

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 :: :: CONFIDENTIAL—NOT FOR PUBLICATION.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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No. 367

CROSLEY PLANNING SPECIAL SERVICE

While no official announcement has been made, authoritative reports around the offices of the Federal Radio Commission have it that the Crosley Radio Corporation, owner of Stations WLW and WSAI, of Cincinnati, is planning to apply for a short wave channel to pick up special programs in Washington and rebroadcast them from the Queen City stations.

The plan includes the establishment of a studio in the Capital for the use of Cabinet officers, members of the Radio Commission, and other Government officials. The addresses will be rebroadcast, it is said, especially for the numerous land grant colleges in the Middle West.

Because of the extent of the use of radio by the public schools in Ohio, it is not considered unlikely that special programs will be relayed for children of High School age.

No application has as yet been filed with the Radio Commission, but feelers have been sent out, and it is expected that the request will be made formally very soon.

The Crosley Corporation already has applied for permission to erect a high frequency radio station to be used for rebroadcasting programs from foreign nations and for transmitting domestic programs abroad. The station would operate with 10,000 watts on 6,060 kilocycles. It would cost \$30,000 to build.

The Cincinnati organization also has a hookup with a chain that includes WOR, Newark, N. J.; WMAQ, Chicago; and WMBF, of Binghamton, N. Y. It appears that the Crosley interests are slowly working out plans for a miniature chain that may acquire the State chains now in operation in such States as California, Texas, and Virginia. If such an organization were effected, Crosley would be a leader of a third chain that could offer serious competition to the National Broadcasting Company and the Columbia Broadcasting System.

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HEARING FORM IS CHALLENGED

The authority of the Federal Radio Commission to delegate an examiner to conduct a full hearing was challenged for the first time September 8th by the counsel for Arthur Faske and the Faske Engineering Co., of Brooklyn, N. Y.

The new procedure of turning virtually all the hearings over to two examiners went into effect September 2nd because of the great amount of time the work required.

Joseph S. Byrns, attorney for the applicant contended that the law specifically requires the full Commission to hear all cases.

In reply, Attorney Ralph Walker for the Commission, read that section of the Act which gives authority to the Commission to appoint examiners. Mr. Byrns, however, said that provision of the Act is not broad enough to provide for the delegation of the Commission's administrative powers.

Elmer W. Pratt, in charge of the case, overruled the protest of Mr. Byrns, and an exception was noted.

Mr. Byrns objected to the ruling of the examiner which excluded an affidavit of Representative Celler (Dem.), of Brooklyn, N. Y., in support of testimony by Arthur Faske, which the applicant made in April, 1928.

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RAPID STRIDES IN INTERNATIONAL TELEPHONY

The United States now has telephone communication with approximately 87 per cent of the telephones of the world, according to the Department of Commerce. They reach most European countries, South America, Canada, Mexico, and Cuba.

Indications of the rapid growth of international telephony are shown in the large increases in trans-Atlantic telephone calls from the United States during the short three years that this service has existed. Started first in 1927, trans-Atlantic telephone calls in that year numbered 2,500; in 1928, they increased to 11,800, and in 1929, the total was 19,000 calls.

The first international telephone directory was published in 1929 and included about 12,000 names from 38 countries. The new 1930 directory published in July listed 50,000 names. The United States now has direct telephonic connections with 29 different countries and also has radio-telephone service with four large passenger ships.

Great Britain leads the world in international telephone communications, having connections with 37 countries; France is connected with 36 countries; Germany 34, Switzerland 35; Sweden 33, while the small country of Latvia has 21. The extensive country of Russia has telephone connections with only about six other countries, while China and Japan have no international telephone connections at present.

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NO BAN ON WET BROADCASTS

Frederick Van Vechten, Manager of WHEC, Rochester, N. Y., is "all wet" on his fear that the Federal Radio Commission might cancel his license if he had let speakers at a wet rally in Rochester September 10th be heard over his station.

