

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 :: :: CONFIDENTIAL—NOT FOR PUBLICATION.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

W-C-S.

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No. 407

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YOST COMPLETING SECOND HIGH POWER REPORT

The eight broadcasting stations which Chief Examiner Ellis A. Yost will recommend for selection by the Federal Radio Commission to complete the quota of maximum power units will be announced next week in a supplementary report.

While admittedly not in sympathy with this plan, Mr. Yost was instructed to prepare the list after the Commission had remanded the original report which recommended that all cleared channel stations be permitted to use 50,000 watts power. To make this possible, he proposed that the Commission amend its limitation order (No. 42) which states that each of the Five Zones shall have four maximum power stations but no more.

Twelve of the 20 channels set aside for 50,000 watt stations are now either occupied or pledged with construction permits. Twenty-four applicants for these 8 channels appeared at the hearing.

In his supplemental report, Mr. Yost will select one station out of four applicants in the First or Eastern Radio Zone for the maximum power. The applicants are WJZ, New York; WOR, Newark; WHAM, Rochester and WBZ, Springfield.

In the Second, or East-Central Zone, he must select one station as between the two applicants, WHAZ, Louisville, and KCAU, Philadelphia;

The Third, or Southern, Zone has two vacancies with five applicants. They are WBT, Charlotte, N. C.; WSM, Nashville, Tenn.; WAPI, Birmingham, Ala.; WSB, Atlanta, Ga. and KVOO, Tulsa, Okla.

The Fourth, or Middle-Western, Zone has two vacancies with five applicants, as follows: WMAQ, WGN, and WBBM, Chicago; WCCO, Minneapolis, and WHO-WCC, Des Moines-Davenport, Iowa.

Four stations are competing for the two vacancies in the Fifth, or Western Zone. These stations are KOA, Denver, Colo.; KPC, San Francisco-Oakland, Calif., and KSL, Salt Lake City, Utah.

The four other applicants for maximum power were regional stations, which, under Commission regulations, are restricted in power to 1,000 watts during evening hours. In his original report, Mr. Yost excluded them from consideration on this ground. The stations are WTMJ, Milwaukee, Wis.; WWJ, Detroit, Mich.; WREC, Memphis, Tenn.; and WCFL, Chicago, Ill., the last named being restricted to limited time operation on a cleared channel.

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BERMUDA PHONE LINK AUTHORIZED

Direct radiotelephone communication between the United States and Bermuda has been authorized by the Federal Radio Commission in allocating two high frequencies to the American Telephone and Telegraph Company. By means of this service, any of the 19,000,000 telephones in this country can be connected with any phone on the Island.

The A. T. & T. Company will erect a transmitting station at Lawrenceville, N. J., and the station will operate on 6,755 kilo-cycles at night and 10,500 kilocycles during the day. Contact will be made with the Bermuda telephone system through the British Marconi Company.

This circuit will be the first direct radiotelephone link between the United States and an Island.

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REPORT ON VERMONT RADIOS

Forty-four and six-tenths per cent of the families in Vermont when the 1930 census was taken, possessed radio receivers, according to announcement by the Bureau of the Census. The number of families reporting sets was 39,913 out of a total of 85,804.

The average number of persons in a family is four in Vermont, the Bureau explained, while the term family includes any group of persons living together in a single household.

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RADIO MARKET IN PENANG, BRITISH MALAYA

Following, in brief, is a report on the radio market at Penang, British Malaya, by Consul Thomas H. Robinson, to the Department of Commerce:

"The sale of radio receiving sets and parts has been slow to develop in the Penang district because of the absence of nearby broadcasting stations, but with the improvement of the manufactured product permitting the user to get into communication with more distant stations, the demand has increased. The prospect for a further increase in sales appears to be quite promising because of the increasing popularity of the radio as a form of entertainment.

"The Chinese race, with almost 40 per cent of the total population, are more important from the standpoint of potential purchasing power than the Malays or any other race residing in the district. A large number of the merchant firms are owned and controlled by Chinese, while practically 100 per cent of the clerical workers are of that race.

