVISION STATIONS SHARE CHANNEL AFTER CLASH

Collision of television signals between a Philadelphia station and a New York station, the first since the birth of the infant science, resulted in a tentative agreement to share time between Station W3XE, operated by the Philco Radio & Television Corp., of Philadelphia, and Station W2XAX of New York, operated by the Columbia Broadcasting System, it was disclosed this week.

The agreement blasted the currently popular scientific theory that television broadcasting is limited to the horizon, giving rise to a wider scope in television research.

Interference was first noted on television receivers in the Philadelphia area when both the audible and visible programs of both stations were mutually disturbed beyond recognition. Philco protested that its regular television service to the Philadelphia area and its thirteen-year accumulation of television research material, a field in which it has been a pioneer, was being interfered with whenever Columbia's television station took the air.

Engineers and members of the Philco television audience both noted the clash and extensive field tests by Philco research workers verified the collision of the television signals.

The agreement, the first time-sharing arrangement in television's short history, was necessitated by the fact that both stations operate on the same frequency band -- channel number two (50 to 56 megacycles). Both stations are licensed for experimental television broadcasting by the Federal Communications Commission.

Effective at once, Philco will transmit television programs between midnight and noon daily, and on Wednesday, Friday and Sunday evenings after 6 P.M. The Columbia station will confine its television broadcasts to all other times.

Philco has already petitioned the Federal Communications Commission to change its proposed allocation of television channels so as to give Channel Number 2 to Philadelphia since New York City has been assigned to Channel Number 1. The petition was filed with the FCC in Washington on December 16.

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## TELEVISION SET SALES 750 ON WEST COAST

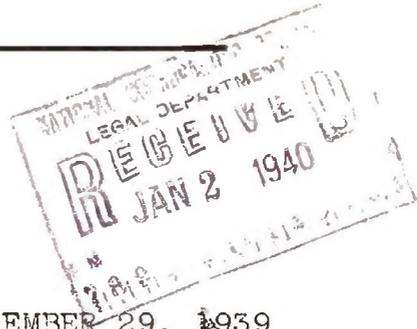
Sales of television sets in the Los Angeles area, which now enjoys daily programs, have amounted to about 750 in the short time that television has been available there, according to the New York Times business review. Telecasts cover a radius of about 30 miles and are on a six-day schedule. Motion pictures are used every day and live talent three times a week. Including the New York figure, television set sales have now amounted to about 2,000. the Times estimated.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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December 29, 1939

FTC NOTES CONTINUED IMPROVEMENT IN RADIO ADS

The Federal Trade Commission in its annual report released this week notes a steady improvement in radio advertising, as well as newspaper and periodical advertising, and predicts continued progress as a result of the corrective activities of the commission's radio and periodical division.

"The commission believes that its work in this field contributed substantially to the improvement that has been evident in recent years in the character of all advertising generally", the report said, "and that with the increased facilities and personnel provided by the newly created division, together with a gradual increase in the extent of its survey over the advertising field, such gains as have been made will not only be maintained but continually increased."

Reviewing its examination of radio advertising during the year, the FTC said:

"The Commission, in its systematic review of advertising copy broadcast over the radio, issues calls to individual radio stations, generally at the rate of four times yearly for each station. However, the frequency of calls to individual broadcasters is varied from time to time, dependent principally upon transmittal power, the service radius or area of specific stations, and the advertising record of certain types of stations, as disclosed in analyses of previous advertising reviews.

"National and regional networks respond on a continuous weekly basis, submitting copies of commercial continuities for all programs wherein linked hook-ups are used involving two or more affiliated or member stations.

"Producers of electrical transcription recordings submit monthly returns of typed copies of the commercial portions of all recordings produced by them for radio broadcast. This material is supplemented by periodical reports from individual stations listing the programs of recorded commercial transcriptions and other essential data.

"The combined radio material received furnishes representative and specific information on the character of current broadcast advertising which is proving of great value in the efforts to prevent false and misleading representations.

