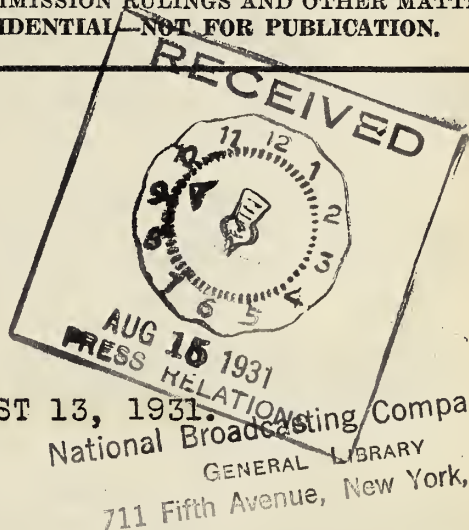


HEINL RADIO BUSINESS LETTER

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 :: :: CONFIDENTIAL NOT FOR PUBLICATION.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



INDEX TO ISSUE OF AUGUST 13, 1931.

Yost Recommends Renewal Of KGEF License.....	2
DeForest To Build Mexican Radio Unit.....	2
Value Put Above Price By Atwater Kent.....	3
Chicago World's Fair To Feature Radio.....	4
Grigsby Pleased At Fall Prospects.....	5
RCA Test Facsimile Transmission.....	6
Radio Tabulation In Ohio.....	6
Networks Have Most Of Peak Time Taken.....	6
Business Letter Briefs.....	7
CBS Plan New Religious Programs.....	8
Commission Engineer Finds Television Immature.....	8
Applications Received By Federal Radio Commission.....	9

No. 460

SUBSCRIPTION PRICE, \$10. PER MONTH. NO CONTRACT REQUIRED.

YOST RECOMMENDS RENEWAL OF KGEF LICENSE

The Rev. Bob Schuler, pastor of the Los Angeles Trinity Methodist Church, South, won his preliminary fight to retain the license of Station KGEF this week, but Chief Examiner Ellis A. Yost, who recommended the renewal, preached him a sermon on the privileges of a broadcaster in a report to the Federal Radio Commission.

Renewal of the license had been bitterly opposed by Lloyd Nix, former city prosecutor, and other city, county and State officials who had been objects of attacks from the pastor over the air. The hearing was held last January in Los Angeles.

Examiner Yost expressed the opinion that Dr. Schuler had been "extremely indiscreet in some of his broadcasts" and added the following brief sermon:

"The practice of reflecting upon the character of a citizen, based closely on rumors and unverified reports, resulting in injury both to the business and reputation of such citizens, is indefensible. Injury or injustice by reason of a radio broadcast may be irreparable.

"Unjust attacks upon religious denominations increase religious prejudice and arouse community strife and antagonisms, unwarranted criticisms of the courts and public officials tend to destroy confidence of the people in free government and are against public interest.

"Since the facilities available for radio broadcasting are so extremely limited, it is incumbent upon every holder of a radio broadcasting license to render the highest possible public service in exercising the privileges conferred by such a license."

The recommendation was based, however, on the fact that the pastor used only three hours each week of the station's 23 $\frac{1}{4}$ total and its entire record.

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DEFOREST TO BUILD MEXICAN RADIO UNIT

The following appeared in this week's Variety under a Hollywood dateline:

"Dr. Lee DeForest leaves here next week for Mexico City where he will organize a picture production unit and a company for manufacture of radio and talker equipment.

"Understood DeForest is being subsidized by the Mexican government, which is anxious to build up radio business. Picture angle is supposed to be DeForest's own idea."

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VALUE PUT ABOVE PRICE BY ATWATER KENT

Value, rather than price, is the gauge by which the buying public is measuring its purchases today, according to a symposium of opinion by business leaders, gathered by A. Atwater Kent, of Philadelphia. As contrasted with conditions of two or three years ago, the present demand is for quality and permanence.

"One reason why I believe that better business is ahead", wrote Roger W. Babson, famous statistician and economist, "is that the world is getting back to the basis of value. At the peak of the boom in 1929, people could think of nothing but prices. I told people then that this was all wrong. I said: 'You are buying quotations instead of values'."

Gen. James G. Harbord, President of the Radio Corporation of America, wrote: "Quality or price is a choice which every buyer makes. Shall we measure a radio, for example, by what it costs or by what it will do? The decision involves the whole scale of taste and satisfaction. Quality of appearance, material and performance are bound to be the cheapest in the end."