Maj. Gen. Charles McK. Saltzman, Chairman of the Commission, said September 11th that in his opinion the Commission had no authority to censor such a broadcast and consequently the station would have been in no danger if the addresses had been carried.

"The Commission always observes the law", he said, "and the law does not give us any censorship authority."

Station WHEC barred the speeches of former Senator James W. Wadsworth, Jr., and Mrs. Charles H. Sabin, prominent New York society woman, at a rally of the Crusaders Association Against the Prohibition Amendment and the Women's Organization for Prohibition Reform.

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INDIANAPOLIS STATIONS OPPOSE PLEA

Counsel for Stations WFBM and WKBF, both of Indianapolis, Ind., appeared at a hearing September 9th on the applications of the Hoosier Broadcasting Company for permission to erect a new station in Indianapolis. The granting of such a license, the objectors contended, would injure their chances of obtaining favorable action on pending applications for better facilities.

Thomas and John Littlepage, of Washington, appeared for Station WFBM, and Everett Walker, of Indianapolis, appeared for Station WKBF.

Arthur Cook, of Washington, counsel for the applicant, contended that Indianapolis needed another station. The request was for the 950 kilocycle channel with unlimited time on 250 watts at night and 500 watts during the day.

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COMMISSION TO HOLD RADIO SCHOOL

Taking a cue from the Prohibition Bureau, the Federal Radio Commission is conducting a radio school for its employees, according to announcement by James W. Baldwin, Secretary. The lectures will be held weekly after working hours - from 4:30 to 5 P.M. in the hearing room. It will not be compulsory for the employees to attend. Officials of the Commission and other authorities on radio matters will make the talks.

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WHITE AND COUZENS AID TO RADIO

With the election of Wallace H. White, Jr., to the Senate from Maine and the renomination (which means reelection) of Senator James Couzens of Michigan, the Senate is assured of two of the foremost authorities on radio legislation and the industry is assured of two friends.

Mr. White, it will be remembered, was Chairman of the House Committee on Merchant Marine and Fisheries while a Representative and was also author of the bill intended to remedy some of the major defects in the 1927 Radio Law, of which he was co-author. The bill passed the House but was still in the hands of the Senate Committee on Interstate Commerce when Congress adjourned.

Senator Couzens was, of course, one of the leaders in the communications inquiry which brought about the Department of Justice suit against the Radio Corporation of America and its associates and is author of the bill for the creation of a general Communications Commission to replace the Radio Commission.

It is likely that the Michigan Senator will be retained as Chairman of the Senate Interstate Commerce Committee and that Mr. White will get a place on the Committee, especially in view of Senator Harry Hawes' decision not to run again.

Representative Frederick L. Lehlbach, of New Jersey, is ranking member of the House Committee on Merchant Marine and Fisheries and will probably succeed Mr. White, though Judge Ewin Davis, of Tennessee, might get the job because of his prominent part in the drafting of early radio legislation.

Mr. White won his election by a 30,000 vote margin and led his ticket. Senator Couzens obtained a good majority over Governor Chase S. Osborne.

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U. S. - RCA SUIT POSTPONED

A continuance was granted in the suit of the Government against the Radio Corporation of America and associates by Judge John P. Nields at the opening of the September term of the Federal Court at Wilmington, Del., September 9th, according to the Associated Press. The continuance was granted on the application of Charles S. Curley, counsel for the defendants, who said his clients were taking depositions.

Leonard E. Wales, District Attorney, said it was likely that the cases would go in trial at the December term of court.

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: BUSINESS LETTER BRIEFS :
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Massachusetts has taken to the radio as a means of "telling the world" of the recreational, industrial, and agricultural opportunities of the State. The Massachusetts Industrial Commission is sponsoring a series of broadcasts advertising the State.

