

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 :: :: **CONFIDENTIAL—NOT FOR PUBLICATION.** :: ::

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No. 396

Note to Subscribers: Because New Year's Day falls on Thursday, there will not be another issue of the BUSINESS LETTER Until Monday, January 5. - RDH.

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MEXICAN "OUTLAWS" USE U.S. CHANNELS.

An international conference for the purpose of redistributing the broadcasting channels assigned to North America looms as a result of increasing complaints that Mexican stations are causing interference in this country by utilizing wave lengths assigned to the United States and Canada.

The matter has already been taken up with the State Department by government radio officials, but no definite conclusions have been reached. Under the existing "gentleman's agreement", Canada has exclusive use of six of the 96 channels available to this continent and shares a dozen with this country. Mexico, which was not interested in broadcasting at that time, was not a party to the agreement.

Records of the electrical equipment division show that there are 35 radio stations operating in Mexico now, according to L. D. Batson, but most of them are of such small power that they do not bother listeners in the United States.

The two largest stations are XEW, at Mexico City, operating with 5,000 watts, and XED, at Reynosa, in the Rio Grande Valley, which uses 10,000 watts. They went on the air only a few months ago. Sixteen stations have been licensed by Mexico in 1930, according to Department of Commerce reports. Rumors are that the Mexico City station will soon increase its power to 50,000 watts, the equivalent of any station in this country.

Nine Mexican stations use power of 1,000 watts, or more, according to Mr. Batson, and seven of these operate on channels assigned to the United States while the other two broadcast on a Canadian cleared channel:

Station XEW is operating on 780 kilocycles, according to the Department of Commerce records. This channel is assigned to Station CKY, at Winnipeg, which uses 5,000 watts, and to six regional stations in this country with comparatively low power. These stations are WMC, Memphis; WEAN, Providence; WISJ, Madison; KTM, Los Angeles; WTAR, Norfolk; and KELW, Burbank, Calif.

Ruinous interference would result, it is said, if this Mexican station were to increase its power to 50,000 watts.

The Reynosa station is operating on Canada's cleared channel of 960 kilocycles. A 4,000 watt Toronto station and several low power stations use the channel.

That there is an interest in Mexican broadcasts even in this country is indicated in numerous requests for information received by the Radio Commission. One inquirer, in fact, asks that the United States stations be cut off 780 kilocycles, so that XEW could be heard more clearly in this country.

"The music of this Mexican station is often quite different from that we are wont to hear from our own stations", he said.

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FRAUD ORDER BANS "VEST POCKET RADIO".

The Post Office Department has issued a fraud order against the sale of so-called "vest pocket radios" through the mails by the "World Service Company", of Brooklyn, N.Y., which was found to be merely Edward Rasche, a former vaudeville actor.

Advertisements had been appearing in Mexican newspapers, it was charged, of a device priced at \$5. Upon investigation, the small receiver was found to be practically worthless, according to the report of Horace J. Donnelly, solicitor of the Post Office Department.

The report stated that on the day the fraud order was issued the concern was receiving on the average of 30 letters a day.

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25,000 WATTS FAVORED FOR KFAB.

Chief Examiner Ellis A. Yost, in a report on the application of KFAB, Lincoln, Nebr., recommends an increase in power from 5,000 to 25,000 watts, but would deny the station full time on the 770 kilocycle channel, which it now shares with WBBM, Chicago.

The station is financially able to operate a 25,000-watt transmitter, the report holds, but public interest "would not be served" by granting full time. KFAB has three-sevenths time on the channel.

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ANSLEY ASKS REHEARING ON DENIAL.

Counsel for W. O. Ansley, jr., has filed a motion in the District Court of Appeals for a re-hearing on his application for 1,000 watts, unlimited time on 550 kilocycles, the proposed station to be located at Abilene, Tex., which was denied by the Radio Commission.

Reconsideration of the case, it is said in the motion, will demonstrate that the court inadvertently placed reliance upon an inaccurate statement contained in the brief filed by the commission. The sentence, in the court's opinion objected to, was that the procedural rulings of the commission "do not affect the substantial issues in this case."

