

HEINL RADIO BUSINESS LETTER

INSURANCE BUILDING

WASHINGTON, D. C.

ISSUED TWICE A WEEK AND CONTAINING THE LATEST INFORMATION REGARDING THE RULINGS OF THE FEDERAL RADIO COMMISSION, RADIO LEGISLATION, DEPARTMENT OF COMMERCE REGULATIONS, CHANGES IN WAVELENGTH, CALL LETTERS AND POWER, PATENTS, EXPORTS, FEDERAL TRADE COMMISSION RULINGS AND OTHER MATTERS OF INTEREST TO BROADCASTERS AND MANUFACTURERS. :: :: CONFIDENTIAL—NOT FOR PUBLICATION ::

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Note - A second section containing Commission decisions, etc.,
is being sent to subscribers under separate cover.

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EDITOR SEES RADIO COMPLEMENTING NEWSPAPER

In an interview in the Editor and Publisher, of New York, for October 18th, A. H. Kirchhofer, Managing Editor of the Buffalo News, in charge of the new station WBEN, owned and operated by the News, said:

"We regard radio as a complement, rather than a competitor, of the newspaper, both from a news and an advertising standpoint. Ownership of a station by a newspaper, we believe, is the best way to obtain the largest measure of results from this complementary relation, and to assure that the interests of the community are served completely and unselfishly."

Speaking of news broadcast and the broadcasting phase of the situation, Mr. Kirchhofer continued:

"There is intense interest in broadcasting of sports results and it cannot be better served by the newspaper than by broadcasting of the summary, or in the case of the World Series and such events, a running play-by-play story."

"Regular broadcasting of routine news is of doubtful interest to the public and equally of dubious use to the newspaper, in Mr. Kirchhofer's opinion, but the flash by radio of information like the death of Chief Justice Taft or the progress of epoch-making aviators is eagerly awaited by radio listeners and does not make them less enthusiastic readers of the newspaper, with its ampler, cooler narratives of the event."

"That illustrates the complementary nature of radio to the newspaper", Mr. Kirchhofer declared. "The radio gives the first dramatic picture. The newspaper makes it a finished product, picking up the major details that the radio reports have to pass over or skim, telling the detailed story of human achievement or human suffering that every newspaper reader wants to learn."

"On the advertising side, the radio gives the advertiser another entrance to the mind of his customer, another chance to lift his service or product out of the mass laid before the consumer by the printed newspaper page."

Has \$100,000 Invested In Plant

Local programs are being developed on WBEN both for the use of local advertisers and as sustaining features.

"In the daily programs listing local as well as net-work programs, the News uses the complete title, with sponsor's name on national programs which by their interest for the public have created a news value for their specific identity. In local programs, the names of sponsors have not been published, on the ground that

they have not created in the public mind the news value of association with a specific organization. This rule has not been broken, Mr. Kirchhofer stated, in the case of any local firm, no matter what its advertising relations have been with the Evening News.

"Upwards of \$100,000 has been invested in equipment and early organization of WBEN, with no expectation of immediate profits. Eventually, the News management believes, if the station continues to hold and increase its present measure of public approval, it will be at least self-sustaining and possibly a producer of revenue as well as of goodwill.

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CHICAGO RADIO SHOW OPENS

Representative Fred A. Britten, of Illinois, was to be the guest speaker Monday night at the formal opening of the Ninth Annual Radio Show at the Chicago Coliseum. The show will continue all week.

Preliminary reports on the show were that the million dollar display of receiving sets and accessories was designed to appeal to the eye as well as to the ear and, like the new automobiles, was intended to attract feminine patrons particularly.

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RADIO EXPORTS FOR AUGUST

Radio receiving sets exported from the United States in August totalled 19,806 with a combined value of \$904,967, according to the Department of Commerce tabulation, just released. Canada was still far in the lead of all buyers.

Exports of receiving set tubes numbered 196,970, with a value of \$237,475, while loud speakers totalled 24,368 and were worth \$142,047.

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DISCUSSES CRYSTAL CONTROL VARIATIONS

The following is an extract of an article by James K. Clapp, "The Frequency Stability of Piezo-Electric Monitors" which appears in the October issue of The General Experimenter published by the General Radio Company, Cambridge, Mass.:

". . . The variations of the crystal-controlled transmitter are in general much less than those of the usual tuned-circuit master oscillator, but under extreme conditions the variations may be as great. It is a disappointing, but nevertheless true conclusion that implicit faith in 'crystal control' as the answer to every problem of frequency stability must give way to a modified view which will necessarily involve the application of more complex methods."

