

# 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 :: :: CONFIDENTIAL—NOT FOR PUBLICATION.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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PRESS RELATIONS DEPARTMENT  
G. W. JOHNSTONE

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No. 357

## RMA ESTABLISHES CENTRAL PATENT BUREAU

Reduction of patent difficulties in radio production and, therefore, manufacturing and selling costs, is the object of a centralized bureau of radio patent information which is to be established by the Radio Manufacturers' Association in its New York offices. At their mid-summer meeting on July 30th at Niagara Falls, Ont., the Board of Directors of the Radio Manufacturers' Association, the national industry organization, ordered the establishment of a radio patent department in charge of a competent radio patent attorney. There will be established a complete library of foreign as well as domestic patent information, available to all manufacturing members of the Association. The patent department will collect, digest, index and distribute information on radio patents, publications and litigation, but will not participate in any litigation.

George K. Throckmorton, Executive Vice-President of the E. T. Cunningham Company of New York, was elected to the RMA Board of Directors. Mr. Throckmorton is a prominent executive in the tube branch of the industry.

### New Chairmen Appointed

The following Chairmen of the various manufacturing groups were appointed:

Receivers - Captain William Sparks, of Jackson, Michigan; Tubes - B. G. Erskine, of Emporium, Pa.; Speakers - Henry C. Forster, of Chicago, Ill.; Cabinets - N. P. Bloom, of Louisville, Ky.; Amplifiers - A. C. Kleckner, of Racine, Wisconsin; Raw Materials - R. T. Pierson, of New York, and Miscellaneous Parts - Lloyd Hammerlund, of New York.

H. B. Richmond, of Cambridge, Mass., former President of the RMA, was appointed Director of the Association's Engineering Division which has plans for extensive work, especially in connection with interference problems.

In further reorganization of the RMA work during the coming year, President Metcalf appointed Mr. Harry M. Beach, of Rochester, N. Y., as Chairman of the Association's Merchandising Committee, and Major H. H. Frost, of New York, as Chairman of the RMA Show Committee, having jurisdiction over the policies and operations of the annual RMA Trade Show and public shows.

George C. Furness, of New York, Chairman of the Association's Statistics Committee, outlined plans to expand the industry's statistics reports which are distributed monthly to association members. These statistics will be handled in the future by the Standard Statistics Company of New York.

The Board voted to continue the present schedule of membership dues. Under an amendment to the RMA Constitution, approved at the Atlantic City Convention providing for associate membership, the Board reclassified its active and associate members as recommended by Chairman Bloom of the Membership Committee.

Resolutions deploring the recent death of Mr. Ernest R. Reichmann, former Association counsel, were adopted by the Board of Directors.

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#### STATION WABC GETS THREE MONTH EXTENSION

Another three-month extension for the installation of its proposed new 50,000 watt station was granted by the Federal Radio Commission today to Station WABC, New York, key of the Columbia Broadcasting System.

For nearly a year the station has been searching for a suitable location for the new high-powered transmitter. New Jersey interests protested against the location of the station in that State, claiming that its high power would blanket reception of other stations for listeners in the station's environs.

The new extension was granted on application of the Columbia System because of present difficulties respecting a new location which has been selected in the metropolitan area.

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#### STROMBERG-CARLSON COMPANY REPORTS GAIN

The belief that the sale of "quality" radio receivers has suffered during the general business depression following the Wall Street market drop last Fall appears to be shattered by statistics given out this week by George A. Scoville, Vice-President and Sales Manager of the Stromberg-Carlson Telephone Manufacturing Company, of Rochester, N. Y.

Mr. Scoville reported that Stromberg-Carlson sales for the first half of 1930 show an increase of 30% over the corresponding period in 1929, the record business year in the history of the company.

Although radio constitutes a greater part of the company's business, telephone business has increased rapidly year by year and has played an important part in the record-breaking performance of the Rochester concern, it is declared.



Mr. Scoville predicted a continuance of good business. He said:

"With nothing but active merchandise in the possession of the company, and with the surplus of radio receivers in the market being consumed, the prospects for a big 1930 business are most gratifying."

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## 608 LICENSED BROADCASTERS

All save one of the 609 broadcasting stations in the country began operations on August 1st by authority of new licenses which have become effective for the ensuing license period of three months.

The solitary exception was Station WRK, at Hamilton, Ohio, which failed to file an application for renewal pursuant to regular Commission procedure. This station was notified by telegraph by the Commission that any operation after July 31st would be in violation of the Radio Law, since the station's old license has expired.