"This year, everybody is looking for greater values than ever before", said Harvey Firestone. "Price is never an index to value unless you know the reputation of the manufacturer. My advice is to look for the name of the maker and see the quality and construction behind the price before you buy the product."

Merle Thorpe, editor of Nation's Business wrote: "It is my observation that the decisive demand is for higher quality at prices scaled to depression incomes. Accomplishment of economies in production and distribution can be brought home to the consumer only by building up his understanding of value, which is a combination of price and quality."

These were among the business views broadcast over a nation-wide NBC network of more than 50 stations on Wednesday in an Atwater Kent program designed especially for his distributors and dealers in every city and town in this country. The occasion was the introduction of the new 1932 line of Atwater Kent radio receivers, the program being received over the new models by group meetings assembled in every State.

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CHICAGO WORLD'S FAIR TO FEATURE RADIO

An extensive exhibit picturing the early stages of radio and the development and growth of the radio industry to its present proportions and its diverse fields, will be prepared as one of the important features in the Radio Building at the 1933 Chicago World's Fair, according to an announcement by J. Franklin Bell, Chief of the Applied Science and Industry Division of A Century of Progress.

"In view of the fact that radio is a comparatively new industry", said Mr. Bell, "this will in all probability be the first comprehensive historical exhibit ever prepared. It will include representative types of apparatus used from the early days of Marconi up to the present time, so that step by step, the progress and development of this communications art to its present high service of entertainment and education through broadcasting may be traced by the visitor at the Fair.

"The exhibit will be arranged through cooperation with A Century of Progress by the Radio Corporation of America. This company possesses much historical information and a wealth of data on the early stages and development of the radio industry. The Radio Corporation already has done much work toward the collection of historical exhibits for museum purposes.

"One of the interesting features of the display will be the first commercial wireless station built for regular service in the United States by Marconi, which may be regarded as the birth-place of the present vast system of wireless communications radiating from New York.

"It is expected that this station, which is now in the possession of R. C. A. Communications, Inc., at Rocky Point, Long Island, will be transported to the Radio Building at the Fair intact, and that it will be fitted with the same type of equipment that Marconi and his assistants used there in 1900, at a date in radio even prior to the historic flashing of the letter "S" across the Atlantic. Representatives of RCA are now searching for the original equipment of the station, which stood at Babylon, L. I., but it is doubtful that this can be located and other equipment of the same date will be used."

As a result of the collecting work already done by the Radio Corporation, the historical exhibit of radio will include complete, installed models of early spark transmitters showing the principal steps in the development of this apparatus. Efforts will be made to procure for display purposes the first Alexanderson alternator, the invention of the well-known engineer of the General Electric Company. Where the size of some of the early radio equipment will prohibit its display at the Fair, models may be substituted.

The aim of the radio display will be such that the casual visitor passing along the main exhibition will obtain a general and lasting impression of the radio development that has been one of

the marvels of the present generation. The earlier types of equipment will be those employed in marine and point-to-point communications work. Sufficiently detailed exhibits will be included to give the display a real educational value for individuals who are radio-minded. The growth from the first communications receivers, detectors, wave meters, spark gaps, sending keys, each of which developed along its own line, will be portrayed in the display, according to present plans.

Another objective of the display, is to give the general public a better impression of the vast amount of scientific research and engineering work behind such a modern technical industry as radio. The communications exhibit will lead up to models in miniature of the huge radio transmitting plant at Radio Central, Rocky Point, L.I., and the vast system of receiving antennae at Riverhead, Long Island.

The present intention is to complete the display with exhibits evidencing many of the vast number of ways in which radio has contributed to modern progress over and beyond its most familiar use in broadcasting. Each section of the exhibit will be provided with hundreds of well-authenticated photographs telling in picture form and in an associated text the detailed story of the exhibit. As an example, replicas of the instruments used by Marconi when he received the first radio signals from Europe across the Atlantic - the transmission of the letter "S" - will have nearby a number of swinging boards on which will be pictures showing the antennae Marconi used, some of the men who helped him in his work, the transmitter at Poldhu, England, from which he received the signals, and other interesting features connected with this event. The original equipment used by Marconi in this historic work cannot be shown, as it was destroyed by fire in Trieste, Italy, some years ago.