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SUPER-POWER HEARINGS CONCLUDED

With the conclusion of the super-power hearings on last Thursday, the 25 applicants for the maximum power are wondering what will be the action of the Federal Radio Commission in view of the preponderance of testimony in favor of opening all the 40 cleared channels to 50,000 watt stations.

Although Dr. C. B. Jolliffe, Chief Engineer of the Commission showed no signs of relenting as the Fifth Zone sessions ended, there is still a strong belief that the Commission will be compelled to modify its limitation policy at a later date if not immediately. Should the order be adhered to, only seven or eight of the applications could be granted.

The last case of the Fifth Zone to be heard was that of Station KSL, of Salt Lake City, operated by Mormon interests, which desired to raise its power to the maximum from 5,000 watts in order to gain a larger audience.

The chief difference of opinion between the commercial radio engineers testifying throughout the five weeks of hearings and that of the Radio Commission appeared to be over the technical progress of broadcasting. The former held that instead of interference resulting from an extension of high power better reception would be effected. Some even contended that stations with 200,000 or 300,000 watts power should be licensed.

In concluding the hearings, Dr. Jolliffe read into the record the same statement that he had recited at the previous four zone hearings. Reciting the station line-up by radio zones, Dr. Jolliffe said that in the first or Eastern Zone, Stations WGY and KGO, Oakland, Calif., are assigned jointly to one cleared channel with the former using the maximum power; Station WTIC, at Hartford, is using the maximum, dividing a cleared channel with Station WBAL in Baltimore, while Station WEAJ, New York, is operating full time with 50,000 watts on a cleared channel and Station WABC, New York has a construction permit.

In the Second or East Central Zone, Stations KDKA, Pittsburgh, WTAM, Cleveland, and WLW, Cincinnati, are operating with the maximum, and there are no construction permits outstanding leaving one vacant 50,000 watt channel assignment, he said.

The Third or South Zone has two vacant channel assignments, with only Stations WOAI, at San Antonio and Stations WFAA, Dallas, and WBAP, Fort Worth, authorized to use the maximum. The two Texas stations, however, divide time on the same channel.

In the Fourth or Middle Western Zone, there also are two vacant assignments, Stations WENR, at Chicago, and Station KMOX, at St. Louis, are operating with the power, while Station WLS, Chicago, which divides time on the same channel with WENR, has a construction permit for the maximum power.

The Fifth or Pacific Zone has no 50,000 watt stations in operations but two stations KFI, Los Angeles, and KNX, Los Angeles, both have construction permits, thus leaving two vacant assignments.

Summing up, Dr. Jolliffe said that there are 10 stations in the country operating with the maximum power, that five have construction permits, and that seven frequencies are opening. By virtue of time divisions, under the Commission's order, the way is open to increase the number of maximum power stations to about 23.

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13,478,600 RADIO SETS IN NATION.

There were 13,478,600 radio receiving sets in the United States on July 1st, according to an estimate based on trade figures by the Department of Commerce.

New York leads the list of States with 1,752,000 sets, while California was second with 1,470,000. The total estimate compares with 11,500,000 for January, 1930, and 9,500,000 in July 1929.

The estimated number of sets in each State follows:

Alabama, 87,700; Arizona, 46,600; Arkansas, 90,500; -
California, 1,470,000; Colorado, 173,000; Connecticut, 219,000;
Delaware, 29,000; District of Columbia, 105,000; Florida, 124,000;
Georgia, 111,000; Idaho, 42,000; Illinois, 1,060,000; Indiana,
348,000; Iowa, 310,000; Kansas, 195,000; Kentucky, 92,000;
Louisiana, 121,000; Maine, 80,000; Maryland, 115,000; Massachusetts,
656,000; Michigan, 627,000; Minnesota, 239,000; Mississippi, 48,000;
Missouri, 433,000; Montana, 54,000; Nebraska, 203,000; Nevada,
23,000; New Hampshire, 47,000; New Jersey, 453,000; New Mexico,
28,000; New York, 1,752,000; North Carolina, 92,000; North Dakota,
61,000; Ohio, 845,000; Oklahoma, 182,000; Oregon, 219,000;
Pennsylvania, 977,000; Rhode Island, 111,000; South Carolina, 44,000;
South Dakota, 77,000; Tennessee, 104,000; Texas, 364,000; Utah,
72,000; Vermont, 45,000; Virginia, 114,000; Washington, 351,000;
West Virginia, 86,000; Wisconsin, 322,000; Wyoming, 32,000.

Hereafter the Census Bureau, instead of the Electrical Division of the Commerce Department, will gather the quarterly radio statistics. The radio survey has been conducted by the Electrical Division and the National Electrical Manufacturers' Association since October 1, 1927.