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JOHNSTONE AND STONE MOVE UP

G. V. "Johnny" Johnstone, manager of NBC press relations, has been promoted to the office of M. H. Aylesworth, and his assistant, Walter C. Stone, has succeeded him as acting head of press relations.

Johnstone went with WEAJ in 1923 as a central operator and has built the press bureau from the ground up. Stone, the new press executive, has also been there a long time and is very popular with the newspaper men.

Keeping newspapers supplied with detailed information regarding the hundreds of programs on the air, much of the information having to be written weeks in advance, has grown to be a whale of a job.

"Johnny" Johnstone, with his right hand man, Walter Stone, have developed a marvelously efficient service.

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PHILCO SYMPHONY ADDS 33 STATIONS.

After completion of nine months on the air, the Philco Symphony Orchestra will broadcast its weekly concerts over almost double the number of stations during 1931, according to an announcement by Sayre M. Ramsdell, of Philco, sponsors of the program.

Howard Barlow will continue to conduct the orchestra during the Tuesday night broadcasts over the Columbia Broadcasting System network, and the former chain of 39 stations

will be retained. In addition the orchestra will be heard over 33 local stations through specially prepared spot transcription programs.

The 33 local stations are scattered from the Atlantic to the Pacific coast. The programs will not be broadcast on the same day, but will run a staggered schedule. Every night in the week except Saturday and Sunday will see a Philco program on the air from different stations located at strategic points throughout the country.

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DEFOREST TALKS ON BUSINESS SLUMP.

One of the principal reasons for the slump in radio business is that the public is "tired of all the sales talk", Dr. Lee De Forest is quoted as saying in the Sunday New York Times after flying across the country from Hollywood to New York.

Declaring that listeners are not using their sets as much as formerly, he said that one of the largest vacuum tube manufacturers had told him that this year his tube business would not amount to more than \$7,000,000, whereas last year it totaled \$27,000,000 net.

"I do not put the blame so much on the broadcasting organizations or on the advertising agencies. The sponsors are responsible", said Dr. De Forest.

"I have noticed recently that one of the finest hours on the air Sunday nights which has been noted for its freedom of advertising matter is now sending out overdoses- and naturally no matter how good the artists may be fewer listen to the program. It is plain fact that the radio people themselves are doing more to 'kill the goose that lays the golden egg' than any one else. Something ought to be done about it and there should be no delay."

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TUTHILL NOW ASSISTANT TO McCLELLAND.

D. S. Tuthill, sales manager of the NBC, has been appointed assistant to G. F. McClelland, vice president and general manager. Tuthill is one of the first salesmen ever to sell time for broadcasting. The appointment of Tuthill fills the vacancy left by the retirement of H. C. Smith. Tuthill's former position will be filled by R. C. Witmer, assistant sales manager, who joined the NBC sales department in 1938.

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CENSUS SHOWS RADIO INDUSTRY'S GROWTH.

The Bureau of the Census announces that, according to a preliminary tabulation of the data collected in the Census of Manufactures taken in 1930, the total value (at f.o.b. factory prices) of radio equipment, phonographs, and parts and accessories shipped or delivered in 1929 by manufacturers in the United States amounted to \$439,961,776, an increase of 62.6 per cent as compared with \$270,497,270 reported for 1927, the last preceding census year. The total for 1929 is made up as follows: 600,872 phonographs, valued at \$20,559,516; 152,106 combination phonographs and radios, \$22,193,702; 4,938,099 radio receiving sets (tube type, not including tubes), \$250,602,162; other types of receiving sets, \$472,803; 2,243 transmitting sets, \$5,788,077; 3,301,314 loud speakers, \$30,279,287; 5,204,505 radio transformers, \$9,478,891; radio parts and accessories, \$57,027,008; phonograph cabinets, records, parts, and accessories, \$43,560,330.

Detailed statistics for 1929 are given in the following table. These figures are preliminary and subject to revision.

