

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 :: :: **CONFIDENTIAL—NOT FOR PUBLICATION.** :: ::

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PRESS RELATIONS DEPARTMENT

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No. 403

TELEVISION HEARINGS NOT NECESSARY

According to Commissioner Harold A Lafount, hearings are not now necessary in all cases of applications for television licenses because of agreements reached at the conference of visual broadcasting station operators recently.

The statement was made in response to a query as to why Don Lee, Inc., of Gardenia, Calif., had been given a license to operate a television station on 21,000 to 22,000 kilocycles with 500 watts, unlimited time.

Mr. Lafount said further that the Commission did not feel like putting Mr. Lee to the expense of coming to Washington for a hearing as his financial responsibility was recognized and as he was the first to apply for a television license west of the Mississippi River.

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WHITE OFFERS BILLS TO REVISE LAW

Radio stations guilty of violations of the law would be subject to suspension of license for periods "not to exceed 30 days", under a bill introduced in the House, January 23rd by Representative White, of Lewiston, Me., Chairman of the House Committee on Merchant Marine and Fisheries, charged with radio legislation.

The bill was one of four introduced by Representative White seeking amendment and clarification of provisions of the Radio Act of 1927, of which he is co-author. The measures accord with recommendations made by the Federal Radio Commission in its annual report for the fiscal year 1930.

A second measure seeks amendment of provisions of the Radio Act relating to the allocation of broadcasting facilities among the Zones and States. In general, it would amplify the borrowing clause of this section, so that when there is a lack of applications from any radio zone for the proportionate share of facilities to which it is entitled, the Commission may issue such facilities to applicants in other zones for a temporary period of 90 days each "and shall specifically designate that said apportionment is only for said temporary period."

The third bill would exclude the territories and possessions of Virgin Islands, Porto Rico, Alaska, Guam, eastern Samoa, and the Hawaiian Islands from the five radio zones, thus eliminating them in carrying out the terms of the law providing for an equal distribution of facilities among the zones.

The Commission would be given authority to require the painting and illumination of radio towers if and when in its judgment such towers "constitute, or there is a reasonable possibility that they may constitute, a menace to air navigation", under the fourth measure.

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COMMISSION ASKS REHEARING ON WHAM

The Federal Radio Commission has filed a petition asking for a rehearing on the case involving Station WHAM, owned by the Stromberg-Carlson Telephone Manufacturing Co., in the District Court of Appeals on the ground that the opinion is erroneous in a number of respects.

The Court on January 6th upheld a preliminary injunction granted by the District Supreme Court restraining the Commission from changing the Rochester station's assignment in accordance with a general reallocation of 26 stations ordered last Spring but never put into effect.

Two questions of law upon which the rehearing is desired were presented by the counsel for the Commission. These are (1) the validity and effect of General Order 87 as amended and (2) the jurisdiction of the lower Court.

The brief states:

"The difficulty resulting from the rule established by the present case is readily apparent. If the Commission may be enjoined in an equity court for each act in excess of its statutory authority but not for an erroneous determination within such authority, questions of the utmost nicety and precision will immediately be presented. The Commission may not only be sued before any Justice of the Supreme Court of the District of Columbia sitting as an Equity Court, but before any District Court of the United States where service may be had on the Commissioners. The result will inevitably be conflicting opinions and multiplicity of action, making additional appeals to this honorable Court necessary as in the present case."

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URGES DENIAL OF KWKH'S APPLICATIONS

Examiner Elmer W. Pratt in a report to the Federal Radio Commission recommends that the applications of the Hello World Broadcasting Corporation, which is owned by W. K. Henderson, for an increase in power from 10,000 to 30,000 watts with unlimited time, be denied. The recommendation is made following a hearing held on September 22, 1930.

The report includes in its statement of facts that "a great deal of direct advertising and selling is done" over KWKH and that the "musical portion of the programs broadcast consists largely of phonograph records and electrical transcriptions."

Calling attention to Mr. Henderson's fight against the chain stores, the report states that since 1929 "this station has been devoted primarily to propaganda purposes." Further on he says: "Although an interesting personality, Mr. Henderson is given to the use of derisive and abusive language which is neither restrained nor controlled when he is broadcasting."