"Various factors contribute to make the purchase of accessories and components and assembling of sets by the purchasers more popular than the purchase of complete sets.

"Sets suitable for the reception of short wave broadcasting and parts for short wave sets have a much better market than those for long waves. The distance of broadcasting stations from Penang should also be taken into consideration. The nearest station is at Bangkok, Siam, which is about 1,067 miles away.

"There is practically no market in this district for radio sets operated by electric current. Lighting current varies considerably throughout the district and it would be difficult to maintain stocks of sets suitable for the various currents. Such sets adaptable to use in the United States would be entirely unsuitable for use in Penang.

"All radio equipment sold in Penang is imported. Since this class of product is not given a separate classification in the local import statistics, it is impossible to indicate the amount of radio imports into Penang or to give exact figures on the source of such imports. However, it has been ascertained by investigation that a large proportion of radio accessories sold in the local market is of British origin. There appear to be very few American accessories sold at present. Since the Straits Settlements is a British Crown colony, there is a natural preference for British goods. However, there is no discrimination against American products, if they can compete in price and quality. The present depressed economic condition of the country appears to be the only militating factor against a considerable expansion in the sale of American radio products.

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BARRING RADIO FROM NEWSPAPERS

Three Tacoma, Wash., daily newspapers have decided to eliminate all radio publicity, including programs, from their columns as an experiment to determine if there is sufficient reader interest to merit the space heretofore given to them.

The Utica (N.Y.) Daily Press, whose editor, Paul B. Williams, regards the radio as an enemy of journalism, recently tried the experiment, substituting Associated Press "Radio Highlights" for the daily programs. At the end of the second day, requests from subscribers for the return of the programs caused them to be restored.

Editor and Publisher made a big play last week of the increasing newspaper protests against radio publicity and against the operation of lotteries and quack columns over the air. An editorial on the latter appeared in the same issue. It follows, in part:

"Scientific men are up in arms over the flood of fake stuff that is pouring over the air daily, paid for by scheming fortune-tellers, astrologers, quack weather prophets and medical shysters, advertising which has been banned by respectable newspapers as unethical for many years. The radio broadcasters appear to have no objection to taking money from such doubtful sources and the public harm that is being done is incalculable. We look for a protest from the American Association for the Advancement of Science, the National Academy of Sciences or the National Research Council.

"We call to the attention of editors the fact that newspapers which publish radio programs are being used to promote fraudulent radio advertisers. This was brought out humorously recently when the publisher of a New York daily discovered in his radio program column the announcement of an astrologer whose advertising had been banned by his newspaper as fraudulent nearly 20 years ago.

"Newspapers that are attempting to eliminate radio programs are discovering there is a public demand for them. This might be expected. The press has assiduously created the demand and newspaper reading habits are not easily broken. The situation calls for united action. One newspaper cannot eliminate this objectionable matter if other newspapers in the same city are to continue to publish it. Also, we think, the elimination must be gradual. Our advice is to edit the programs severely deleting trade names as rapidly as possible and substituting such characterizations as 'dance music', 'popular songs', 'dialogue', and so forth, perhaps naming the entertainers, but seeing to it that brand names are kept out. If selections are to be made, they should by all means be of features that are not tied up with ballyhoo stunts. And, by all means, cut out mention of fakes that are denied advertising privileges by the ethical press."

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WMBJ DENIAL UPHELD BY COURT

The District Court of Appeals has denied petition of the Rev. John W. Sproul, former operator of WMBJ, Pittsburgh, for a stay order to restrain the Federal Radio Commission from renewing his station license on the ground that WMBJ did not operate in the public interest.

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ATWATER KENT DEPLORES PESSIMISM

Denouncing the fear that the depression has instilled in some manufacturers, A. Atwater Kent in a communication to the Southern Wholesalers, Inc., Washington distributors of Atwater Kent equipment, said:

"Radio as a product and radio as an advantage to humanity will compel its continuance as a major industry. For my own part, I view the prospects in radio and these developments which radio is bound to offer as entirely favorable to every branch of the industry."

