

NBC Disk Service Purpose Explained

Net Aims to Help Stations Sell Local Advertisers

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Mr. Egner

ONE of the controlling reasons why the National Broadcasting Company entered the electrical transcription field was to make available to stations associated with it our extensive programming resources to help in the sale of their facilities to local advertisers. We have during the last three months interviewed and corresponded with nearly 100 stations in a position to know local program requirements. The information so obtained has been carefully studied and is the basis of the "NBC Syndicated Recorded Program Service" just announced. It can, therefore, be said that this service has been designed to meet the station's problems.

The programs are prepared and supervised by the NBC program department. Frank Chase, writer and producer of many popular network shows is now devoting his entire time to the production of recorded programs and will, with the cooperation of our entire program department, insure that the entertainment value of our syndicated programs will add to the prestige of the stations broadcasting the service.



Mr. Chase

Features of Service

THE MECHANICAL quality of the recording is of the present high order achieved on the new RCA Victor recording system, which has received considerable praise from radio stations for its lifelike reproducing quality and freedom from the surface noise which detracted so much from earlier recordings. Our syndicated program service will have the following features:

Each program series (they will be released in series of 13, 26 or 52 15-minute units) will be as completely programmed as if it were to be for a network client. In other words they will be designed to sell a sponsor's product or service.

While each program will contain announcements appropriate to the program material, these will in no way conflict with local announcements for which approximately two minutes will be allowed in each 15-minute unit.

Many of the series will be designed to permit the use of two or more units in a single broadcast in order to accomplish a half hour or longer broadcast.

No program may be broadcast more than once by the same station and the service will be exclusive within the primary trading area of the station using it.

The programs will be sold to

stations on a flat price basis for each series and at a cost low enough to make them attractive to local sponsors. They may also be used by the stations as sustaining programs.

Sponsors to Have Choice

IT IS PLANNED to have several series currently available at all times so as to give sponsors a choice of programs.

Samples have been sent to the stations of the first series entitled "Moments of Melody," which is a bright musical show of selections by Victor Herbert, Romberg, Mendelssohn, Dvorak and other foremost composers of the traditional folk music of the world. The music was especially arranged by Frank Blake and the recorded announcements are by Alwyn Bach.

Several other series are now in preparation and will be announced shortly.

PURE OIL Co., Chicago, on July 5 started "Pure Oil Revels," a weekly half hour variety show on WSM, Nashville, Thursday nights, 26 weeks.

CBS Defends Radio From Accusations That Advertisers Dominate Programs

Seventy Per Cent of Network's Time Non-Commercial; Explains Attitude on Educational Broadcasts

UNDER the title *Sixteen Hours a Day*, the CBS sales promotion department has issued an analysis of the manner in which the network's time was utilized in 1933; and, although the booklet is intended primarily as an exposition of facts, it contains a number of statements which are pertinent to some of the frequent criticisms of broadcasting.

Without specifically addressing the advocates of government operated radio, who allege that U. S. broadcasting is dominated by advertisers, it is brought out that 70 per cent of the network's annual program time is devoted to non-commercial features.

The following quotations are particularly relevant to the agitation for operation of radio stations exclusively by educational and religious institutions: Columbia "prefers not to duplicate or compete with the work of the university, laboratory, lecture platform or classroom, but rather to supplement these established and existing mediums. The very concept of this policy, necessitated by the use of a new medium, demands a more dramatic viewpoint in the educational approach.