Station KWKH now shares time with Station WWL, of New Orleans, on 850 kilocycles.

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RADIO EXPORTS DECREASE

Foreign shipments of radio apparatus during November, 1930, amounted to \$3,896,571, or a gain of \$856,204 over the same month of 1929, whereas the 11 months' total showed a loss of \$1,058,666, according to the Department of Commerce. Canada, of course, is the outstanding market for this type of material, shipments of receiving sets to that country having amounted to \$706,222 in value, receiving-set components reaching a total of \$424,426, and that for other receiving-set accessories \$597,918.

Mexico was next in importance to Canada, and receiving sets valued at \$411,551 were exported to that country during November, 1930. Radio receiving tubes valued at \$221,551 were also taken by Mexico and \$5,042 worth of receiving-set accessories. Argentina also is a growing market for radio apparatus. The value of receiving sets exported to that country amounted to \$215,680, and tubes amounting to \$18,320 and loud-speakers amounting to \$23,953 were purchased.

Cuba took \$128,272 worth of receiving sets and \$136,918 worth were sent to the United Kingdom. Italy and Spain have been increasing their demand for radio apparatus, and receiving sets valued at \$86,944 were exported to Italy during November, 1930, as well as \$39,549 worth of tubes and \$22,026 worth of components. Spain took \$74,074 worth of the receiving sets but comparatively small quantities of components or accessories.

Shipments of electrical equipment to European countries amounted to \$1,986,213, as compared with \$2,356,647 for 1929. France showed a gain of \$103,949 in her imports of electrical goods from the United States, and her principal purchases were electric refrigerators, radio loud-speakers, spark plugs, and electrodes for furnaces. Exports to the United Kingdom showed a decrease of \$68,930, and those going to Spain fell off \$32,656.

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TWO VIEWS ON RADIO ADVERTISING

Following are excerpts from two articles appearing in the current Editor & Publisher:

"After less than a week of publishing radio broadcasting programs only on the basis of paid advertising, Portland, Oreg., newspapers have resumed their publication as news.

"Concerted action in putting radio program announcements on a paid basis was taken by Portland papers beginning with their issues of January 16th. As a result, the printing of programs was limited to the stations in which the individual papers had a direct interest. Programs for these stations appeared in display space in the papers with which they were affiliated. The demand for publication of all Portland station programs was so insistent, however, that the publishers reconsidered their decision and on January 21st they were back on their former basis."

"Unification of its membership in an intensive campaign to curtail the inroads of radio and magazines on national newspaper advertising lineage, and reorganization of its administrative set-up on a plan designed to facilitate the cooperative phases of the combative program were features of the 43rd Annual Convention of the California Newspaper Publishers' Association, Inc.

"President Judah brought up the question of the radio advertising menace immediately following his election at the general session.

"'During the first 10 months of last year', he stated, 'radio broadcasting had received 45 per cent more income than in the first 10 months of 1929. During the same period newspapers suffered a marked decrease.

"'There is plenty of evidence', he continued, 'to indicate the loss in part, if not in whole, of many of the old major advertising schedules from newspapers to radio. There are ways of combating radio, but all the publishers of the State must proceed at once along the same lines of action.'

"He then outlined a plan whereby the value of newspaper advertising and its advantages over any other medium could be effectively brought home to the merchant through use of the printed word and a corps of competent public speakers."

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R. P. A. CLAIMS VICTORY OVER R. C. A.

Following, in part, is a statement issued today by Oswald F. Schuette, Executive Secretary of the Radio Protective Association, as a press release:

"Independent radio interests won a most important victory over the so-called Radio Trust in the decision of Judge Edwin S. Thomas in United States District Court at New Haven, Connecticut, last week when he held Radio Corporation of America must prove its patent agreements with American Telephone and Telegraph Company and with General Electric Company do not violate anti-trust laws before it can enforce these patents against alleged infringers.