The Electrical Group which includes the Radio, Electrical and Communications Buildings, is now under construction on the Exposition grounds of A Century of Progress.

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GRIGSBY PLEASED AT FALL PROSPECTS

At the close of the two days' convention of distributors of the Grigsby-Grunow Company, B. J. Grigsby, President and Chairman of the Board of Directors, stated he was more than pleased with the business outlook, and was confident that Majestic is going to have an unusually successful season.

"I am firmly convinced that we are going to have better radio business this Fall than we had in 1930. We showed several new developments in radio and these have the hearty approval of our distributors."

It was announced at the convention that within the next year new products would be added to the present line of manufacture. It is contemplated that these will include household appliances like electric washing machines and electric irons, the policy of the company being to ultimately produce a complete line of Majestic electric appliances for the home.

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RCA TEST FACSIMILE TRANSMISSION

Experiments which probably will lead to the inauguration of a regular radio facsimile transmission service to ships at sea are being conducted with the SS. America of the United States Lines, and the S.S. Minnekahda of the International Mercantile Marine Company by the Radiomarine Corporation of America, which for some time has been engaged in intensive research work in the field of marine facsimile transmission.

Facsimile apparatus developed by Charles J. Young, of the Engineering Department, RCA Victor Company, Inc., has been installed on the "Minnekahda" and "America" and facsimile transmission is now being carried on from the General Electric Company at Schenectady to these ships at sea. Successful marine facsimile transmission was accomplished last year by the Radiomarine Corporation with the "America" when that vessel was off Fastnet Island, approximately 3,000 miles from New York.

Charles J. Pannill, Executive Vice President of the Radiomarine Corporation, pointed out that the present test will establish the full practicability of a marine facsimile service, which has been looked forward to as an important new aid to navigation. Primary among the services will be the transmission of weather maps, to be made available to masters of vessels on the high seas.

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RADIO TABULATION IN OHIO

Out of 1,700,877 families in Ohio, 47.7 per cent, or 810,767, possessed radio receiving sets in 1930, the Census Bureau reports. This places the Buckeye State above the average set by the States counted so far.

The radio industry and the Department of Commerce had previously estimated that there were 845,000 radio sets in the State.

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NETWORKS HAVE MOST OF PEAK TIME TAKEN

Both radio networks are nearing the point of being 100 per cent booked between the peak hours of 5 and 11 P. M., according to Variety. The National Broadcasting Company has but three hours in the week unsold, while Columbia has only four hours not paid for.

Independent stations are anticipating a good business direct with advertisers because of the congestion on the chains.

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: BUSINESS LETTER BRIEFS :
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Three new commercial programs have just been signed by C. B. S. Street and Smith's Love Story Magazine half-hour dramatic sketches will be on once a week beginning Thursday, October 1st. Pratt Foods will start on a 22-station circuit on September 17th with a 15-minute farm program every Thursday afternoon. Vanity Fair Silk Mills will follow two days later with a 15 minute variety show over the same number of stations; both of latter contracts are for 13 weeks.

Walter Stone, head of the Publicity Department of the National Broadcasting Company has resigned. G. W. Johnstone, now Assistant to M. H. Aylesworth, is filling both jobs for the present.

C. L. Menser, of the Production Department of the National Broadcasting Company at the New York headquarters, has been transferred to the Chicago division as Production Manager of the studios in that city. He will report officially for his new duties next Saturday.

One of the questions asked of radio editors recently by the National Confectioners' Association of Chicago, was:

"Are you in sympathy with the movement to reduce the advertising ballyhoo in radio programs?"

"The answer, briefly, was 'Yes'", C. J. Nadherny, of that association reports. "Some cited their own suffering at the hands of long-winded announcers. Others quoted their friends or wives. Still others took a broader view, seeing the long commercial announcement as a real menace to radio, working to the hurt of sponsor, station, manufacturer and listener alike. Many cited programs which had aroused antagonism instead of good will through over-zealous 'plugging.' Whatever the approach, the affirmative answer was in every case positive and unqualified. If the power of the press is what we think it is, such a strong and united opinion on the part of radio commentators cannot fail to banish the too-long commercial announcement in the near future. Needless to say, we are committed, in our own broadcasts, to maximum entertainment and minimum sales talk."