"Characters of history must live again. Science must be heard not as abstract phenomena, but as an answer to the daily needs of the average man as he goes about his tasks. Classic literature must be presented as living expression of today's thought in yesterday's imagery. Geography must be not a mere description, but an actual experience of the world. Finally, these programs must have for the listener such dramatic meaning in his own life, such an apparent application to his problems, that he listens to them as avidly as to entertainment. Indeed, the height of achievement in creating educational programs may be regarded as reached when they are not readily distinguished by the listener from

Carpenter Goes to WHK; Howlett to Watch Tower



Mr. Carpenter

HARRY K. CARPENTER, since 1928 general manager of WPTF, Raleigh, N. C., has been appointed manager of WHK, Cleveland, effective July 23, succeeding M. A. Howlett, president and general manager of the station. Mr. Howlett will return to his former work with the Watch Tower Society, headed by Judge Rutherford, and will make his headquarters in New York. He had headed WHK for eight years. Control of WHK along with WAU, Columbus, about a year ago passed from Mr. Howlett and his two brothers to the *Cleveland Plain-Dealer*.

Mr. Carpenter was formerly manager of WEAR and WTAM, Cleveland, and has been closely identified with activities of the NAB. He came into radio in 1926 from the Goodyear Tire & Rubber Co., Akron, which formerly operated WEAR.

Dill's Choice Is Not To Run for Senate Still Undecided on Whether To Start News Service

ANNOUNCEMENT was made in Seattle July 11 by Senator C. C. Dill (D.), of Washington, co-author of the Communications Act of 1934, that he would not be a candidate for reelection this fall.

Senator Dill repeatedly had told his friends and associates that he probably would not run again, but he said he would hold in abeyance his final decision until after Congress adjourned. In June he informed BROADCASTING that if he decided to retire from public life, he might organize a nation-wide radio press association to furnish news to broadcasting stations.

Whether Senator Dill still intends to organize a radio press association could not be immediately ascertained. He is a former newspaper reporter and for several years has been giving serious thought to such an organization. More recently he has stated that he was not in sympathy with the existing press-radio "program" whereby two 5-minute news flash periods are furnished by the press associations to stations and networks daily.

Another possibility, should Senator Dill forego the radio press idea, is that he will be appointed next year to a place on the Federal Communications Commission. He vigorously denied that he was a candidate for any federal post when asked about such a report recently, declaring then that if he desired to remain in public life he would seek reelection to the Senate.

In his statement announcing his decision to retire from public office, Senator Dill said: "I am tired of public life. I want to live more in Washington, D. C."

KOA Dedicates 50 Kw.

KOA, Denver, is the newest 50,000-watt station to go on the air, dedicating its new transmitter July 7 with a 90-minute program over a nation-wide NBC-WEAF hookup. KOA was one of the original stations to secure 50 kw. in the high power grants of the Radio Commission. Its new transmitter is housed in a modern structure 12 miles east of Denver. Speakers on its dedication program were M. H. Aylesworth, NBC president, a former Denver resident, and Gerard Swope, president of General Electric Co., for which company NBC operates the station.

WTAR Joins the NBC

WTAR, Norfolk, Va., severed its connection with CBS and joined the Southeastern network of NBC with a special inaugural broadcast the night of July 6. It is now listed on NBC rate cards at \$190 an hour, \$120 a half hour and \$74 a quarter hour, with half these rates for day time. The station, managed by Campbell Arnoux, is owned and operated by the *Norfolk Ledger-Dispatch* and *Virginian Pilot*. It is represented nationally by Edward Petry & Co.

JUDGE E. O. SYKES, chairman of the new Federal Communications Commission, will explain its functions in a talk over a CBS network Aug. 3, 9:45-10 p. m., EST.

An Analysis of Markets in Radio Homes

CBS Report Shows Radio Covers the Higher Price Fields Better Than Magazine Groups and More Evenly

LAST YEAR'S CBS publication *The Vertical Study* of income levels in radio-owning homes brought out that manufacturers of commodities whose purchase price limits their market did not know what proportion of their market lay in the respective income classes. For 12 specific industries, and for 20 classes of articles, this information has now been supplied.

Hammering home the message that radio broadcasting offers the advertiser a mass market that is composed of a number of class markets, CBS has issued an analysis of *Markets in Radio Homes, by Income Levels and Price Levels*. This survey extends to higher priced commodities the principles which were applied to convenience goods by Prof. Robert F. Elder, of the Massachusetts Institute of Technology, in 1932.