The United States Office of Education has announced that it now has a great deal of data on education by radio available for inspection by interested persons. The data includes the files of the Advisory Committee on Education by Radio, which have just been accumulated and placed in one office.

The Engineering Division of the Federal Radio Commission is skeptical of the experiments in radio reception on moving railroad trains. Many passengers object to the continual radio programs, it is contended, and the reception, even with earphones, is said not to be entirely satisfactory.

Station WMBI, owned and operated by the Moody Bible Institute of Chicago, has installed a greatly enlarged studio at 152 Institute Place, Chicago. The old studio will be retained, however, for use of speakers and small organizations. The new studio is up-to-the-minute in equipment.

Technical objections that Station WODX, of Mobile, had not filed with the Federal Radio Commission, prior to the hearing, an adequate statement, were raised by counsel for Station WOW, Omaha, Nebr., at a hearing on the former's application this week.

The first college course in the business of radio broadcasting will be offered this year by the College of the City of New York. Frank A. Arnold, Director of Development of NBC, has been engaged to deliver a series of lectures on radio broadcast advertising. The course, which will be open to men and women, will begin September 29th.

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APPLICATIONS RECEIVED BY FEDERAL RADIO COMMISSION

September 8 - WTFI, Toccoa Falls Institute, Toccoa, Georgia, C. P. to move studio and transmitter to Cox College, College Park, Ga., and make a few changes in equipment; WRBU, A. J. Kirby Music Co., (A. J. Kirby, owner), Gastonia, N. C., C. P. to move studio and transmitter locally in Gastonia, install new equipment, change frequency from 1210 kc. to 620 kc., and increase power from 100 W. to 1 KW, with unlimited hours; WSMB, Saenger Theatres, Inc & Maison Blanche Company, New Orleans, La., C. P. to move transmitter to about 7 miles from present location and install new equipment; KGNO, Melvin A. McCollom, near Dodge City, Kansas, request for authority to voluntarily assign license to the Dodge City Broadcasting Company; WISJ, Wisconsin State Journal Broadcasting Company, Beloit, Wisconsin, license to cover C. P. issued 4/13/30 to move transmitter to S.W. of South Madison, erect a studio at Main & Monona Sts., Madison, install new equipment, change frequency from 560 kc. to 780 kc., power from 500 W. to 500 W. day and 250 W. night, and hours from sharing with WIBO and WPGC to unlimited; WLBC, Donald A. Burton, Muncie, Ind., modification of license to move studio locally in Muncie; J. C. Johnson & Everett M. Peck, Jackson, Mississippi, C. P. to erect a new station to use 1230 kc., 250 W. and unlimited hours.

September 9 - WCDA, Italian Educational Broadcasting Co., Cliffside, N. J., modification of license to change hours of operation from sharing with WKBQ, WMSG, and WBNY to unlimited on 1350 kc.; WRAX, Berachah Church, Inc., Philadelphia, Pennsylvania, request for authority to voluntarily assign license to WRAX Broadcasting Co.; KRMD, Robert M. Dean, Shreveport, La., license to cover C. P. issued 8/15/30 to move studio and transmitter locally; KGFI, Eagle Broadcasting Co., Inc., Corpus Christi, Texas, license to cover C. P. issued 4/2/30 to install new equipment and increase power from 100 W. to 250 W. day and 100 watts night, on 1500 kc.; WLBC, Donald A. Burton, Muncie, Indiana, C. P. to install new equipment, change frequency from 1310 kc., to 1420 kc., increase power from 50 W. to 125 W. day and 100 W. night, and change hours from sharing with WJAK to unlimited.