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"During the fiscal year ended June 30, 1939, the Commission received 626,293 copies of commercial radio broadcast continuities, amounting to 1,384,448 pages of typewritten script. These comprised 860,908 pages of individual station script and 523,540 pages of network script.

"The staff read and marked 643,796 commercial radio broadcast continuities, amounting to 1,384,353 pages of typewritten script. These comprised 492,540 pages of network script and 891,813 pages of individual station script. An average of 4,539 pages of radio script were read each working day. From this material 29,143 commercial broadcasts were marked for further study as containing representations that might be false or misleading. The 29,143 questioned commercial continuities provided current specimens for check with existing advertising cases as to their compliance with actions, stipulations, and orders of the Commission, in addition to forming the bases for prospective cases which may not have previously been set aside for investigation.

"In general, the Commission has received the helpful cooperation of Nation-wide and regional networks, and transcription producers, in addition to that of some 616 active commercial radio stations, 457 newspaper publishers, and 533 publishers of magazines and farm journals, and has observed an interested desire on the part of such broadcasters and publishers to aid in the elimination of false, misleading, and deceptive advertising.

"Drug preparations, cosmetics, health devices, and contrivances and food products accounted for 62.7 percent of the advertised articles given legal review during the fiscal year.

"In the item of drug preparations, which comprised 42.4 percent of the advertised products, a substantial proportion of the related advertising contained flagrant misrepresentations or representations which disclosed possible injurious results to the public and for that reason were given preferred attention.

"Many requests have been received from radio stations, advertisers, and advertising agencies for advice and information concerning certain advertisers and their products. The Commission cannot give the information requested in many cases either because the matter may be under investigation or it is not fully advised of all the facts and cannot render opinions therein; and, in any case, it is not the Commission policy to pass on the merits of products advertised. It treats as confidential all proceedings prior to acceptance of a stipulation or issuance of a complaint. After a stipulation has been accepted and approved, or a complaint issued, the facts concerning such proceedings are for the public record and available to anyone who may request them.

"During the fiscal year ended June 30, 1939, the Commission, through its Radio and Periodical Division, sent questionnaires to advertisers in 679 cases and to advertising agencies in 44 cases,

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negotiated 230 stipulations accepted and approved by the Commission for discontinuance of misleading representations, and settled or closed by its various methods of procedure 394 such cases. In 26 cases the issuance of complaint was recommended, 18 for failure to stipulate and 8 without giving the advertiser an opportunity to stipulate because of gross deception or danger to the public involved in the practice. In 15 cases previously settled by stipulation complaints were recommended for violation of the terms of those stipulations.

In 135 cases the division recommended filing the assembled data and closing the cases without prejudice to the right of the Commission to reopen them at any time the facts warranted. Four cases were closed because the Post Office Department had issued fraud orders against the advertisers and 11 because the Post Office Department had accepted affidavits of discontinuance of business from the parties concerned. Others were closed because, prior to the Commission's contact, the advertisers had discontinued advertising or selling without intent to resume, and others because the advertisers were able to justify their claims."

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#### TELEVISION HEARING SET FOR JANUARY 15

With members of the Federal Communications Commission still uncertain as to the wisdom of allowing even partial commercialization of television transmission, a public hearing has been scheduled for January 15.

A clarification of the proposed rule to permit commercial sponsorship of television programs, as adopted by the commission before recessing for the Christmas holidays, will be the principal subject of the hearing.

The first draft of the recommendations of the television committee was somewhat vague as to the application of the limited commercialization provision. The new version is clearer and reads as follows:

"(a) No charges either direct or indirect shall be made for either the production or transmission of either aural or visual programs by Class I television stations;

"(b) No charges either direct or indirect shall be made for the transmission of either aural or visual programs by Class II television stations; however, Class II television broadcast stations may make charges to cover cost of program production, including advertising material, which programs may be transmitted as an experimental program service but without charge for such transmission;

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"(c) Quarterly reports shall be made to the Commission by Class II television broadcast stations of the charters and costs as well as of other pertinent information which may be of assistance to the Commission in evaluating the economic feasibility of television broadcasting as a regular service to the public on a commercial basis.