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COMPOSERS CHARGE INFRINGEMENT

Hotels which offer copyright musical compositions without permission of the owners through room radio service are charged with copyright infringement in a brief just filed in the United States Supreme Court by Gene Buck, President of the American Society of Composers, Authors, and Publishers in the case of Buck v. Jewell-LaSalle Realty Co.

The Circuit Court of Appeals of the Eighth Circuit recently certified the case to the Supreme Court and asked the question whether such secondary transmission constitutes a violation of the copyright law.

The LaSalle Hotel in Kansas City, Mo., was equipped with a master radio receiver which was connected by wires to public rooms, parlor, and lobby, as well as 200 private rooms, according to the brief. A radio station in the same city, it is claimed, broadcast a musical composition without permission of the copyright owners. The hotel rebroadcast it to its guests.

Suit was brought against both the broadcaster and the hotel, and while judgment was entered against the former, it was dismissed against the latter. The case was then appealed by the Society of Composers.

The secondary brief explains that the question involved does not affect owners of private radio receivers even though they invite friends to hear a musical composition because an unlicensed performance of such music does not constitute infringement unless it is both public and for profit.

While admitting that broadcasting was unknown when the Copyright Act was adopted in 1909, the brief asserts that the words "public performance for profit" and "perform publicly for profit" in the law have been heretofore given broad and liberal interpretations to meet new conditions as they arose.

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TEST MENTAL AGES OF LISTENERS

Are farmer radio listeners of the same mental age as the average listeners, which educators claim is 13 years, and should agricultural programs be sugar-coated?

The radio service of the Department of Agriculture is seeking answers to these questions in view of recent pronouncements by educational authorities on the most effective types of educational programs.

One list of directions to educational speakers states that information should be presented "on the level of 13-year-olds", the Department of Agriculture states, while an authority on education has advised speakers to sugar-coat their pills of learning.

With Station WGY, Schenectady, N. Y., and its farm audience cooperating, the Department's radio service is testing a series of programs during February and March in order to compare the efficiency of nine different methods of presenting agricultural information. Listeners will be called upon to select the best method.

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ARNOLD PREDICTS TRADE REVIVAL

A definite trade revival, accompanied by a strong spirit of optimism, is being felt below the Mason-Dixon line, Frank A. Arnold, Director of Development for the National Broadcasting Company, declared on his return from a recent trip of 6,250 miles through the South.

Arnold compared current business conditions with those he found on a similar trip through Dixie last year when depression was reaching a peak. The recently ended tour included ten key cities in such States as Alabama, Louisiana, Texas and Florida.

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RADIO MEN WANT TO "CLEAN HOUSE"

Commenting on the convention next Monday and Tuesday of the National Federation of Radio Associations and the Radio Wholesalers' Association at the Hotel Lincoln, Indianapolis, J. Newcomb Blackman, of New York City, President of the National Federation of Radio Associations stated:

"At no time during my experience in the radio industry has it been so evident that the radio men themselves are desirous of 'cleaning house' and making the radio industry one of the first to pull itself out of the business slump. Trade conditions are being

corrected in nearly every locality, and with the leaders in all branches of the field ready and eager to council with one another on trade conditions, we feel that a great stride forward in improving general conditions will be taken at our Fifth Annual Convention."

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NEWS ORGAN HITS SOUP PUBLICITY

In an article bristling with sarcasm, Editor & Publisher last week razed the attempt of the Campbell Soup Company to get radio editors to advertise its big radio contract. The article follows in part:

"Big news broke this week on the Campbell Soup front, and the F. Wallis Armstrong Company, Philadelphia agency, was right on the job to help the newspapers of the country to cover it.

"To make sure that no newspaper should be 'scooped', the Armstrong agency sent not only one story, but two stories, the different angles of which may be judged from the headlines: 'Campbell's Soups Go On The Air', and 'Campbell's Soups Start On The Air This Morning.'