It was explained at the Commission in this connection that under new procedure stations are required to file applications for renewal of their licenses in advance of the date of expiration. Failure to do so, it was pointed out, is tantamount to forfeiture of license, since the Commission has no application before it to renew.

The blanket extension of licenses for the three-month period includes 31 stations which have been awarded "temporary licenses" for failure to adhere to Commission regulations or to the terms of the Radio Law. These stations, in all sections of the country, must stand hearing prior to October 31st, when the current license period expires, to show cause why their licenses should not be revoked.

## Commission Must Reduce Number

Because of the overcrowded conditions in the broadcast spectrum, the Federal Radio Commission "is duty bound to effect a reduction in the number of certain types and classes of stations", the Commission informed the Court of Appeals of the District of Columbia.

Appraising the Court of its reasons for denying the application of Station WHAD, at Milwaukee, for increased time on the air, the Commission states that at the present time, "over-congestion exists in numerous communities." Rather than increase this by allotting additional facilities that agency is faced with the necessity of alleviating the condition.



"The Fourth Zone, which includes Wisconsin, is particularly overloaded with more than its share of broadcasting stations and applications from this zone must be carefully examined," the Commission states. "To grant the request of the applicant for increased facilities would only tend to deprive another community of the service to which it is entitled."

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## SAYS TARIFF HELPS COMMUNICATIONS BUSINESS

Signing of the new Tariff Bill by President Hoover was reflected in an immediate increase in foreign radio communications, according to General James G. Harbord, Chairman of the Board of Directors of the Radio Corporation of America, and the improvement in traffic has been maintained.

According to General Harbord, this increase in radio messages to and from foreign countries was due, presumably, to the activity of importers and exporters, here and abroad in sizing up the foreign trade situation resulting from higher American tariffs. A further interpretation placed upon the larger business was that it reflected the placing of orders for merchandise, both in the United States and abroad, which should help to stimulate world business.

While some of the commercial radiograms sent after the new tariff was enacted may have been the entering of orders for goods, the buying of which had been postponed pending the final adoption of the bill by Congress, the growing business of international communications is viewed by General Harbord as a sign of early improvement in general economic conditions.

### Ready For Good Business

Attributing the unfavorable results of the Radio Corporation's operations during the first half of the year to its liquidation of heavy inventories and to the reorganization of the company to include manufacturing operations and initiate a liberalized patent licensing policy, General Harbord said the company now was ready for good business in the last half of 1930.

"We are going ahead with increased production schedules", he said, "with the expectation that we will find buyers for our products. The Radio Corporation of America anticipates a marked improvement in the consumption of radio sets in this country and abroad during the remainder of the year."

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## PATENTS POOL FOR TALKIES

Action of the General Talking Pictures Corporation in starting suit for infringement of patents against RCA Photophone, the talking picture equipment subsidiary of the Radio Corporation of America, portends the beginning of negotiations for a patents pool in this country of these two companies and Electrical Research Products, Inc., the talking-motion-picture equipment subsidiary of the Western Electric Company, in the opinion of bankers allied with or closely interested in the motion-picture industry, according to the New York Times.

The General Talking Pictures Corporation has only recently sustained an infringement charge in the United States District Court against Electrical Research Products in a suit which was defended by the parent company, and this decision is regarded as having upset the patents agreement that RCA Photophone and Electrical Research Products recently negotiated with foreign companies.

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## COMMISSION WILL HEAR NEARLY 400 APPLICATIONS

Nearly 400 hearings already have been scheduled by the Federal Radio Commission for September, October and November, at which applicants for various types of radio facilities will be heard.

Calculating that hearings will be held at the rate of five a day on "hearing days", the Commission has docketed cases on the basis of applications received up to July 1. Applications received after that date have not yet been docketed.

The ever-increasing duties of the Commission are reflected in the number of applications now being received, members of the Commission have pointed out. Under the law, hearings must be held before the Commission can take negative action on applications of other than a purely routine and miscellaneous nature.

Among the applications pending and designated for hearing are about a score from stations seeking the maximum allowable power of 50,000 watts. All of these applications either have been or will be designated for hearing at the same time, to cover a week's period in September. Because these requests are interlocking, the Commission decided it would be advisable to hear them consecutively.