"(d) The offering by any person of the facilities of any television broadcast station on a regular commercial basis is prohibited. The limited commercialization permitted under subsection (b) above shall not take precedence over the experimental service, but shall in fact be subordinated to it."

Another move to plug loopholes was a stiffening of the rule prohibiting 'solicitation' of business. Neither type of operator would be allowed to 'offer' his facilities to advertisers 'on a regular commercial basis.' Under the rule 'the limited commercialization . . . shall not take precedence over the experimental service, but shall in fact be subordinated to it.' Meaning that the FCC still considers visual broadcasting permits are intended to benefit the public before the experimenters.

Otherwise, the latest version of the proposed rules coincides with the draft published Nov. 15.

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#### U. S. FOREIGN SERVICE COMMUNICATIONS DISCUSSED

One of the most interesting chapters in the outstanding new book "Inside the Department of State" by Bertram D. Hulen, is devoted to foreign service communications. State Department officials are never very talkative on any subject and would be about as quick to tell you just how they used the radio telephone and cable in emergencies as a G-man would be to explain to you the intricate workings of or when he used his revolver.

Thus communications in our foreign affairs, as discussed by Mr. Hulen, who for years has covered the State Department for the New York Times, and knows the place inside out, reveal many things heretofore not known.

Mr. Hulen states that the commercial radio is a distinct advantage to the Department of State as a channel of information when it broadcasts the speech of the head of a foreign government announcing his position in a matter of grave concern to the United States. Work stops in the Department when that happens. Officials gather around radio sets in various offices while the Secretary of State, surrounded by Assistant Secretaries of State, and other aides whom he has invited to his office, is among the most attentive listener.

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"Yet the transatlantic telephone has been used much less in diplomacy than might be supposed since Secretary Stimson employed it", Mr. Hulen writes. "When he was to speak with the Embassies in London or Paris, he would summon a dozen or more departmental officials and experts to his office and have them listen in with head telephone receivers. If a question arose that he could not readily answer, he would find the information among some one of his group of specialists. Sometimes, calling up these Embassies direct, was to the annoyance of a distinguished Ambassador who, because of the difference in time between Washington and Paris, was routed out of bed in his night-shirt."

According to Mr. Hulen, Secretary Stimson was the greatest user of the overseas telephone. Secretary Hull has used the overseas telephone relatively little except during a crisis to receive instant factual reports from Ambassadors in the principal capitals.

Mr. Hulen told of an exciting incident when the American Legation was in imminent danger of being overrun by the panic-stricken native mob in its headlong rush from Addis Ababa before the approach of Italian troops in May, 1936. The Legation was insufficiently manned to withstand the horde beating at the gates of the compound, even though Cornelius Van H. Engert, the Minister Resident, had armed his little staff and they had taken position to stand off the natives. It was obvious that the effort would soon fail unless reinforcements arrived. The one chance lay with the strong force of guard at the British Legation three miles away. Yet telephone lines had been cut and a runner could not have made the distance and survived.

In the emergency Engert turned to the short-wave radio equipment that had been sent to him from Washington in charge of Navy expert to maintain contact with the United States if commercial communications failed. The British had no such equipment so he could not send a message direct. But Engert was resourceful. He sent his appeal for reinforcements by short-wave to the United States wireless station at Cavite in the Philippines. It was immediately relayed to Washington for transmission to London. The British Government promptly forwarded it to Cairo from whence it was sent to the British Legation at Addis Ababa. An hour and a half after Engert sent his appeal, troops from the British Legation drove up to the compound in trucks just in the nick of time.