Kind	Number	Value
Radio equipment, phonographs, and parts and accessories, aggregate value (1)	---	\$439,961,776
Phonographs, including dictating machines (2)	600,872	20,559,516
Combination phonographs and radios	152,106	22,193,702
Radio receiving sets (not including tubes):		
For six tubes or fewer	637,921	31,264,855
For seven tubes or more	4,000,494	195,926,495
Not reported by size	299,684	23,410,812
Other sets	(3)	472,803
Transmitting sets	2,243	5,788,077
Loud speakers	3,301,314	30,279,287
Transformers	5,204,505	9,478,891
Radio accessories and parts kits, amplifiers, power packs, microphones, controls, etc.	---	57,027,008

Kind	Number	Value
Phonograph parts and accessories:		
Records and blanks	105,085,042	\$34,128,735
Needles	(5)	1,971,774
Phonograph cabinets (1)	(5)	1,118,258
Other parts and accessories	(5)	6,341,563
Phonographs and parts made in other industries.....	---	---

- (1) Not including value of radio and phonograph cabinets made by establishments engaged primarily in the manufacture of furniture.
- (2) Combined to avoid disclosing the output of individual establishments.
- (3) Data on crystal and short wave sets incomplete.
- (4) Disc records only.
- (5) No data.

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DIRECT SERVICE WITH SANTO DOMINGO.

Direct radio service to Santo Domingo was opened to the public December 24 following an exchange of greetings between President Hoover and President Rafael Trujillo. Following these messages many Christmas greetings were carried by the radio link, according to R.C.A. Communications, Inc. The circuit is the sixth direct link to be opened this year by the communications concern, others being to Panama, Chile, Soviet Russia, Czechoslovakia and China.

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It is reported that the Scripps-Howard newspapers have voluntarily given up the option they have had with the National Broadcasting Company to sponsor all fight broadcasts over the NBC.

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LAFOUNT LAUDS SYNCHRONIZATION.

Perfection of synchronization of broadcasting stations should effect "the practical elimination of squeals and heterodynes on the wave lengths and more and better programs for the public" in the opinion of Radio Commissioner Harold A. Lafount.

"I want to allay any fear that synchronization will spell the ruin of the local and regional station", he said. "There will be no monopoly of the wave lengths, as some individuals have predicted, with the advent of synchronization."

A greater variety of programs will be available to listeners with the general adoption of synchronization, the commissioner declared, although the change must of necessity be gradual.

Referring to the experimental work of the National Broadcasting Company and the Columbia Broadcasting System in this field, Mr. Lafount spoke of the WBAL-WTIC synchronization tie-up as the "fore-runner of developments that will see many stations joined in regional networks throughout the country.

"Booster stations", he added, "will stimulate the radio business and avertising over the air."

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CANADIANS SEEK GOVERNMENT CONTROL

A group of Canadian listeners has revolted against the private ownership of radio stations and has formed the Canadian Radio League with the purpose of achieving government ownership of broadcasting stations and their operation as a public service. One of the principal reasons for the move, it is said, is disgust of the listeners over cheap advertising stunts and more or less subtle political and business propaganda.

The league will probably seek action at the approaching session of Parliament but of course will be resisted by the radio monopoly.

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Two page boys were awarded cash prizes by National Broadcasting Company executives Wednesday morning, December 24, for the examination papers they submitted in the soon-to-be concluded course in broadcast advertising at the College of the City of New York. A third page-boy-student was awarded a special prize by Frank A. Arnold, director of development.

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: BUSINESS LETTER BRIEFS :
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Among those attending the brilliant debut ball. of Miss Helen Eames Doherty, daughter to Mr. and Mrs. Henry L. Doherty of New York at the Mayflower Hotel in Washington last week were M. H. Aylesworth, of the NBC, and Mrs. Aylesworth, who were accorded a place at the head of the grand march led by Vice President Curtis and Mrs. Gann.

During the evening a program was presented by Miss Jessica Dragonette and the Cities Service Cavaliers who were brought to the Capital for the occasion. They were introduced to the audience by Herluf Provensen, WRC announcer.