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"THE RADIO DECADE"

With a foreword by David Sarnoff, the Radio Corporation of America has issued a handsome 42 page book, "The Radio Decade" tracing the history of radio from 1920 to 1930.

"The year 1920 was important to the Radio Corporation of America because it marked the beginning of that company's work", Mr. Sarnoff says in his foreword. "On the early morning of March 1, 1920, immediately after the return of the high power stations that had been under Government control during the World War, the Radio Corporation of America sent its first message across the Atlantic. This service, founded upon the Alexanderson alternator, which had been built after much effort by the General Electric Company, has extended to every continent and to vessels sailing every sea.

"The year 1930 is also important to the Radio Corporation of America. It marks the beginning of that company's work as an active manufacturing organization, with unified research facilities and its own manufacturing plants. RCA has centralized its efforts and prepared for the greater service of radio it anticipates in the decade ahead.

"This booklet is issued on the occasion of this unification, and to commemorate the anniversary of the oncoming of radio a decade ago. It is something in the nature of a report on undertakings and accomplishments, prepared in the hope that it may bear evidence of the fidelity with which RCA has endeavored to bring to radio the full measure of public usefulness, and in recognition of the encouragement and assistance of the people of the Nation, who have made possible the development of this great art."

Entire Radio Field Covered

All phases of the service of radio are covered in the book whose chapters include Marine Radio; Communications; Sound Pictures; Research, Engineering and Manufacturing; R.C.A. Institutes; Broadcasting; and a description of the Entertainment and Cultural Center to cost \$250,000,000 to be financed by John D. Rockefeller, Jr., and built in New York City on Fifth Avenue opposite St. Patrick's Cathedral.

"We can obtain a rough measure of what has been done with American radio when we compare our own position with that of foreign nations in broadcasting, in communications, or in the kindred developments of the art", the conclusion of the book reads. "The Radio Corporation of America is owned by 60,000 stockholders. The number has increased from 25,000 in April, 1929. Nothing is better evidence of the confidence of the small investor in the future usefulness of this company to the American public. Stockholders of R.C.A. reside in every State of the Union."

The text of the book was written by Glenn I. Tucker of the Washington office of the Radio Corporation, while the art director of the publication, the one who selected the illustrations, the typography, etc., was Owen Culbertson, of the New York office of the Radio Corporation.

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SHORT-WAVE RADIO BECOMES USEFUL TO AGRICULTURE

The following statement has just been issued by Commissioner Harold A. Lafount:

"The use of short-wave radio in distribution of market news for farmers has proved to be of distinct value in experiments conducted in California during the past year. The Federal Radio Commission set aside three frequencies two years ago and authorized the California State Department of Agriculture, which cooperates with the Federal Department of Agriculture, to use these short waves experimentally. The short waves which were set aside were the following: 3200, 4244, 5365, 8810 and 10010 kc.

"The Federal State Market News Service equipped eight stations in California with short-wave receiving and sending outfits, and has used these to gather and disseminate information for farmers on shipments, prices, etc. This short-wave service provides an effective means of communication between strategic points within the State, supplementing and strengthening the broadcasting over the general broadcasting stations.

"The short-wave stations interchange information in telegraphic code and the information is rewritten into announcements which are broadcast by voice at several points in the State.

"The Federal Market News Service has for several years used leased land wire only for communications between its 59 stations throughout the country. The possibilities of use of short-wave communication within a State have only been considered within the last year or two. The experiments in California indicate that short waves could be used in other parts of the country to connect various field stations with the Federal system, thereby placing marketing information more promptly in the hands of farmers. The Department has sought a method of communication to be used with field stations which provided greater speed and flexibility than wire communication.

"The variety of material which is communicated to farmers and traders by such a service is indicated by the following statement before the Commission by a representative of the Federal State Marketing News Service:

"In giving farmers a correct picture of current market conditions speedily and in an authentic way, there is presented by radio timely information including the following facts: Volume by grade in the consuming markets; market activity; the origin of

supplies; condition of the commodities as they arrive; how the various products are meeting market preferences; weather conditions in the various markets and at shipping points; supplies in transit from other areas; stocks on hand; prices being offered, both in producing sections and in the terminal markets; condition of the crop; number of cars ordered; availability of harvest help; and other pertinent and necessary information.

"The daily market reports on important perishables such as are produced in California and which are furnished through our present system, show carlot shipments made each day from producing sections, destinations, diversions, arrivals, and supplies on the markets, the quality and condition of receipts and prices paid in terminal markets and at points of origin."