"Inside the Department of State" is published by Whittlesey House, McGraw-Hill Book Company, 330 West 42nd Street, New York, and the price is \$3.00.

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WRC-WMAL WIN VARIETY ANNUAL AWARD

Santa Claus arrived early at WRC and WMAL, Washington, this December and dropped a prize package. It was addressed to General Manager Kenneth H. Berkeley from Bob Landry, radio editor of Variety Magazine, and contained the news that the two stations jointly had won the national 1939 showmanship award for stations operated by networks. It was the seventh annual showmanship survey conducted by Variety.

A day or so after Christmas formal presentation of the award was made, and Warren Francis, Washington Representative of Variety, handed to Mr. Berkeley the bronze showmanship plaque that is now hanging in the WRC-WMAL reception room. During the award ceremonies which were broadcast by both stations Mr. Francis said:

"As the whole trade knows, the plaque for the best network-managed station went to WRC-WMAL. You people were measured and found to be awake, alert, on your toes. You had shown ability to build programs and to develop talent. You had proved you could attract listeners and interest advertisers. You had achieved a desirable balance between commercialism and public service. You had blended entertainment, charitable work, and education. You had created a distinct personality. In recognition of your accomplishments, I am very happy to present to you this showmanship plaque, tangible evidence that you and your staff in the past year turned in the best performance in your particular field."

In receiving the plaque Mr. Berkeley said: The work and spirit of every member of the staff has made this citation possible. We are indeed gratified that our efforts to bring our listeners a well-rounded radio service have been recognized and honored by Variety Magazine . . . However one may define radio showmanship, we feel that to attain it is to work your hardest to inform and please your listeners. We value this award very highly. It inspires us to strive all the harder to bring our Washington radio friends the best possible radio service year in and year out. We shall certainly continue all our efforts to that end."

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NO NEW SAFETY LAWS NEEDED, SAYS FLY

Apart from proposals made in its "special study of the radio requirements necessary or desirable for safety purposes of ships navigating the Great Lakes and inland waters of the United States", which was made at the request of Congress, the Federal Communications Commission will not recommend additional legislation for the promotion of safety of life and property through wire and radio aids. This was made known this week in a letter to Congress, pursuant to provisions of the Communications Act, from Chairman James Lawrence Fly.

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In an accompanying communication, Chairman Fly reported that further time is needed to study the Great Lakes and inland waters report, but expects to file the same with Congress by April 15. He explained that 3167 pages of record and 341 technical exhibits were assembled by the small technical staff available to make the survey under Commissioner Thad H. Brown, and that the Commission as a whole is still studying the resultant 621-page report with exhibits which was filed with it on December 15.

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### WAR COVERAGE HIGHLIGHT OF YEAR FOR NETWORKS

Special short-wave pick-ups of news and comments on the European war were the highlights of an active year for the three major networks in 1939.

The Columbia network had the biggest "show" in its history in 1939. Programs devoted to national and world affairs during the year, as a result, totaled 5,669 -- or more than 1,381 hours of broadcast time. In 1938, former peak year, CBS had 2,006 programs, or 432 hours devoted to news and world affairs.

This year, 927 of the broadcasts originated in nerve centers of the Old World, the vast majority of them coming after announcement of the Berlin-Moscow non-aggression pact burst upon a startled world in mid-August.

The many days that Columbia stayed on the air on a 24-hour basis during the crisis, plus the fact that ever since then the network has opened an hour earlier and closed an hour later, added almost 4,000 hours of broadcasting time for the year as compared with 1938. The figures for 1939 are 10,398 hours for 31,449 broadcasts; for 1938, 6,662 hours and 19,074 broadcasts.

Inauguration of an international commercial short wave broadcasting service, installation of a steerable antenna which can be focused on either Buenos Aires or Rio de Janeiro by throwing a switch, and increase of program service below the Equator by three and a half hours daily were outstanding accomplishments of the National Broadcasting Company's international division during 1939.