"While the second story had the bigger head, it was a skimpy 9½ inches in length over all, and mentioned the name Campbell only four times. The real coverage was given in the first article which stretched out to 15 inches. This told three times that the Campbell Soup program would be a fine one, especially when you consider what daytime radio programs usually are.

"Just to be helpful in case the radio editor were dumb, or something, the printed news articles carried in three places the imperative: 'Feature this Campbell's Soups Orchestra in your daily box of outstanding radio programs.'

"The Campbell's Soup Company has long been a heavy magazine advertiser, its expenditures in magazines being reported as \$1,884,300 in 1929, and as \$1,971,000, in 1930. Its newspaper expenditure, however, has been well under \$100,000 a year except for a special \$300,000 campaign in 67 newspapers of 38 cities last spring. This campaign, the company's first use of newspapers as a major medium in 15 years, was undertaken to move an unusually heavy stock of tomato soup. In July, the late John T. Dorrance, then president of the company, stated that 48,500,000 more cans of tomato soup had been sold than in any previous year. He gave credit for this 'especially to the use of newspapers in a major way.'

"And so the Campbell Soup Company used no more newspaper space after that."

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: BUSINESS LETTER BRIEFS :
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The State Department has no objection to an international broadcast by the former Kaiser Wilhelm of Germany, it was stated following published reports that Secretary Stimson had banned the reception of such a proposed program in this country.

Several broadcasting stations have been warned that General Order No. 95 will be strictly enforced in letters written by James A. Baldwin, Secretary of the Federal Radio Commission. The order requires 75 per cent modulation by all stations, the penalty being arbitrary reduction in power.

A new radio station which is to maintain connections with the United States is ready to start operations at Jeloe, Norway, according to the Department of Commerce. Plans for sending black and white photographs over the stations are also under way.

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OSBORNE RAPS VESTAL AMENDMENT

William Hamilton Osborne, counsel for the Authors' League of America, adversely criticizes, in the New York Times, an amendment to the Vestal copyright revision bill, which would provide that registration of the copyright shall not become effective notice to any one until three months after it has been filed. The amendment is offered by the National Broadcasters' Association.

"The proposed amendment would permit all the world to take copyright, even though registered, for three months after registration", Mr. Osborne said. "As many song hits, dramatic skits and other creations are frequently in demand only for a few months after creation, this would lead to the ruin of all such works, as the up-to-the-minute work could, under such a provision, be used with impunity and without pay for the first three months of its life.

"To throw all new and popular material into the public domain for its first three months is unthinkable. What it really does is to declare an open season during which the radio interests can go hunting for whatever they may desire in the fields of literature, music, art and drama."

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APPLICATIONS RECEIVED BY FEDERAL RADIO COMMISSION

February 7. - WLEX, Bay State Broadcasting Corp., Lexington, Mass., C. P. to move transmitter from Lexington to Quincy, Mass., and studio from Lexington to Boston, and increase hours from sharing with WMAF and WSSH to sharing with WSSH; WTEL, Foulkrod Radio Engineering Co., Philadelphia, Pa., license to cover C. P. issued 9/26/30 to change equipment; KTSA, Lone Star Broadcast Co., San Antonio, Texas, modification of C. P. to move transmitter from 7½ miles N.W. of San Antonio, to Block No. 6906 Jefferson Heights, near San Antonio, and to extend completion date to 90 days from date of issuance of this application; KGFF, KGFF Broadcasting Co., Inc., Alva, Okla., modification of C. P. to change type of equipment on C. P. issued to D. R. Wallace, owner KGFF Broadcasting Co.; WSFA, Montgomery Broadcasting Co., Inc., Montgomery, Ala., modification of license to increase hours of operation from sharing with WODX, to unlimited day operation and sharing with WODX at night, on 1410 kc.