"Judge Thomas' decision was handed down in two suits charging infringement of thirteen patents alleged to cover tube manufacture brought by Radio Corporation of America, American Telephone and Telegraph Company, and General Electric Company against Majestic Distributors, Inc. In its answer, defendant company charged 'that plaintiffs have no standing in a Court of Equity in this case because plaintiffs are parties to agreements which form an unlawful combination in restraint of trade contrary to the statutes of the United States and because plaintiff Radio Corporation of America derives its alleged title and rights from the provisions of said illegal agreements.'

"The Radio Corporation asked the Court to order this paragraph stricken from the answer but Judge Thomas overruled the motion and decided the paragraph should remain in the answer so that the question of the illegality of the 'Radio Trust's' patent pool will now have to be tried by Court before the question of infringement is taken up. The trial of the case has been set for September."

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BELLOWS REVIEWS BROADCASTING

The origin and development of broadcasting are discussed by H. A. Bellows, Vice-President of the Columbia Broadcasting System, in an article entitled "Broadcasting: A New Industry", in the December 18th issue of the "Harvard Alumni Bulletin."

Among other significant statements in the article are the following:

"Broadcasting, then, is the child of the telephone; in America, it is certainly the child of the American Telephone & Telegraph Company."

"Underlying all problems of Federal administration of broadcasting are two as yet unanswered questions. First, what is meant by 'public convenience, necessity, or interest' as the legal phrase applies to broadcasting stations? Second, to what extent is a broadcasting station, operating solely by virtue of a Government license, a public utility and thus subject to Government regulation?"

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UNIVERSAL WIRELESS CREDITORS TO MEET

The following letter has been sent to all creditors of the Universal Wireless Communications Company, Inc., by John W. Henry, Chairman of the Creditors and Stockholders Committee, of Buffalo, New York:

"A meeting of creditors has been called for January 28, 1931, to consider an immediate and forced sale of the assets.

"Some few creditors, or others, are bringing pressure to bear upon the trustee in bankruptcy, and upon the bankruptcy court, to order an immediate sale of the assets of the bankrupt. We have resisted this pressure and have advised that for a short time the assets be held together, so that they may be sold as one, to some communications corporations, either one of the existing companies, or any new one which may be authorized by the Federal Radio Commission to enter the field.

"In the meantime, also, we are informed of a negotiation for putting Universal Wireless again upon its feet financially.

"If the business is liquidated now, the assets will be sold as scrap or junk, and that probably will not bring in more than the mortgage against them, so that there will be little or nothing, probably nothing, for general creditors.

"Universal has fourteen wireless stations, of which all, but one, were operating at the time that it ran out of money and could get no more. These stations make up a good wireless communications system. There should be a chance to sell them as a system. If they are sold, the general creditors should get a substantial sum of money. There should be presented to the referee in bankruptcy an expression of opinion from the creditors. Will you please write us, approving or disapproving the advice which we have given to the bankruptcy court, so that we may submit your letter?"

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: BUSINESS LETTER BRIEFS :
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The Minnesota Editorial Association in resolutions adopted at a recent convention called upon all newspapers in the State "to discontinue the practice of furnishing radio with news bulletins, whether used with credit or without, and cease the publication of all free forms of radio publicity", according to the Associated Press.

The new Majestic radio receivers have a new tube, called "Multi-Mu", which is said to be as great an improvement over the screen grid tube as the latter was over the '26 and '27 models. The new tube, according to B. J. Grigsby, Chairman of the Board, reduces to a minimum the "hiss" and "background noise" and eliminates all "cross-talk" and "modulation distortion."

A handsome booklet entitled "WLS Family Album 1931" has just been issued by the Agricultural Broadcasting Company, of Chicago, under the direction of Edgar Bill, Director of WLS. The booklet contains interesting sketches of numerous personalities associated with the radio station.

In a foreword by Burrige D. Butler, President of Prairie Farmer-WLS, says:

"Two years have demonstrated that agriculture must have a voice on the air. Radio, the most powerful agency ever known for spreading information quickly, is particularly valuable to the men and women on the farm.

Frederic William Wile has the following to say in "Washington Observations":

"George Akerson, who is gradually winding up his duties at the White House, is by way of becoming a factor in the radio game as well as in the movies. Paramount, of which President Hoover's departing aide will be an executive after February 1, is heavily interested in the Columbia Broadcasting System, now the world's largest radio network, with 76 stations. Akerson has just learned that his future duties will include 'sitting in' at Columbia headquarters on occasion as Paramount's official spokesman."