The new service offered by NBC operates sixteen hours daily over WRCA and WNBI. It is designed primarily to cover the 20 Latin American republics with programs in Spanish, Portuguese and English, beginning at 12:00 Noon, and running until 1:00 a.m., EST. In addition there will be made available to advertising sponsors a day-time European program service beginning at 9:00 a.m., and running until 4:00 p.m., in English, French, Italian and German. These commercial programs will be supplemented by the usual extensive schedule of sustaining broadcasts.

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The year 1939 was marked by an increase of 23 percent in special features, spot news, talks and sports broadcasts heard over WOR, key station of the Mutual Broadcasting System. It also will mark the fifth anniversary of the special feature division, begun in 1935 by G. W. Johnstone, director of public relations and special features.

More than 1005 spot news, talk and special features programs will have been heard over WOR by January first in contrast to 720 heard over WOR in 1938. Five hundred and twenty-two were broadcast in 1937. Of the 1939 total of 1005, more than 637 were originated by the WOR special feature division. The WOR originations do not include a large number of European originations by Mutual which were handled in one form or another by the WOR staff.

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HUNT FOR \$1,000 TO BE RESUMED BY FCC

The Federal Communications Commission on January 3 will renew its search for a bundle of ten \$1,000 bills which everybody concerned admits existed but everybody denies owning.

Bank records introduced at a hearing have proved the existence of the money -- it was deposited in a trust fund created for construction of WSAL at Salisbury, Md.

But of three men immediately concerned, two deny ever having even seen the money. They are James Gum, Washington radio attorney, and Frank Stearns, in whose name the station was licensed.

The third man, Glen Gillette, Washington radio engineer, has testified the money -- in crisp bills -- was handed to him by Mr. Gum for deposit in a trust fund in Mr. Gillette's name.

Mr. Gillette also has testified Mr. Gum later got the money back after deduction of \$1,500 Mr. Gum owed Mr. Gillette and a note signed by Mr. Stearns was substituted. It was then, Mr. Gillette has testified, that he decided to finance the station himself in return for a \$25,000 chattel mortgage.

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::: TRADE NOTES :::  
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The invitations for the wedding of Miss Grace Lucille Carr, daughter of Mrs. Arthur Carr, to Mr. Gail Gray Geddes of Montclair, N. J., have been issued. The wedding will take place January 12, 1940, 8 p.m., at St. Alban's Church, Dr. Charles T. Warner officiating. Mr. Geddes is the son of Bond P. Geddes, executive vice president of the Radio Manufacturers Association, and Mrs. Geddes, of Chevy Chase, Md. Miss Carr attended National Cathedral School for Girls and was graduated from Meredith College, Raleigh, N. C. Mr. Geddes was graduated from Dartmouth College and received his master of commercial science from the Amos Tuck School of Administration and Finance. He is a member of the Sigma Nu social fraternity and Phi Beta Kappa honorary fraternity.

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Sam Luber, trading as Dearborn Sales Company, 711 South Dearborn St., Chicago, has been ordered by the Federal Trade Commission to cease and desist from use of lottery methods in the sale and distribution of merchandise to ultimate consumers. The company, selling and distributing radios, coffee sets, and other merchandise, also distributed to the purchasing public devices commonly known as pull cards, with certain literature, instructions and order blanks through which merchandise was to be sold to ultimate purchasers by means of lottery methods.

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George S. De Sousa, treasurer, has been elected vice president and treasurer of the Radio Corporation of America. Mr. De Sousa has been treasurer of RCA since its formation in 1919, and prior thereto was an officer of the Marconi Wireless Telegraph Company of America, the predecessor company to RCA.

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## 1939 RADIO'S GREATEST YEAR, SAYS SARNOFF

According to David Sarnoff, president of the Radio Corporation of America, "Radio in 1939 has had its greatest year".

"More than 9,000,000 radio receivers have been sold. More radio sets are in use in the United States than in all the rest of the world combined. With 45,000,000 receivers in American homes and automobiles, radio has become an integral part of our national life.