During the last fiscal year, which ended June 30, the Commission received an aggregate of 8,543 applications of every type and category, it is shown in the records. Of this total 944 were scheduled for hearing, and, after negotiation, 323 were placed on the hearing calendar. Of the latter figure 32 applicants defaulted by failure to put in appearances at the scheduled hearings.



In the final analysis, 240 hearings actually were held, as a result of which 159 applications were denied, 77 were granted and 4 still remain undecided.

From the adverse decisions of the Commission, 36 appeals were taken to the Court of Appeals of the District of Columbia. Of these, 31 appeals now are pending. Pursuant to these appeals, the Commission has filed 36 statements of fact and grounds for its adverse decisions in the case, as is required of it under the law.

The records show also that 100 stations have violated the Radio Act of 1927 or Commission regulations during the six months ended July 1, and that accurate records of such transgressions for the first time have been kept. Of these cases, 16 have been heard at formal hearings before the Commission and two stations have been deleted, as a consequence.

And of this aggregate of 100 violators, 31 stations have been issued temporary licenses for the three-month period ended October 31, and must stand hearing before the Commission to show cause why their licenses should not be revoked.

The most recent check of the Commission shows there are 50 unlicensed or "pirate" stations on the air, creating disturbances by what the Commission characterizes as "bootleg" operations. Definite evidence obtained on 10 of these unlicensed stations has been transferred to the Department of Justice for prosecution, and investigations are being conducted on the others, it was said.

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#### BLAMES RADIO FOR ADVERTISING TREND

The following is from the Editor and Publisher:

"A complaint is made by The Billboard, theatrical paper, against the intrusion of advertising exploitation in vaudeville. The editor says that RKO and the Loew Circuit are in the business of selling stage time. He cites the case of the Albee Theatre in Cincinnati where 'one of the finest bills of the season' was rudely interrupted to allow for a ballyhoo to sell electric refrigerators. The editor of the old-time theatrical paper says that he will wager that the advertising stunt lost the house many friends.

"This, of course, is a natural sequence to commercial publicity on the air and in motion and sound pictures. If a couple of black-face radio dialogue artists can put over a \$100,000 contract with a toothpaste firm, vaudeville people assume that the big money lies not in the sale of seats, but in the exploitation of the ticket buyer. The question is: How much of this sort of thing will the American people endure?"

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: BUSINESS LETTER BRIEFS :  
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Frank Knight, announcer for the Columbia Broadcasting System, New York, has just been married to Miss Mildred Gertrude Wall, actress.

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The Fleischmann radio broadcast by Rudy Vallee will be continued each Thursday evening while he is on tour. Mr. Vallee has signed up for 70 additional weeks beginning September 4th in a renewal of his contract with the Fleischmann Hour. He has also signed a recording contract with the RCA-Victor for 72 weeks beginning September 8th. He is under the management of the NBC Artists' Service.

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A meeting of the Institute of Radio Engineers will be held at Toronto, Canada, August 18-22nd.

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The following is a current financial report of the Radio-Keith-Orpheum Corporation and subsidiaries - Six months ended June 30: Profit, after Federal taxes, \$2,166,133, compared with \$630,569 last year. Three months ended June 30: Profit, before Federal taxes, \$410,231, compared with \$26,355 last year.

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The Atlantic Broadcasting Company, operators of Station WABC, key of the Columbia network, have filed an application with the Public Utility Commission for authority to construct their new transmitter in Wayne Township, Passaic County, New Jersey.

Twenty-five broadcasting stations in the State have been notified that hearing will be held August 15th, at which time the application will be considered.

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The Janesville (Wis.) Gazette has purchased radio station WCLO, formerly located at Kenosha, and has moved it to Janesville. Entirely new equipment throughout of the latest type, has been installed in both the studios and transmitting station.

The station went on the air August 1st. Operating power is 100 watts, 249.9 meters - 1200 kilocycles, licensed to operate full time. H. H. Bliss, publisher of the Gazette is President of WCLO Radio Corporation.

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The following is a current financial report of the Crosley Radio Corporation - Three months ended June 30: Net loss, after taxes, depreciation and other charges, \$300,070, compared with net loss of \$319,886 last year. Six months: Net loss \$996,685, contrasted with a net profit of \$745,780, equal to \$1.43 a share on the capital stock, last year.

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The Brownsville (Tex.) Herald has taken over the lease and operation of the Brownsville radio station KWWG. The paper plans to increase the power of the station from 500 to 1000 watts.