In Prof. Elder's measurement of radio's effectiveness the "behavioristic" method was employed, and as it applied only to goods frequently replaced, the study was necessarily limited to lower priced commodities. This led to the erroneous idea that CBS, in issuing the study, subscribed to the contention that radio's effectiveness is limited to the field of low-priced articles. In the current study it is stated: "We hope that this report will not raise the opposite assumption because it deals entirely with higher-priced commodities. Or if it does, we hope the two reports will neatly cancel out each other's misinterpretations."

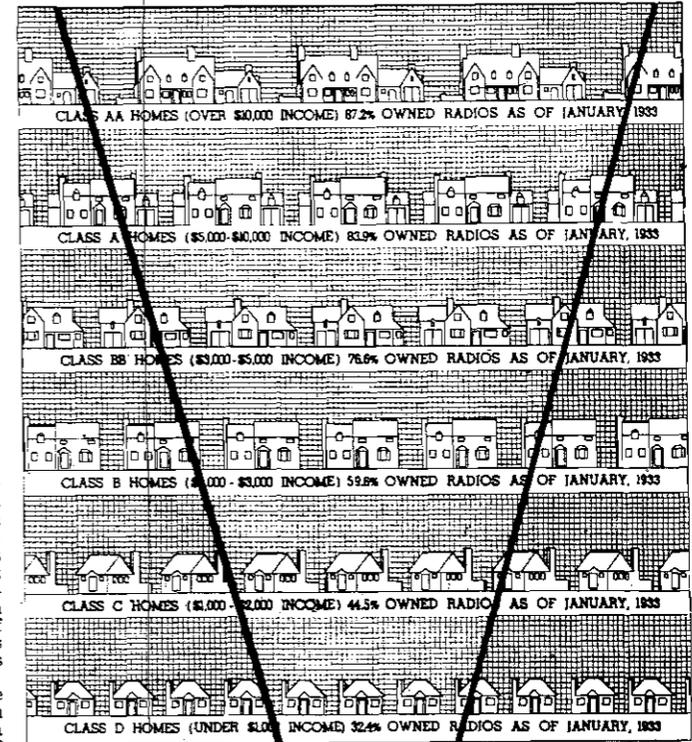
For the first time, analyses are presented of the income levels in which purchasers are found for a number of articles priced from \$10 to \$10,000. The breakdown by income levels begins with families receiving less than \$1,000 annually, and ends with those receiving more than \$10,000. Markets for which statistics were obtained are for the following commodities: electric refrigerators, electric washing machines, electric vacuum cleaners, life insurance, sterling silverware, plated silverware, automobiles over \$3,000, automobiles between \$2,000 and \$3,000, automobiles between \$1,000 and \$2,000, automobiles under \$1,000, paints and varnishes, women's shoes over \$10, men's shoes over \$10, women's shoes under \$10, men's shoes under \$10, men's suits over \$50, men's suits under \$50, watches over \$25, watches under \$25, and cameras.

Classification of Homes

COMPARISON is afforded of a variety of different factors. The basic element of the entire study is the chart showing the division of American homes by income classifications. This shows 2.7 per cent of the population in class AA homes, with an income of more than \$10,000 annually, and so on, which can best be set out in the following table:

	Families	Pct.
AA (Over \$10,000)	808,644	2.7
A (\$5,000-\$10,000)	2,591,760	8.7
BB (\$3,000-\$5,000)	4,383,685	14.7
B (\$2,000-\$3,000)	8,709,876	29.1
C (\$1,000-\$2,000)	8,568,573	28.6
D (Under \$1,000)	4,842,915	16.2

Radio Homes Classed by Income Levels



Then, as a result of the superimposition upon these figures of the data obtained from manufacturers and dealers in the current survey, Columbia shows what percentage of the market for a given commodity lies in each income bracket. For example, in the case of the market for women's shoes priced over \$10, 59 per cent lies in class AA homes; 26 per cent lies in class A homes, and 15 per cent in homes from class BB to Class D.

