

# HEINL RADIO BUSINESS LETTER

INSURANCE BUILDING

WASHINGTON, D. C.

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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 :: :: **CONFIDENTIAL—NOT FOR PUBLICATION.** :: ::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. 449

## MAJOR CHAINS EXPAND SHORT WAVE SERVICES

Always looking for new worlds to conquer, the National Broadcasting Company and the Columbia Broadcasting System are planning to increase their short wave facilities so as to prepare for new stunt broadcasts. Applications to the Federal Radio Commission indicate this trend toward special-event broadcasts.

The networks already have achieved marked success in the use of portable short wave sets in broadcast pick-up service. Transmitters of but one watt output, strapped to the backs of the announcers, have been used to "feed" the networks. Such "stunt" broadcasts have been made from submarines under water, surface craft on the high-seas and airplanes overhead. A broadcast has been accomplished from a zoo. A parachute jumper has described his descent with a microphone cupped over his lips and the low-powered short wave transmitter on his back.

In regular program transmission, short wave rebroadcasts from nearly every corner of the world now have become commonplace within a year. Nation-wide hook-up of stations, which formerly were accorded only events of extraordinary importance, now are matters of nightly schedule on the networks.

Columbia has filed with the Commission applications for authority to build four additional portable short-wave transmitters for use in special events broadcasts. It already has two such sets.

Two of the new sets would be of only one watt power, of the type carried by the announcer on his back, with the antenna usually projecting over his head. The other two would be 50-watt transmitters, usually loaded on trucks, and carried to the scene of the event to be broadcast.

National Broadcasting Co., also is planning expansion of its special broadcast service, and probably will seek license for additional portable sets.

With the advantage of such short-wave rebroadcasting apparent, the Commission last Autumn set aside six short wave frequencies for "temporary broadcast pick-up service." Two of these were assigned to the NBC, two to Columbia, and the remaining two for use of independent stations when the occasions warrant. Although 90-day licenses are issued to the networks for the frequencies assigned them, they must file with the Commission at least 24 hours in advance, applications setting forth the use to be made of them, and the event to be broadcast.

NBC has allocated for its use the frequencies of 1584 to 2392 kilocycles. Columbia has 1544 and 2476 kilocycles, and the independent channels are 1564 and 2368.



The Commission's order specifies that such short-wave facilities may be used only in event wire facilities are not available. The procedure usually is for the portable transmitter to be located near to the "pick-up" receiving set, which feeds the program to the network or the regular broadcasting station. The distance to be covered by the short wave portable usually is small, so that the signals picked up will be of sufficient strength and crispness to be amplified with good quality over the broadcasting network.

The Commission also has set aside frequencies of the same character for motion picture companies under extraordinary circumstances. Short wave channels may be used for communication between the home studios and parties "on location", when wire line facilities are not available, and to expedite the production of the pictures.

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#### NEW STATION RECOMMENDED FOR YORK, PA.

Award of a construction permit to the York Broadcasting Company, York, Pa., with an assignment of 1000 kilocycles, 1,000 watts, with daytime operation, was recommended to the Federal Radio Commission last week by Chief Examiner Ellis A. Yost.

The Chief Examiner's report points out that Pennsylvania is 7.9 units under-quota and that the Second Zone is 3.54 units below quota. The granting of the application, he adds, would raise increase the units of the State and Second Zone by .5 unit.

Granting of the application will not cause heterodyne or cross-talk interference, the report states, and a greater need exists for a station at York than at Lancaster.

At the same time, Mr. Yost recommended denial of the application of Kirk Johnson & Co., of Lancaster, Pa., for a construction permit.

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#### CITY-OWNED STATION SHOWS PROFIT

Station WRR, owned by the City of Dallas, Texas, showed a profit of \$11,899 for the first half of 1931, according to Variety. The station is operated by John Thorwald, Manager, on a 60-40 basis, the city getting 60 per cent of profits and sharing the expenses equally.