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#### APPLICATIONS RECEIVED BY FEDERAL RADIO COMMISSION

July 31 - WCBM, Baltimore Broadcasting Corp., Baltimore, Maryland, license to cover C. P. issued June 20, 1930, to make changes in equipment; WCLO, WCLO Radio Corporation, Kenosha, Wis., license to cover C. P. issued April 16, 1930, to move studio to Janesville, and transmitter to near Janesville, Wis., and to install new equipment; WSBC, World Battery Company, Inc., Chicago, Illinois, license to cover C. P. issued July 7, 1930, to make changes in equipment; KGFL, W. E. Whitmore, Raton, New Mexico, C. P. to move transmitter and studio locally.

August 1 - Alfred J. Pote, Springfield (State Road between Palmer and Springfield,) Massachusetts, C. P. to erect a new station to use 1320 kc., 1 KW and unlimited hours.

August 2 - W. J. BEARD (Beard's Temple of Music), Paragould, Ark., amendment filed to application for C. P. to request 990 kc., instead of 1190 kc., with 500 w.; WCBS, Charles H. Messter & Harold L. Dewing, Springfield, Illinois, modification of C. P. to extend commencement and completion dates on C. P. to August 5 and September 5 respectfully.

#### Applications Other Than Broadcasting

July 31 - Press Wireless, Inc.; WJQ, Little Neck, L. I., N. Y., modification of C. P. for change in frequencies to 7340, 15730, 7850, 15700, 7955, 15910, 7355, 15760, 7820, 15640, 7370, 15610, 7640, 15880, 7925, 15850, 7625, 15580 5325, 5335, 5345, 5355, 4715, 4745, 4945, 4965, 4975, 4985, 4995, 5295, 4925, 4955, 5315, 5305, 4725, 5285, 4735, 4935 kc.; WJM, Washington, D. C., modification of C. P. for change in frequencies to 7640, 7925, 15850, 7625, 15580, 5325, 5335, 5345, 5355, 4715, 4745, 4945, 4965, 4975, 4985, 4995, 5295, 4925, 4955, 5315, 5305, 4725, 5285, 4735, 4935 kc.; WJP, Nassau County, L. I., N. Y., and WJG, Philadelphia, Pa., modification of C. P. for change in frequencies and for additional



frequencies respectively as follows: 7850, 15700, 7640, 7925, 15850, 7625, 15580, 5325, 5335, 5345, 5355, 4715, 4745, 4945, 4965, 4975, 4985, 4995, 5295, 4925, 4955, 5315, 5305, 4725, 5285, 4735, 4935 kc.; WJU, Little Neck, L. I., N. Y., modification of C. P. for change in frequencies to 15730, 7850, 15700, 7955, 15910, 7355, 15760, 7820, 15640, 7370, 15610, 7640, 15880, 7925, 15850, 7625, 15580, 7835, 15670, 5325, 5335, 5345, 5355, 4715, 4745, 4945, 4965, 4975, 4985, 4995, 5295, 4925, 4955, 5315, 5305, 4725, 5285, 4735, 4935 kc.

August 2 - Press Wireless, Inc.: WJN, Little Neck, L. I., N. Y., modification of license for additional frequencies as follows: 7340, 15730, 7850, 15700, 7955, 15910, 7355, 15760, 7640, 15880, 7925, 15850, 7625, 15580, 7935, 15670, 5325, 5335, 5345, 5355, 4715, 4745, 4945, 4965, 4975, 4985, 4995, 5295, 4925, 4955, 5315, 5305, 4725, 5285, 4735, 4935 kc.; WJK, Needham, Mass., modification of license for additional frequencies of 7340, 15730, 7850, 15700, 7955, 15910, 7355, 15760, 7820, 15640, 15610, 7640, 7925, 15850, 7625, 15580, 5325, 5335, 5345, 5355, 4715, 4745, 4945, 4965, 4975, 4985, 4995, 5295, 4925, 4955, 5315, 5305, 4725, 5285, 4735, 4935 kc.; WJS, Little Neck, L. I., N. Y., modification of C. P. for change in frequencies as follows: 7340, 15730, 7955, 15910, 7355, 15760, 7820, 15640, 7370, 15610, 7640, 15880, 7925, 15850, 7625, 15580, 7835, 15670, 5325, 5335, 4715, 4745, 4945, 4965, 4975, 4985, 4995, 5295, 4925, 4955, 5315, 5305, 4725, 5285, 4735, 4935, 5345, 5355 kc.; W9XV, Rev. Lannie W. Stewart, Carterville, Mo., assignment of license to Ozark Radio Corp., of Carterville, Mo.; KGOZ, City of Cedar Rapids, Police Dept., Cedar Rapids, Iowa, license to cover C. P. for 2470 kc., 50 watts, limited commercial service; Emsco Aircraft Corp., NR - 166 W., new license for aircraft on 9090, 500 kc., 50 watts.