"The first public service of television programs, adding sight ~~to~~ sound, was introduced in the United States in 1939, by RCA's broadcasting service, the National Broadcasting Company. It marked the triumph of many years of radio research and technological advance. It represents a pioneering effort of the first magnitude. Those who predicted that the introduction of television would retard radio progress have been poor prophets of the year's amazing results in sound receiver sales.

"American-owned radio communication services, vital to our national defense, have maintained direct contacts with all nations, belligerent and neutral. In 1914 these radio services were non-existent, and our communications were at the mercy of the countries which controlled the cables. Today direct radio circuits connect the United States with 51 countries, and no intermediate censorship is possible. Our radio communication facilities guarantee the freedom of our communication lanes for the flow of international messages and in the interests of American trade.

"More than 750 broadcasters, operating either locally or in conjunction with national and regional networks, sold more time over their facilities to sponsors, than they did in any previous year since broadcasting began. This furnishes the economic base for our free American system of broadcasting.

"The war, and its threat to the neutrality of the Western Hemisphere, put the American system of free and private enterprise in radio to the acid test. American broadcasting met that test, American radio told the truth to its listeners at home and throughout the world. Its short-wave broadcasts were almost the world's only free, factual, and uncensored sources of radio news.

"Employment has risen in the entire radio industry, and the industry is paying higher wages to workers, musicians, artists and performers. It is estimated that radio gives employment to 400,000 people in the United States, with an annual payroll in excess of \$500,000,000.

"Looking ahead, I believe that 1940 will be a year of even greater importance than the year just ending. Two factors alone should insure a year of eager and unflagging public interest in broadcasting. One is the international situation. The other is the presidential nominations and election in the United States.

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"In all history, no other industry ever crammed so much amazing progress into one 20-year span. But the far-reaching developments, which are now the subject of investigation and experiment in the radio research laboratories, already indicate that the progress of the next two decades will surpass the achievements of the last two -- in the birth of new miracles of radio science, and in the building of new highways of public service."

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#### G. E. OFFICIAL SEES BOOST IN RADIO SALES IN 1940

The broadcast receiver business should show considerable improvement next year, due to the European war and the presidential election, in the opinion of Dr. W. R. G. Baker, of the radio and television department of General Electric Co.

"Unless something occurs to impair seriously consumer purchasing power, the broadcast receiver business should show an improved trend in 1940 due to the European situation, plus the usual increase in consumer interest in a presidential year," he said.

"An increase in the number of television transmitters, program improvement, and perhaps a decrease in the list prices of television receivers may stimulate the television field. The increased scope of operations for transmitters and tubes, in addition to continued governmental activities forecasts an improvement for these product lines in 1940."

Reviewing the past year, Dr. Baker said: "During 1939 consumer purchases of radio receivers were seriously affected by two factors. The first - the introduction of television service in New York City - resulted in depressing the entire national market. Consumer reaction to the great amount of publicity on television, plus the opening of the New York station, made it difficult to convert the potential purchaser of a radio receiver into an immediate buyer.

"To offset this condition, the public has been offered, in 1939, the greatest dollar value in the history of the industry. In addition, the consumer was gradually educated, not only in the limitations of the existing television service, but also as to the near future possibilities of television on a national basis.

"Television is still an engineering achievement and a commercial enigma. The actual sales of television receivers have been extremely limited. Many reasons have been advanced and all are undoubtedly correct to a degree. Some of the causes advanced for the negligible consumer acceptance so far as purchases are concerned, are the limited program hours, the type and quality of programs, the list prices of receivers, and the relatively short trade discounts as compared to radio.

"Nevertheless, and in spite of the limited sales, it is the general opinion that the New York experiment has demonstrated that television service can be rendered over the area originally estimated, and that given acceptable programs, such service provides real entertainment value and opens up new educational possibilities.