Finding Radio Homes

THE NEXT STEP from this is to determine what percentage of the market lies in radio homes (as distinct from just homes as in the above figures.) This is done by superimposing on the figures just mentioned the percentages of radio ownership in the several income classes. Since 87.2 per cent of class AA homes has radios, the 59 per cent of the market in class AA homes becomes 51 per cent of the market in class AA radio homes; by applying the correspond-

ing appropriate percentages to the other income grades, it is found that 22 per cent of the market lies in class A radio homes, and 11 per cent in radio-equipped homes in the lower income brackets. The total is 84 per cent—in short, 84 per cent of the entire market for women's shoes priced over \$10 lies in radio homes reached by CBS.

The findings set forth above relate to radio alone, and would have a real value for both the broadcaster and the advertiser if there were nothing more than these comparisons for the 20 articles covered by the study. But the survey goes further. It then compares these percentages of coverage by the network with the corresponding percentages for a "typical" weekly magazine, for a typical monthly magazine, and for a combination of 10 class magazines.

Still studying the market for women's shoes, it is found that only 22 per cent is reached by the weekly magazine, 20 per cent by

the monthly, and 30 per cent by the class magazines.

An analysis of the table reproduced herewith shows that while the percentages of market coverage by the network range from 84 per cent in the case of high-priced women's shoes and 86 per cent for automobiles over \$3,000, down to 60 per cent for electric washing machines, the range in the case of the magazines is infinitely lower—and wider. For the weekly, it extends from 24.5 per cent for automobiles over \$3,000 down to 9.6 per cent for electric washing machines; for the monthly from 22 per cent for autos over \$3,000 down to 8.5 per cent for washing machines, and for the class magazines, from 37 per cent for the expensive autos down to 5.7 per cent for washing machines, 6.2 per cent for vacuum cleaners, and 6.9 per cent for refrigerators.

It will be seen from the right-hand column of this table that the percentage of radio coverage in each market tends to increase as the price of the commodity increases. This is in harmony with the fact that a higher percentage of class AA homes is radio-equipped than in any other class of home. Another basic trend, and one more vitally interesting to broadcasters and their clients, is that the spread between radio's coverage and magazine coverage widens in the lower priced commodity brackets.

To illustrate the last point: the highest priced automobiles show a spread of three to one, taking radio as 86 per cent, and the average for the three magazine classes only 28 per cent. (The average for these three does not appear in the table.) Then in the case of the washing machines, radio's coverage is 61 per cent, while that of the average among the magazine classifications is less than 8 per cent, leaving a spread of more than seven and a half to one. In the extreme case, that of class magazines, the spread has widened to more than ten to one.

More Even Coverage

IN OTHER WORDS, radio not only covers the highest priced market more effectively than the other media listed, but it also gives a much more even coverage of the entire market than the magazine groups.

Value of the survey's findings to manufacturers and dealers is attested by a quotation from a letter written by the research director of one of the corporations queried for information: "If we could have such information for our industry at large, and if we had corresponding figures for our own sales, we would have for the first time a factual basis for planning our marketing strategies. It would key our judgment all along the line—in appointing dealers, in the physical location of our retail outlets, in the kind of advertising copy that we use, and in the choice of media to carry that copy."

Another reply, from an advertising manager, stated: "We are gathering just the information that you ask for, about our own sales. . . . We expect to redesign our product and key its appearance to the class of people who represent

Coverage of Each Income Class by Media

ADVERTISING MEDIUM	Class AA	Class A	Class BB	Class B&C	Class D	Total
Columbia Network	87.2%	83.9%	76.6%	52.1%	32.4%	56.2%
"Typical" Weekly Mag.	25.6%	21.1%	12.7%	5.3%	2.2%	7.8%
"Typical" Monthly Mag.	23.9%	16.9%	10.1%	5.4%	2.1%	7.0%
10 Class Mag.'s Combined	43.9%	12.4%	4.2%	1.3%	2%	3.7%