Three changes in the personnel of the Radio Commission staff have been effected. Lyle E. Hughes, Washington attorney, has been appointed assistant to Chairman Charles McK. Saltzman; Karl O. Smith, law clerk in the District Municipal Court, has been named to succeed Arthur Scharfeld, resigned, on the legal staff; and A. W. Bowman, of San Francisco, has filled the vacancy caused by the resignation of Eugene Cogley from the engineering division. Mr. Cogley has become assistant to Philip G. Loucks, recently appointed managing director of the National Association of Broadcasters.

The Majestic Hour will be cancelled over the Columbia Broadcasting System after the first of the year. The refrigeration talks by Ida Bailey Allen will be continued, however. The report that Majestic will use electrical transcription is unconfirmed.

The London and Northeastern Railway Company's dining car express has been equipped with the first broadcast radiotelephony system in England.

The validity of the South Carolina tax on radio receiving sets has just been argued in a specially constituted three-judge district court sitting at Columbia. .

Successful transmission of both radiophone and visual type radio range beacons from the same station has been accomplished in experiments, according to the Aeronautics Branch of the Department of Commerce.

The Columbia Pictures Corporation of California, Ltd., has been authorized to operate on 1,554 kilocycles with 150 watts power for communicating between home studios and parties "on location". This is the second film company to be granted a short wave license since three frequencies were set aside for this purpose in a general order.

Station WOBV, of Charleston, W.Va., has filed a motion with the District Court of Appeals, asking for the dismissal of its appeal from a decision of the Radio Commission permitting WWVA to move from Wheeling to Charleston. WWVA recently withdrew its application.

Says Variety: "R-K-O is adding more than 1,000,000 names a year to the mailing lists of its vaudeville houses through the medium of radio programs. The names are considered by R-K-O as adding interest in the R-K-O vaudeville houses throughout the country".

The Georgia Supreme Court has held that the state license tax on dealers in radios and accessories is constitutional. The dealers are placed in the same category as merchants who handle musical instruments.

Warsaw's new radio broadcasting station, which will operate on 200 meters, is expected to go on the air next month, according to information received by the Department of Commerce.

MORE POWER URGED FOR WHIS

The shift of WHIS, of Bluefield, W.Va., from its present local channel assignment with 100 watts power to a regional channel with 250 watts is recommended by Chief Examiner Ellis A. Yost in a report to the Radio Commission. Both West Virginia and the second radio zone are under-quota in broadcasting facilities, the report states. The station is owned by the Daily Telegraph Printing Company and is operating on 1420 kc.

ATWATER KENT OPTIMISTIC OVER 1931.

Following, in part, is a statement by A. Atwater Kent regarding the past and future of the radio industry:

"Nineteen-thirty has been a year fraught with difficulties for the commercial world. No country has escaped the consequences of an optimism that ran beyond sound business judgment. The United States in its commercial strength, however, is not suffering severely by comparison with the rest of the world.

"It has not been my custom to make premature announcements and I will not do so at this time. I will say, however, that the future of radio looks good to me. It is predicated on our ability to make quality merchandise as wisely and as cheaply as anyone in the radio industry who practices sound and enduring business principles."

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RADIO PHONE ON DIRIGIBLE LOS ANGELES.

To facilitate the mooring of the dirigible Los Angeles to the mast at the Lakehurst Naval Station, a radio telephone circuit coupled with loud speakers is being installed.

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APPLICATIONS RECEIVED BY FEDERAL RADIO COMMISSION

Dec. 27 - WTBO, Associated Broadcasting Corp., Cumberland, Md., license to cover c.p. issued 12/5/30 for new equipment and increase in power from 100 watts to 100 watts night, 250 watts day. WMBC, Michigan Broadcasting Co., Detroit, Mich., license to cover cons. permit issued 9/2/30 for change in equipment.

Applications Other Than Broadcasting.