Applications Other Than Broadcasting

September 8 - Aeronautical Radio, Inc.: KGSI, Phoenix, Ariz., KGSP, Denver, Colo., KGTL, Kingman, Ariz., KGTA, Holbrook, Ariz., renewal of licenses for 3070, 3460, 6350, 8015, 12180 kc., 400 watts; Also, WAED, Harrisburg, Pa., WAEF, Newark, N. J., WAEH, and WAEC, Pittsburgh, Pa., new C. P.s for Pt. to Pt. Aeronautical stations on 3468, 6365, 8015, 12180 kc., 400 watts, and new C. P.s for aeronautical and point to point Aeronautical stations on 3082, 5540 kc., 400 watts; W6XV, Federal Telegraph Co., Palo Alto, Calif., modification of experimental license to 1604, 2398, 3256, 4795, 6425, 8650, 12850, 17300 kc.

September 9 - W2XCZ, National Broadcasting Co., Inc., Portable, New York City, renewal of special license for 2392 kc., 7.5 watts, to be used for special pick up program; W2XR, Radio Pictures,

Inc., Long Island City, N. Y., renewal of television license for 2100 to 2200 kc. and 2850 to 2950 kc., 500 watts; W2XAR, Radio Pictures, Inc., Long Island City, N. Y., renewal of experimental license for 1604, 2398, 3256, 4795, 6425, 8650, 12850, 17300 kc., 500 watts; WPDE, City of Louisville, Police Dept., Louisville, Ky., license to cover C. P. for 2440 kc., 200 watts, limited commercial police service; W2XAB, RCA Victor Co., Inc., Camden, N. J., modification of C. P. for change in frequencies to 17300, 25700, 34600, 51400, 60000, 400000 kc., experimental service; W7XA, Globe Wireless, Ltd., Portland, initial location, Portland, Oregon, license to cover C. P. for 1604, 2398, 3256, 4795, 6425, 8650, 12850, 17300 kc., 1 KW, experimental service; KSA, Globe Wireless, Ltd., Edmonds, Wash., modification of C. P. for extension of completion date to 1/4/31.

September 10 - KSF, Continental Oil Co., Ponca City, Okla., renewal of geophysical license for 1600, 1652, 1664, 1580, 1704 kc., 100 watts; WPDP, Bureau of Police, Dept. of Public Safety, Philadelphia, Pa., modification of C. P. for extension of completion date to 11/1/30; KSW, Berkeley Police Dept., Berkeley, Calif., license to cover C. P. for 1712 kc., 500 watts, limited commercial police service; W3XAD, RCA Victor Co., Inc., Camden, N. J., modification of experimental television license for change in frequency to 2000-2100 kc., and renewal of license for 2850 to 2950 kc., 500 watts, experimental television service; WLXT, Tropical Radio Telegraph Co., Boston, Mass., C. P. to move transmitter to Hingham, Mass.; KJV, Radiomarine Corp. of America, Baytown, Texas, license to cover new service (Marine Relay); WMR, Mackay Radio & Telegraph Co., near West Palm Beach, Fla., license to cover new service (marine relay); American Rolling Mill Co., Ashland, Ky., new C. P. for one frequency within 2250-2800 kc., band, 50 watts, limited commercial service; American Rolling Mill Co., on locomotive, Ashland, Ky., new license to cover transmitter on locomotive for 2440 kc., 50 watts, limited commercial service.

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LAFOUNT SEES BILLION IN TRADE

The total turnover in all branches of the radio industry this year should reach \$1,000,000,000 in the opinion of Radio Commissioner Harold A. Lafount despite the general business depression. The export trade is helping offset any slump in the domestic market, he said. Even the political unrest in South America is not likely to damage the exports into this profitable field.

Argentina is the best South American customer of the United States in radio exports, according to statistical information of the Department of Commerce, Mr. Lafount pointed out. Last year it bought \$1,776,000 worth of American radio products, embracing transmitting and receiving sets, tubes, loud speakers and other accessories.

World exports from the United States in 1929 were \$23,122,000, of which nearly \$3,000,000 went to the countries of South America. In July, radio exports to Argentina amounted to \$153,152, whereas during the entire year of 1928, exports to that country were \$1,512,000.