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#### DECISIONS OF THE FEDERAL RADIO COMMISSION

The following applications were granted:

August 1 - KTK, Globe Wireless, Ltd., Mussel Rock, Cal., license 500, 460 kc., 10 KW, unlimited hours; Radio Corporation of America, Portable, Bound Brook, N. J., and W3XL, and W3XAL, RCA Communications, Inc., Bound Brook, N. J., consent to voluntary assignment of licenses to National Broadcasting Co., Inc.; Boeing Air Transport, Inc.: KKO, Elko, Nev., KQD, Salt Lake City, Utah, KQC, Rock Springs, Wyo., KOE, Cheyenne, Wyo., consent to voluntary assignment of license to Aeronautical Radio, Inc.; Herbert Hoover, Jr, Portable, 6th Dist., renewal of license 1604, 2398, 3256, 4795, 6425, 8650, 12850, 16300, 23100, 25100 and 27100 kc. (Gen. Exp. frequ.) 60000 to 400000 and 401000 and above, 1 KW power; Emsco Aircraft Corp., Airplane NR 166 W, license for round-the-world flight, 500 kc., calling and distress frequency for ships and aircraft over seas; 457 kc., work. freq. to be used on sea flights only; 5525 kc. to be used for purpose of calling coastal station or ship when plane is in flight over sea; 8290 kc., calling and working frequency for ships when on sea flights; 50 watts, A2 emission.



Also, WGBF, W. Neal Parker & Herbert H. Metcalf Glens Falls, N. Y., license 1370 kc., 50 watts unlimited time; WSVS, Elmer S. Pierce, Principal, Seneca Vocational High School, Buffalo, N. Y., C. P. to install new transmitter antenna; KGRS, E. B. Gish (Gish Radio Service), Amarillo, Texas, modification of C. P. to extend completion date to Sept. 15, 1930; WJBC, Hummer Furniture Co., LaSalle, Ill., consent to voluntary assignment of license to Wayne Hummer and H. J. Dee, d/b as Kaskaskia Broadcasting Co.; WLS, Agricultural Broadcasting Co., Chicago, Ill., modification of license to move main studio locally; WCAZ, Robert E. Compton & Walter H. Tanner, d/b as Superior Broadcasting Service, Carthage, Ill., C. P. to move main studio locally and install new transmitter; KMO, KMO, Inc., Tacoma, Wash., C. P. "to authorize removal of present equipment described in application" and when application for license in accordance with C. P. is granted that station be licensed only for maximim power of transmitter, 500 watts.

Also, KFYR, Meyer Broadcasting Co., 6 miles from Bismarck, North Dakota, modification of C. P. to extend completion date to September 1, 1930; WABC-WBOQ, Atlantic Broadcasting Corp., New York City, modification of C. P. to extend completion date to October 31, 1930; KGIX, J. M. Heaton, Las Vegas, Nevada, license to cover C. P. 1420 kc., 100 watts, unlimited time; KFOR, Howard A. Shuman, Lincoln, Nebraska, C. P. to move transmitter and studio locally; KTUE, George A. Butler, Houston, Texas, permission to close station effective July 31, 1930, pending final determination of application to move transmitter and change equipment; WLXAA, Massachusetts Institute of Technology, Cambridge, Mass., special authority to operate on board dirigible on August 1st, using 2476 kc., to rebroadcast report of National Amateur Rowing Regatta races through loud speaker on Institute Grounds, and rebroadcasting from WBZ; Elmer F. Koehler, Airplane NR 783-M, license 2476 kc., for transmission of communications to be rebroadcast only; 3106 kc., for communications between air and ground except for rebroadcast purposes, 10 watts power, A-3 emission. Also, 7 new ship licenses, 4 modification of licenses and 19 renewals of ship licenses.

#### Set For Hearing

WORD, Peoples Pulpit Association, Chicago, Ill., asks for modification of license to move studio from Chicago to Deerfield, Ill.

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