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CBS PLAN NEW RELIGIOUS PROGRAMS

A new policy in the handling of religious broadcasts will be put into effect shortly by the Columbia Broadcasting System. A "Church of the Air" over a national network - in which the Protestant, Catholic and Jewish faiths will be represented - will be started on Sunday, September 13th.

Under the new plan, the facilities will be donated with no return whatsoever, and whenever necessary, the musical setting for a complete service will be furnished.

In announcing the abolition of religious broadcasting on a commercial basis, William S. Paley said:

"In adopting the new plan of religious broadcasting, we have uppermost in mind freeing ourselves from the responsibility which we are not qualified to assume of allotting time on a commercial basis to different religions and different preachers. So long as we view this question solely in the light of business practice, we are likely to fail to give to the radio audience the balanced religious broadcasting it is entitled to. We feel that religious broadcasting is a public service which should be administered as far as possible under the guidance of persons closely associated with religious endeavor."

Allotment of time among the various faiths and sects is being worked out on the basis of the relative numerical strength of the principal religious organizations of America.

Two half-hour periods each Sunday are contemplated in the plan. Each period will be a complete service so far as the customs of the church in charge permit.

The Protestant Hour will be 10 A. M., E.S.T., and the Catholic and Jewish services are to be heard in the afternoon.

A contractual obligation with the Rev. Dr. Donald Gray Barnhouse, of Philadelphia, for several weeks' broadcasting next Fall, will be fulfilled, but all other hours heard last year will be dropped.

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COMMISSION ENGINEER FINDS TELEVISION IMMATURE

The following review appeared in the New York Times on Edgar H. Felix's book on television:

The Scientific Book Club's August selection, "Television, Its Methods and Uses", records "tremendous improvement recently due to scientific progress in the instrumentalities of television, but

warns that the public must not expect television entertainment for some years because of the further need for many radical improvements. The book published by the McGraw-Hill Book Company, is the work of Edgar H. Felix, Consultant of the Federal Radio Commission and for fifteen years an engineer on the staffs of numerous broadcasting stations.

Among the scientific improvements tending to bring television nearer as a source of national entertainment are the electrical transmission of audible frequencies, photoelectric tubes, vacuum-tube amplifiers and motion picture projection, according to Mr. Felix. These improvements, he explains, provide new tools of "exquisite responsiveness and accuracy, replacing the crude instrumentalities of the pioneers." None of these new methods, however, provides the fundamental inventions which are needed to make television feasible as a public service, he contends.

The author considers the limitations of existing television systems and holds that the outstanding problem of television is in overcoming the limitations imposed by the shortage of communication facilities. He says engineers up to this time have been following in the footsteps of principles disclosed fifty years ago.

Mr. Felix charges the public has been led to expect too much of television because of "premature publicity issued by promoters and manufacturers." When television arrives, it probably will become "the greatest medium for the advertiser", he says. He devotes the closing chapters of his book to a study of the possibilities of television as an entertainment, educational and advertising medium.

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APPLICATIONS RECEIVED BY FEDERAL RADIO COMMISSION

August 7 - WPDZ, City of Fort Wayne, Ind., Fort Wayne, Ind., C. P. for additional tube and increase in speech equipment, police service; KWW, Joseph T. Bayer, Chicagoff, Alaska, license for 500, 429, 174.4 kc., 150 watts, point-to-point and coastal service; Harry H. Billings, Fresno, Calif., new C. P. for frequencies to be determined, 1 KW, experimental service; W6XU, Radiomarine Corp. of America, San Francisco, Calif., renewal of special experimental license for 11050, 11230, 12490, 13240, 16580, 159, 151, 153, 157, 160, 400, 410, 454, 468, 8290, 8450 kc., 10 KW.

Also, Aeronautical Radio, Inc.: WEEQ, Atlantic City, N.J., licenses for C. P. for 4164, 6320 kc., 20 watts, aeronautical service, and license covering C. P. for 3070, 3076, 5690 kc., 20 watts, point-to-point aeronautical; WSDL, Duluth, Minn., licenses covering C. P. for 3004, 5375 kc., 400 watts, aeronautical service, and license covering C. P. for 2680 kc., 400 watts, point-to-point aeronautical service.