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APPLICATIONS RECEIVED BY FEDERAL RADIO COMMISSION

January 23 - WDEL, WDEL, Inc., Wilmington, Del., modification of C. P. to change equipment on C. P. and extend commencement and completion dates to 12/25/30 and 2/10/31 respectively; WIBX, WIBX, Inc., Utica, N. Y., license to cover C. P. issued 12/19/30 to change equipment; WRBL, David Parmer, Columbus, Ga., request for authority to install automatic frequency control; KGEK, Elmer G. Beehler, trading as Beehler Electrical Equipment Co., Yuma, Colorado, C. P. application amended to change equipment; Merle F. Jewell and Merinda C. Jewell, Hood River, Oregon, C. P. application amended as to equipment; Beach M. Chenoweth, Mountain Brook Village, Alabama, C. P. to erect a new station to use 1200 kc., 100 watts, and unlimited hours.

Applications Other Than Broadcasting

Globe Wireless, Ltd.: KGO, Musselrock, Calif., license to cover C. P. for 7430, 7445, 9410, 10930, 14860, 14890, 18820, 22700 kc., 1.5 KW, public point-to-point; KTK, Mussel Rock, Calif., license covering C. P. for 500, 5525, 460, 4116, 6515, 8630, 11020, 11080, 11140, 11200, 11050, 16530, 22100 kc., 1.5 KW, coastal service; Radiomarine Corp. of America: KPK, Portland, Oregon, modification of license for additional frequencies of 141, 143, 170, 476, 500 kc., and to communicate with all coastal stations in the Pacific area; WSC, Tuckerton, N. J., modification of coastal license for additional frequency of 170 kc.; WNY, Brooklyn, N. Y., modification of coastal license for change in frequency to 143, 500, 135, 170, 442 kc.; W2XBB, Radio Corporation of America, Brooklyn, N. Y., C. P. to move transmitter to New York, N. Y., experimental service; W2XDC, R.C.A. Communications, Inc., Portable-initial location, Riverhead, N. Y., modification of experimental license for additional frequency of 1604, 2398, 3256, 4795, 6425, 8650, 12850, 17300, 34600, 51900, 60000 to 400000 kc.

Also, KGJX, City of Pasadena, Pasadena, Calif., license covering C. P. for 1712 kc., 50 watts, police service; KZE, Radiomarine Corp. of America, Aberdeen, Wash., license for 500, 406, 442 462 kc., 500 watts, marine relay service; Polin, Inc., Portable, C. P. for 4795 kc., 15 watts, experimental service; Geophysical Exploration Co., Portables, U. S.: KJO, and KJN, renewal of licenses for 1300, 1652, 1664, 1680, 1704 kc., 7 watts.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

The Commission granted the following applications January 23, 1931:

KWJJ, KWJJ Broadcast Co., Inc., Portland, Oregon; KGJF, First Church of the Nazarene, Little Rock, Ark.; KGKB, E. M., E. E. & C. T. Wilson, d/b as Eagle Publishing Co., Brownwood, Texas - all the above C. P.s to make changes in equipment to conform with G.O.s 91 and 97; KFJB, Marshall Electric Co., Inc., Marshalltown, Iowa, C. P. to make changes in equipment, increasing maximum rated power of equipment from 150 to 250 watts; KPCB, Queen City Broadcasting Co., Seattle, Wash., C. P. to make changes in equipment decreasing Maximum rated power of equipment from 250 to 100 watts; WFOX, Paramount Broadcasting Corp., Brooklyn, N. Y., C. P. to make changes in equipment to conform to G.O.s 91 and 97 and install automatic frequency control; WABZ, Coliseum Place Baptist Church, New Orleans, La., authority to install automatic frequency control; KLPM, John B. Cooley, Minot, N.D., license (covering change in equipment) 1420 kc., 100 watts, unlimited time; WMRJ, Peter J. Prinz, Jamaica, N. Y., authority to suspend operation during pendency of application to move transmitter and studio locally; WMAZ, Macon Jr. Chamber of Commerce, Macon, Ga., C.P. to install new equipment to conform to requirements of G.O.s 91 and 97; KMTR, KMTR Radio Corp., Los Angeles, Cal., C. P. to move transmitter and studio locally in Los Angeles; increase maximum rated power of transmitter from 500 to 1000 watts.