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## COMMENTS OF INDEPENDENTS FAVOR PATENT POOL

The July issue of Electronics carries comments from several industrial leaders on the proposal to establish an open patent pool in the radio industry; the comments follow in part:

Morris Metcalf, United American Bosch Corporation, Springfield, Mass.:

"I am strongly of the belief that the time has come for the industry to establish a patent pooling arrangement under the leadership of the RMA, and the more important holding groups or it will be done for us in ways that will be to the disadvantage of the radio industry."

H. B. Richmond, Treasurer, General Radio Company:

"Now if ever, the time has arrived for the industry to pool its resources to reduce the burden imposed by the present untenable patent situation."

B. J. Grigsby, President, Grigsby- Grunow Company, Chicago, Ill.:

"Patent threats, royalty demands, and litigation over patents have been a paramount factor in disturbing the industry and preventing cooperation on matters of vital common interest..... It has been clearly demonstrated that these intolerable conditions can be remedied only by a pooling of patents along the line of the RMA plan patterned after that of the automobile industry. Under such a plan there is a free interchange of patent information and the resources of the industry are made available for joint defense against invalid patents and improper royalty demands, and for the acquisition of patent rights of common interest."

Edgar Rickard, President, Hazeltine Corporation, Jersey City, N. J.:

"Hazeltine Corporation has always been in favor of the broad principle of a patent pool for the radio industry. Its present attitude, although favorable, is conditional upon the safeguarding of its rights that have been established in expensive and bitterly contested litigation against infringers."

"We have no desire to block any constructive move to establish whatever desirable result an industry-wide patent pool might bring about; therefore we would be ready and willing to give serious consideration to any concrete plan that may be proposed. We will not, however, acquiesce in any plan that does not fully take into consideration our rights."



Powell Crosley, Jr., President, Crosley Radio Corporation, Cincinnati, Ohio:

"Attempts toward bringing about patent-pooling plan sound fine, but is it reasonable? Economic conditions in radio industry certainly require alleviation of present excessive royalties to make such a plan workable.

"Start will have to be made at top, working down, rather than at bottom, working up, if you know what I mean."

C. C. Colby, President, Samson Electric Company, Canton, Mass.:

"For many years I have favored patent pooling in the radio industry as an economic necessity. Today the need is greater than ever. It would stimulate development, standardize equipment, improve products, result in cost reductions, and bring a united industry into a cooperative effort that will avoid unprofitable litigation and gain the good will of the American people. This is necessary today if radio is to consistently advance..... However there must be an industry pooling of patents and not a mere paternal licensing arrangement such as the industry has had and is now suffering under."

Herbert H. Frost, President, Frost-Minton Company, New York City:

"The stabilization of the radio industry cannot be effected until patent pooling becomes a reality. Continuation under existing conditions means a continuation of litigation, uncertainty and artificial costs, which in themselves prevent stabilization of any industry."

Ernest Kauer, President, CeCo Manufacturing Company, Providence, R. I.:

"The automotive industry has found it profitable, over a period of years, to pool their patents. In addition, the lack of patent litigation, in the automotive industry, since the original pooling agreements, speaks for itself. We believe that the benefits derived from the pooling of patents in the radio industry will be proportionately as great as those derived in the automotive industry."

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: BUSINESS LETTER BRIEFS :  
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The U. S. Civil Service Commission has announced an open competitive examination for vacancies in the field service of the Radio Division of the Department of Commerce. The job is that of Assistant Inspector with an entrance salary of \$2,400. Applications must be filed before July 21st.

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Radio transmitting and receiving stations along the Cap-to-Cairo air route in Africa will be constructed by the Marconi Company, according to advices received by the Department of Commerce from Benjamin Thaw, Jr., First Secretary of the American Embassy at London.

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The opening of direct radio services from Mukden to San Francisco and Berlin on June 15th gives China practically worldwide radio communication.

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HEARST REPORTED NEGOTIATING FOR WCAE

William Randolph Hearst is reported to be negotiating for Station WCAE, the Gimbel Brothers station at Pittsburgh, for a price of \$900,000, according to Variety.

The Pittsburgh station, which takes NBC programs, showed a profit of \$73,000 last year, Variety continues. Acquirement of WCAE would give Hearst his first fully-owned station though he has a share of WGBS, of New York.

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