Dec. 27. - Metropolitan Police Dept., Washington, D.C. WPDW, modification of construction permit for extension of completion date to 3/1/31. Bell Telephone Laboratories, Inc., W2XDH, portable, renewal of special exp. license for 4752.5, 6755, 9170, 9750, 9870, 12840, 13390, 10550, 14470, 14590, 16270, 18340, 19220, 21060, 17120, 21420, 8630, 3422.5, 19820 kc. 1 kw. W3XP, Whippany, N.J., renewal of spec. exp. license for 1608, 2302, 3076, 4108, 6155, 3106, 5510 kc., 400 watts. W3XN, Whippany, N.J., renewal of experimental license for 1608, 2302, 3076, 3106, 4108, 5510, 6155 kc., 400 watts. W2XAA, portable, renewal of exp. license for 1604, 2398, 3256, 4795, 6425, 8650, 12850, 17300, 23100, 3000 to 56000, 56000 to 60000 and above 60000, 1 kw. W2XAV, portable, renewal of exp. license for 1604, 2398, 3256, 4795, 6425, 8650, 12850, 17300, 23100 kc., 1kw. W10XK, portable, renewal of spec. exp. license for 3127.5, 4177.5, 8830, 13260, 17640, 2730, 4430, 8860, 12380, 16440 kc., 500 watts.

ACTION OF COMMISSION SINCE LAST FORMAL MEETING,
DECEMBER 19, 1930. SUBJECT TO RATIFICATION OF
FULL COMMISSION.

WRAX, WRAX Broadcasting Co., Philadelphia, Pa., granted CP to install RCA Maximum 250 w. DCC equipment. New, DeForest Radio Co., Providence, R.I., granted CP for transmitter to be installed in connection with demonstration of police radio service. 2398 kc., 50 w., for 30 days, to be used for making a demonstration of emergency police service. WPDW, Metropolitan Police Dept., Washington, D.C., granted CP modification for extension of completion date to 3/1/31, also

WOKO, H.E. Smith & R. M. Curtis, d/b as Hudson Valley Brdcastg. Co., Albany, N.Y., granted mod. of CP to change transmitter location on c.p. from Hudson Ave., North and Beaver St., Albany to East side of Albany, Troy Road, opposite Mid-City Amusement Park Menands, Albany. KSTP, National Battery Brdcastg. Co., St. Paul, Minn. granted Mod. of CP for extension of completion date of c.p. to 3/20/31. also

WFBR, Baltimore Radio Show., Inc., Baltimore, Md. granted license to cover CP 1270 kc., 500 w., unlimited time. WMCA, Knickerbocker Broadcasting Co., Inc., New York, granted license to cover CP 570 kc., 500 w., shares with WNYC. Also granted authority to operate an auxiliary transmitter at same location. WDRG, The Doolittle Radio Corp., Hartford, Conn., granted license to cover CP 1330 kc., 500 w., unlimited time, also

New, DeForest Radio Company, Providence, RI, granted license to cover CP 2398 kc., 50 w. for a period of 30 days, to be used for making a demonstration of emergency police service. WOKO, H. E. Smith & R. M. Curtis, c/b as Hudson Valley Broadcasting Co., Poughkeepsie, N.Y., granted voluntary assignment of license to WOKO, Inc. KTHS, Hot Springs Chamber of Commerce, Hot Springs, Ark., granted authority to operate on 970 kc. on Jan. 1, 1931, beginning such operation at 3:30 p.m. CST in order to broadcast football game. WICC, Bridgeport Broadcasting Station, Inc., Bridgeport, Conn., granted authority to operate until 7:15 p.m. Saturday, Dec. 27. KGJX, Police Department, Pasadena, Calif. granted reassignment of 1712 kc. Authority is granted conditioned on immediate filing of a proper application for modification of CP by the licensee to change from the frequency of 2458 kc to 1712 kc. which application for modification shall contain the waiver required by law as to the use of any frequency by the licensee. All other terms of license to remain the same. New, Neal Jones, Seattle Star, Seattle, Wash., mod. of special authority granted Dec. 16, 1930. 1592 kc., other provisions of present authorization to remain the same.

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