The industry, according to the Commissioner, is looking to the sale this year of some 3,500,000 receiving sets, with an estimated value of approximately \$400,000,000.

Discussing general radio conditions, Mr. Lafount said that the industry expects an annual turnover in radio tubes alone of more than \$200,000,000 this year. For radio receiving set tubes the income is estimated at \$187,000,000, while broadcast and industrial tube sales are expected to reach \$30,000,000, he said. A turnover of \$1,142,000,000 is foreseen as the average annual electronics market, which is founded on radio, he said. Besides basic broadcasting apparatus, this field embraces sound pictures, audio equipment, communications and industrial appliances.

Sound pictures are represented as a \$150,000,000 market in 22,000 theaters and 90 sound recording studios in the United States, Mr. Lafount declared. The audio equipment market should realize \$130,000,000, the communications market \$90,000,000, and industrial applications, such as miscellaneous machine control, X-Ray, elevator leveling, alarm systems, neon and glow tubes, a \$150,000,000 market.

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BRITISHER PREFERS GOVERNMENT CONTROL

The following observations on the comparative radio problems of this country and the British Isles were made by Lieut. Col. A. G. Lee, Engineer-in-Chief of the British Post Office Department, who is also Vice Chairman of the Radio Research Board and the Institute of Radio Engineers in his country, upon the occasion of his call at the offices of the Federal Radio Commission:

"Probably one of the reasons why England turned over the control of radio broadcasting to the government instead of following a system similar to that which is used in this country is the fact that the British are more used to government control than the people of this Nation.

"Although the British created a body known as the British Broadcasting Corporation for the purpose of controlling radio broadcasting, the Postmaster General of England speaks in the House of Commons for that body. The Post Office Department has the duty of solving interference problems and has charge of a number of radio services.

"Programs in England seem to be much freer from distraction because, since there is government control, there is no advertising to clutter up the programs as there is in this country.

Programs Similar

"Essentially the programs of the two countries are of about the same nature, as there is about an equal amount of talent in each country, and probably a comparatively equal number of talks and speeches. Those are the bases on which programs should be judged - namely, the quality of entertainment and talks.

"Under the British system three chains broadcast throughout the country. These programs can be heard in all parts of London, and one is broadcast over a long-wave station so that it can be heard in the rural communities.

"There are also local stations at various points and although these are controlled by the British Broadcasting Corporation, at times they are given permission to cut in for the purpose of presenting local talent. There are less than 20 of these local stations.

"No attempt is made to arrange programs to suit the likings of particular parts of the British Isles, except that occasionally stations in Wales and Scotland are given permission to broadcast a program designed for the benefit of their sections.

"Naturally, problems confront the British relative to radio broadcasting, the most important of which is that of reducing the number of small stations. It is the desire of the government to reduce the number of local stations and that step is now being taken.

"The purpose of this reduction is to give better service. It is hoped to remove the local stations and leave the broadcasting field entirely to the chains, which probably would be increased to five. Many of the stations now are running on the same frequency, which can be accomplished due to the fact that the stations in England are well scattered while some of them are synchronized.

"Another of the problems which the British are attempting to solve is that of interference from street cars, the violet ray and oscillation.

"In the British Isles each person with a receiving set must pay a 'tax' of 10 shillings (about \$2.50) annually for the purpose of paying the expenses of the British Broadcasting Corporation in arranging the programs. The British have found this system extremely satisfactory.

"Since the radio audience has to pay this 'tax', it is only right that they should have the privilege of criticising the programs and this privilege is granted. The British Broadcasting Corporation invites the people to write in their criticisms and the programs are arranged as far as possible to suit the popular demands. The British Broadcasting Corporation, through this system, can gauge the popular taste and in case the desires of the people are not met by the broadcasting corporation, there is the alternative of taking their complaints to Parliament.

"The British find that their system works well and are satisfied with it."

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