Also, WAX, Tropical Radio Telegraph Co., Hialeah, Fla., C. P. to install two new transmitters to replace type now licensed; WBF, Same Co., Hingham, Mass., license, frequencies 6770, 10450, 12940, 17580kc., 2 transmitter, 1 KW each, to communicate with Nicaragua, Cuba, Costa Rica, Panama, Colombia, Honduras, Guatemala, Salvador, Cuba, Mexico and other stations which this Co. is licensed to communicate with; Aeronautical Radio, Inc.: WAED, Harrisburg, Pa. license to communicate with aircraft on blue chain 3082, 3088, 3510 kc., 400 watts; WAED, Harrisburg, Pa., WAEG, Suburban Cresson, Pa., and KGTA, Winslow, Arizona, license same as above, frequencies 2734, 2722, 4108 kc., unlimited 6365, 8015, 12180 kc., day only, 400 watts; WNAT, Orlando Twp., Ill., and KRD, Pasco, Wash., licenses to communicate with aircraft on Red Chain, frequencies 3160, 3166, 3172, 3178 kc., unlimited, 5370, 5660 day, 400 watts and 50 watts respectively; WSDE, Jackson, Miss., and Tuscaloosa, Ala., licenses to communicate with aircraft on Brown Chain, 3484 kc., unlimited, 5630 kc., day only, 400 watts; KGUA, El Paso, Texas, license to communicate with aircraft on Brown Chain, 2326, 2344, 4140 kc., unlimited, 6260, 6275, 12210 kc. day only, 250 watts; WNAJ, W. of Angola, Steuben Co., Indiana, license to communicate with aircraft on Red Chain, 3160 kc., 400 watts; Western Air Express, licenses for 3 new planes, frequencies 3106, 3070, 3076 kc., unlimited, 5540 day only, 50 watts; Varney Air Lines modification of 7 licenses for additional frequencies: 3106, 3160, 3166, 3172, 3178 kc., unlimited; 5570, 5660 kc., day only; 50 watts.

Set For Hearing

J. Milton Guyton, Uniontown, Pa., requests C. P. for new station, 620 kc., 250 watts, daytime and 3 evenings per week.

Action On Examiners' Reports

WHEC-WABO, Hickson Electric and Radio Corp., Rochester, N. Y., renewal of license granted, 1440 kc., 500 watts, divides with WOKO, sustaining Examiner Pratt; WMBQ, Paul J. Gollhofer, Brooklyn, N. Y., granted renewal of license, 1500 kc., 100 watts, divides with WCLB, WWRL, WLBX, sustaining Examiner Pratt; KTBH, The Rice Hotel, Houston, Texas, granted renewal of license, 1120 kc., 500 w., divides with WTAW, sustaining Examiner Pratt; William S. Walker, Pittsburgh, Pa., granted C. P. 1500 kc., 100 watts, unlimited time, sustaining Examiner Pratt; KBPS, Benson Polytechnic School, Portland, Oregon, renewal of license 1420 kc., 100 watts, 1/4th time, sharing with KXL, sustaining Examiner Yost; WLBJ, Rev. John W. Sproul, Pittsburgh, Pa., denied renewal of license to operate on 1500 kc., 100 watts, unlimited time, sustaining Examiner Pratt; Pittsburgh Broadcasters, Pittsburgh, Pa., denied C. P. to erect new station, 1500 kc., 100 watts, unlimited hours, sustaining Examiner Pratt; Northern Radio Telegraph Co., Seattle, Wash., dismissed applications for 7 C.P.'s, sustaining Examiner Pratt; KJQ, Olympic Radio Co., Hoquiam, Wash., denied C. P. 2320 kc., 100 watts, applicants defaulted, sustaining Examiner Pratt.

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