Also, D. H. Castille, New Iberia, Louisiana, C. P. application resubmitted to request authority to erect a new station to use 1370 kc., 100 W., and unlimited hours; WJBY, Gadsden Broadcasting Co., Inc., Gadsden, Ala., C. P. to install new equipment and increase power from 50 W. to 100 W. night and 250 W. day on 1210 kc.; WLS, Agricultural Broadcasting Co., Chicago, Ill., modification of C. P. to extend completion date on C. P. to May 6, 1931; KFKA, The Mid-Western Radio Corp., Greeley, Colo., license to cover C. P. issued 11/21/30 to change equipment.

Applications Other Than Broadcasting

February 7 - Wired Radio, Inc., Newark, N. J., W2XCU, renewal of experimental license for 1604, 2398, 3256, 4795, 6425, 8550, 12850, 17300 kc., 20 KW; Mackay Radio & Telegraph Co., Inc., WNR, near West Palm Beach, Fla., modification of Marine relay license to use two additional transmitters; New York, Alaska Gold Dredging Corp., lower Kushokwin River Valley, Terr. Alaska, new C. P. for one frequency between 80 and 100 m. and one between 600 and 800 m. 50 Watts, private point-to-point service; Press Wireless Inc.: WJA, Chicago, Ill., modification of limited public license for change in frequencies to 7340, 7355, 7625, 7820, 7955, 15910, 15670, 15640, 15880, 15610, 15580, 4995, 4735 kc.; WJK, Nedham, Mass., modification of limited public license for change in frequency to 7340, 7835, 15670, 15890, 7625, 4715, 5345, 15880 kc.; KOP, San Francisco, Calif., modification of license for change in frequency to 7340, 15730, 7820, 15640, 4745, 5335 kc., limited public service; WJO, Hicksville, L. I., N. Y., modification of C.P. for change in frequencies to 4725, 4735, 4745, 4965, 4975, 4715, 4985 4995, 4925, 4955, 4935, 5295, 5305, 5325, 5335, 5345, 5355, 5315, 5285, 7850, 7925, 7955, 7640, 15700, 15910, 15730, 15760, 15350 kc.

Also, Aeronautical Radio, Inc.: KSX, Albuquerque, N. Mex., modification of license for permission to work point-to-point with Brown Chain; KGUA, El Paso, Texas, modification of license for permission to work point-to-point with Blue Chain; KGUH, Waco, Texas; KGUF, Dallas, Texas; KGUB, Houston, Texas and KGUD, San Antonio, Texas, modification of license for permission to work point-to-point with Orange Chain.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

On February 6, the Commission granted the following applications:

KPQ, Wescoast Broadcasting Co., Wenatchee, Wash., C. P. to make changes in equipment to conform to G. O. 91 and 97; WOCL, A. E. Newton, Jamestown, N. Y., C. P. to install new equipment increasing licensed power from 25 to 50 watts, and move studio locally in Jamestown; WHEC-WABO, Hickson Electric and Radio Corp., Rochester, N. Y., C. P. to make changes in equipment to conform to G.O.s 91 and 97, increasing maximum rated power from 500 to 1000 watts (no increase in licensed operating power); KGNE, Herbert Logan Spencer, North Platte, Neb., consent to voluntary assignment of license to Great Plains Broadcasting Co.; WPTF, Durham Life Insurance Company, Raleigh, N. C., authority to operate until 9:30 P. M., EST, Feb. 12, in order to broadcast speech by Chairman Legge of Federal Farm Board; WOKO, Hudson Valley Broadcasting Co., Poughkeepsie, N. Y., permission to be off the air two or three weeks while transmitter is being moved; WQDM, A. J. St. Antoine, St. Albans, Vt., permission to broadcast Friday, Feb. 6th, from 7 to 8 P. M. with 5 watts power only; KGJW, Pan American Airways, Inc., Brownsville, Texas, authority to use code entirely and not telephone; WODX, Mobile Broadcasting Corp., Mobile, Ala., authority to operate with power output of about 360 watts for several days until permanent repairs can be made to transmitter in order that operation will be at regular licensed output which is 500 watts; WFI, Strawbridge & Clothier, Philadelphia, Pa., C. P. to install new equipment increasing rated power of equipment to 1 KW (this does not increase licensed power of transmitter); WOBV, WOBV, Inc., Charleston, W. Va., modification of C. P. to change location of transmitter and studio locally, and install new equipment to conform to G.O. 91 and 97, increasing maximum rated power of equipment from 250 w. to 1 KW (no increase in licensed operating power).