PATENTS, PATENT SUITS, AND TRADE MARK

The following patents were granted during the week ending August 11, 1931;

- 1,818,006. Method of Making and Playing Phonograph or Sound Records. Heinrich Ohagen, Breslau, Germany. Filed April 2, 1928, and in Germany April 6, 1927.
- 1,818,010. Electrical Condenser and Method of Manufacturing the Same. Victor E. Rosen, Waltham Highlands, Mass., assignor to Wireless Specialty Apparatus Company, Boston, Mass. Filed February 3, 1923.
- 1,818,157. Radio Receiving Circuits. Maurice M. Phillips, Pittsburgh, Pa. Filed April 17, 1929.
- 1,818,316. Inductance System. Louis A. Gebhard, Washington, D. C., assignor to Wired Radio, Inc., New York, N. Y. Filed December 22, 1928.
- 1,818,363. Inductance System. Arthur M. Trogner, East Orange, N.Y., assignor to Wired Radio, Inc., New York, N. Y. Filed January 25, 1929.
- 1,818,463. Zero Correcting Circuit, Austen M. Curtis, East Orange, and Everett T. Burton, Millburn, N. J., assignors to Bell Telephone Laboratories, Inc., New York, N. Y. Filed September 15, 1928.
- 1,818,502. Sound Reproducing Apparatus. Freeman H. Owens, New York, N. Y., assignor to Owens Development Corp., New York, N. Y. Filed September 16, 1929.
- 1,818,639. Radio Direction Finding. Alexander Meissner, Berlin, Germany, assignor to Gesellschaft fur Drahtlose Telegraphie, m.b.H., Berlin, Germany. Filed December 31, 1926, and in Germany January 19, 1928.
- 1,818,645. Automatic Disk Record Player, Joseph A. O'Neill, New York, N. Y. Filed June 17, 1925.
- 1,818,669. Radio Frequency Telegraphy and Telephony System. August Beckmann, Berlin, Germany, assignor to Gesellschaft fur Drahtlose Telegraphie m.b.H., Berlin, Germany. Filed January 9, 1925, and in Germany January 11, 1924.
- 1,818,708. Radio Dynamic Control of Gliding Bodies. John Hays Hammond, Jr., Gloucester, Mass. Filed November 15, 1922. Renewed August 8, 1929.

- 1,818,854. Diaphragm For Loud Speakers. William K. Kearsley, Schenectady, N. Y., assignor to General Electric Company. Filed October 1, 1926.
- 1,818,947. Current Supply Apparatus. William C. Grunow, Chicago, Ill., assignor to Grigsby-Grunow Company, Chicago, Ill. Filed October 6, 1926.

Patent Suits

- 1,173,079, E. F. Alexanderson, Selective tuning system; 1,195,632, W. C. White, Circuit connections of electron discharge apparatus; 1,313,094, I. Langmuir, System for amplifying variable currents; 1,251,377, A. W. Hull, Method of and means for obtaining constant direct current potentials, filed June 8, 1931, D.C., S.D. N. Y., Doc. E 60/125, Radio Corp. of America et al v. The Poughkeepsie Gold Seal Electrical Corp.
- 1,231,764, F. Lowenstein, Telephone relay; 1,403,475, H. D. Arnold, Vacuum tube circuit; 1,465,332, same, Vacuum tube amplifier, filed June 8, 1931, D. C., S.D. N. Y., Doc. E 60/124, Radio Corp. of America, et al. V. The Poughkeepsie Gold Seal Electrical Corp.
- 1,620,661, Re. 17,915, L. L. Jones, Radio frequency amplifying system; 1,673,287, same, Electron discharge tube amplifier system; 1,713,130, same, Method of and means for controlling energy feed back in electron discharge device; 1,732,937, same, Transformer and coil system; 1,770,524, same, Amplifying system; 1,770,525, same, Radio receiving apparatus; 1,779,881, same, Amplifier; 1,788,197, same, Radio frequency circuit; 1,791,030, same, Radio Receiving system; 1,696,263, C. E. Bonine, Radio apparatus; Re. 17,194, G. H. Whittingham, Tuning device, filed April 13, 1931, D. C. E. D. N. Y., Doc. 5454, Technidyne Corp. et al. v. McPhilbin-Keaton, Inc.

Trade-Mark (Not Subject To Opposition)

- 286,069. Smith, Kirkpatrick & Co., Inc., New York, N. Y. Filed May 31, 1930. "CAMBRIDGE" for Radio receiving sets and parts thereof and assembled audio amplifying units and parts thereof. Claims use since May 15, 1930.

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