"The use of short wave was described by G. H. Heckos, Director of Agriculture for California as follows:

"In the assembling of this information and in its speediest dissemination, a net-work of short-wave stations complete a most vital link in the entire chain of the machine.

"Of the five frequencies allocated to this service and now available for our use, the 10010 kilocycle channel is not being used in this State, because this channel is best suited for distance of 1000 miles or more for daylight contact. The 4244 and 3250 kilocycles channels are suited best for night communication. The 8810 kilocycle channel is used between our San Francisco, Los Angeles and Brawley stations. The 5365 kilocycle channel is used between the Sacramento, San Francisco, Modesto, Fresno, Salinas, Los Angeles and Santa Maria stations.

"We believe the radio has advantages over any of the other communicating systems from the standpoint of flexibility, speed and accuracy. Flexibility from the standpoint that we can cut out or place into the system different stations practically at will."

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COURT ORDERS KOLSTER SALE

The Kolster Radio Corporation of Newark, which was placed in the hands of receivers last January, will be sold as a going concern to S. P. Woodard & Co., Inc., of New York, under a plan approved by Vice Chancellor Alonzo Church in Newark. The agreement is subject to the approval of the Courts of Delaware, one of the affiliated companies was incorporated there.

Opposition to the plan of sale was expressed by owners of fewer than 1,000 shares of preferred and common stock.

Under the plan the Woodward group will put \$4,500,000 in the company and will take over all its assets and liabilities.

The company will be reorganized and 5,000,000 shares of common no par value stock issued, with no preferred. Holders of common stock, of which 825,000 shares are outstanding, will receive one share of new stock for three shares of old. Preferred stockholders, holding 100,000 shares, will receive one of the new shares for two old preferred shares held. In effect the present stockholders will receive 325,000 shares in the reorganized company.

George Furst, counsel for the receivers, told the Court that while preparations for several plans of reorganization had been reported, none but the Woodward bid had actually been offered and that unless something was done about it, the receivers must either operate the business in competition with other manufacturers or ask to liquidate it. He said nothing would be left for the stockholders if the business was liquidated.

Merritt Lane, representing Mr. Spreckels, also warned that nothing would be left for the stockholders if the company was sold in liquidation. The common stockholders protective committee, representing 180,000 shares, endorsed the plan.

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AYLESWORTH DISCUSSES SYNCHRONIZATION WITH COMMISSIONERS

After a discussion, which lasted for more than an hour and a half behind closed doors, at which were present all the members of the Federal Radio Commission, Merlin H. Aylesworth, C. W. Horn, Frank M. Russell, Dr. C. B. Jolliffe, and Col. Thad Brown, copies of the following letter were given to the press by Mr. Aylesworth:

"I am gratified to inform you that synchronization in the field of radio broadcasting is now out of the laboratory. Experiments and tests which we have been conducting have definitely demonstrated that from a technical standpoint at least, it is now possible to operate two or more stations on the same radio frequency without distortion.

"I am making my first preliminary report on synchronization to you as Chairman of the Federal Radio Commission (letter was addressed to General Saltzman), as an expression of my sincere appreciation for the patience you have shown in the working out of a highly technical problem, and for the hearty cooperation which you have extended at all times. In addition, I believe that in the practical application of synchronization a definite responsibility must be assumed by the Federal Radio Commission, in order that its development will be constructive and its ultimate good will accrue to the best interests of the entire country.

"Synchronization is a 'system' rather than any particular apparatus. This fact, together with the conditions under which the experimental work was conducted, makes it impossible for any particular group to assume control or to reap benefits of a selfish nature. If synchronization will ultimately contribute to the solution of some

of the problems facing the country and the Radio Commission, as I believe it will, this fact alone justifies the expense and the efforts which have been put forth.

"I am particularly impressed with the importance of synchronization in connection with network broadcasting, but the difficulties in this connection must be carefully studied. It will be necessary to try out an experimental group of stations to learn more of the practical activities of synchronization. As the stations on present networks are all individually owned and serve important local interests, as well as national programs, they cannot and should not be operated in synchronism. In fact there are so many limitations in a technical field that synchronization should be allowed to grow gradually, so that its primary purposes and value should not be dissipated by hasty or immature practice or application.

"Our synchronization tests have consumed months of tireless experimental work. They have been conducted by the National Broadcasting Company, with the aid of the Radio Corporation of America, the General Electric Company, the Westinghouse Electric and Manufacturing Company, and with the cooperation of the American Telephone and Telegraph Company. The experimental demonstrations consisted of transmission with high power involving station WEAJ in New York City, and transmitters in Schenectady and Pittsburgh.