Also, RCA Communications, Inc.: WQV, Rocky Point, N. Y., and WAJ, Rocky Point, N. Y., modification of licenses for additional points of communication; W2XDC, Portable, initial location vicinity of Riverhead, N. Y., modification of license for additional frequencies: 1604, 2398, 3256, 4795, 6425, 8650, 12850, 17300, 34600, 51900, 60000, to 400,000; Radiomarine Corp. of America: WLOXL, Plane NC-9779, renewal of license; WNY, Brooklyn, N. Y., modification of license for additional frequencies; W2XBB, Radio Corporation of America, Brooklyn, N. Y., C. P. to move transmitter

from Brooklyn, to 75 Varick St., N. Y. City; W3XAJ, RCA Victor Co., Inc., Camden, N. J., C. P. for additional transmitter for sound transmission in connection with visual broadcasting; KPH, Radio-marine Corp. of America, Bolinas, Cal., modification of license to use 70 KW on transmitter #5; W10XAF, Larry L. Smith, portable in State of Kentucky, renewal of license 2398 kc., 5 w; Globe Wireless, Ltd.; KYG, Island of Oahu, T. H., licenses: Calling 5525, 11050, 13580, 22100 kc.; working, 4116, 6515, 8630, 11020, 11080, 11140, 11200, 16900, 22160 kc., 1500 watts; KTK, Mussel Rock, Cal., license, frequencies 500, 5525, 11080, 13580, 22100 calling; 460, 4116, 6515, 8630, 11020, 11080, 11140, 11200, 16900, 22160 kc., working, 1500 watts; KGJX, City of Pasadena, Pasadena, Cal., license 1712 kc., 50 watts for police service; American Telephone and Telegraph Co., Lawrenceville, N. J., C. P. frequencies 6755, 10550 kc., 500 watts, to communicate with Bermuda station of British Marconi Co.; WJK, Press Wireless, Inc., Needham, Mass., C. P. for a new transmitter, Press Wireless Frequencies to communicate with Halifax, New York and Chicago.

Set For Hearing

New Philadelphia Broadcasting Co. (R. C. Hefling, Pres.), New Philadelphia, Ohio, requests C. P. 1370 kc., 100 w., unlimited; WNBO, John Browlee Spriggs, Silver, Haven, Pa., requests C. P. to change equipment, install automatic frequency control, and increase day power to 250 watts; I. C. Lankford, Jr., Seymour, Texas, requests C. P. 1604 kc., 15 watts.

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AMENDMENT TO GENERAL ORDER 99

The following minute was approved in order to place into effect the amendment to General Order 99, adopted January 20, 1931:

"Upon motion duly made, seconded and carried, the Commission ordered that the following licenses for aeronautical service on the Blue Chain be modified so as to conform with the provisions of General Order No. 99 as amended January 20, 1931, as follows:

<u>Station</u>	<u>Call Letters</u>	<u>Change</u>	<u>To</u>
Alameda, Cal.	KGSB	5510 kc	5540 kc.
Albuquerque, N. M.	KGSD	" "	" "
Amarillo, Tex.	KGSE	" "	" "
Kingman, Ariz.	KGTL	" "	" "
Las Vegas, Nev.	KG TJ	" "	" "
Salt Lake City, Utah	KGTH	" "	" "
Wichita, Kans.	KGTD	" "	" "
Columbus, Ohio	WAEB	5540 kc	5510 kc.
Indianapolis, Ind.	WAEA	" "	" "
Springfield, Mo.	KG TQ	" "	" "

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