"The guiding genius in all of this work has been Mr. C. W. Horn, General Engineer of the National Broadcasting Company, and a pioneer in the field of radio engineering. I am sure you share with me the feeling that Mr. Horn and his able associates have made a far-reaching contribution to the art of radio. In his work Mr. Horn has received the full cooperation of the technical staff of the Federal Radio Commission, and I wish to extend my thanks for the helpful suggestions and assistance we have obtained from Dr. C. B. Jolliffe, your Chief Engineer, with his excellent technical background, as well as that of his associates.

"I desire to be conservative, but I firmly believe we have reached the stage where synchronization of radio stations is possible, and that from now on we will be able to concentrate on refinements and improvements. When completed, I am confident the principles of synchronization can be satisfactorily applied to radio activities other than broadcasting, such as radio communications and television. For the moment, its aspects are largely technical, but I wish to assure you that the result of our work will be made available to the Radio Commission and, through your Commission, to those interested.

"In closing, let me say that the radio interests making this contribution have been inspired solely by a sincere desire to further improve radio broadcasting, which has become such an important factor in the daily life of America."

Mr. Horn said that the process was too technical for a detailed description but that it was based on setting up a group of "booster" stations, connected by wire. These stations would rebuild the power. The principal may be likened to that used in

re-amplification of the voice in long distance telephone conversations through repeater boxes.

Mr. Aylesworth declared that the entire future of synchronization is nebulous, saying:

"We have no plan and have asked the Commission for nothing."

Mr. Aylesworth made it clear that the present members of the networks of the National Broadcasting Company have nothing to fear in the development of this type of broadcasting.

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RADIO LEADERS MEET IN CHICAGO

With a marked seasonal improvement in radio sales generally reported, leaders of the radio industry have gathered in Chicago this week to survey the immediate future market which is regarded as encouraging. The Radio Manufacturers' Association is holding a number of meetings in Chicago beginning Monday coincident with the annual radio show. President Morris Metcalf and Committee Chairmen of the RMA have arranged the meetings.

Merchandising and legislative problems were to be considered Monday by the RMA Merchandising and Legislative Committees; headed, respectively, by R. W. Jackson of the Brunswick Radio Corporation, and C. C. Colby of the Samson Electric Company. On Tuesday there will be a meeting of the radio cabinet manufacturers under the chairmanship of N. P. Bloom of the Adler Manufacturing Company, to consider standardizing and manufacturing problems.

Wednesday there will be meetings of the RMA Credit and Traffic Committees, headed, respectively by Leslie F. Muter of the Carter Radio Company, and J. Clarke Coit of the U. S. Radio & Television Corp., and also a meeting of the radio amplifier manufacturers of which A. C. Kleckner of the Webster Electric Company is Chairman.

The Board of Directors of the RMA will meet early in November to consider various committee reports and policies for the Fall and Winter seasons.

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THE NBC CHICAGO SET-UP

A large radio penthouse has been erected atop the Merchandise Mart in Chicago, housing six new National Broadcasting Company studios, and is described as being "the most scientifically constructed in the world."

The four large studios are called floating rooms, described as a box within a box. Small vestibules with two sets of doors lined with lead, lead to each studio, so that when one door is opened sound from the outside does not carry into the studio. One auditorium is larger than any in the headquarters of WEAJ-WJZ at 711 Fifth Avenue, New York. It measures seventy-two feet long, forty-seven feet wide and twenty-six feet high.

Visitors can watch the broadcasters at the microphone through glass curtains. The climate in the studios is machine-made. The air is washed through water and changed six times an hour. More than two hundred miles of wire are involved in the technical operation of the studios. Sun-ray lamps produce the effect of sunlight.

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STOKOWSKI CUTS BROADCASTING ORCHESTRA

The following comment was made by Robert D. Heinl in his column "Dial Flashes", a syndicate feature in the Washington Post and other newspapers:

It now appears that Stokowski of the Philadelphia Orchestra put something over on the radio audience on his recent broadcast. Instead of giving them his usual orchestra of 110 musicians he only used 54 men.

An excuse for this was that he expected to attain the effect of a larger orchestra through the new device which enables him to direct the orchestra and at the same time control the orchestra tone.

Since the tryout of the device, several have characterized the results attained as pretty much the bunk. It did not seem to us there was the brilliance of the broadcast last year which came from the old Academy of Music in Philadelphia.

Nor was the quality of transmission over an average radio set noticeably better than that of the New York Philharmonia earlier in the afternoon. However, all of that was before the fact leaked out that Stokowski had cut his orchestra in two without saying anything about it.

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