

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 :: :: **CONFIDENTIAL—NOT FOR PUBLICATION.** :: ::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. 465 (2)

NEW AGENCY ORGANIZED TO REPRESENT STATIONS

Kiernan-Launder Associates, Inc., is the name of a new organization which has been formed in New York to act as exclusive sales and service representatives for radio stations. James P. Kiernan is President and Treasurer, Ray S. Launder, Vice-President, and Miss Lillian Holmes, Secretary.

The organization will concentrate on the sale of station time to advertising agencies and advertisers for the stations it represents. It will, however, be equipped to supplement its service to radio users by rendering complete program and continuity assistance, when requested, and also to supervise recordings for electrical transcription work.

Both Mr. Kiernan and Mr. Launder are well known in the advertising field. The former, after an apprenticeship in newspaper and advertising agency work, became Assistant Advertising Manager of the American Express Company and then specialized for seven years in the creation and printing of direct-mail advertising as head of the Kiernan-Richardson Corp. of New York. Mr. Launder resigned from the position of advertising manager of "Broadcast Advertising" to join in forming the new enterprise. Before assuming his post with this publication, he was Sales Manager of the Beckwith Iron Works of Chicago and has to his credit a long and successful record as a sales and advertising executive. Miss Holmes for the past two years was connected with Scott Howe Bowen, Inc., in charge of time contracts with radio stations.

Messrs. Kiernan and Launder will have associated with them in their organization Robert B. Holmes, formerly Assistant Advertising Manager of the Borden Sales Co., and more recently with Byers Recording Laboratory, Inc.; R. L. Cusick, at one time in the advertising department of the Westinghouse interests and later Vice-President of the Percival K. Frowert Co., Inc., New York advertising agency, and Howard A. Kiernan, research director and statistician.

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RETAIL RADIO BILL \$535,252,980

Radio receiving sets are listed among the luxuries for which the American people spent \$9,000,000,000 in 1929, in retail stores, a report of the Census Bureau reveals.

The amount of money spent in radio shops alone, exclusive of radios sold in other kinds of stores, amounted to \$535,252,980.

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BOOK ON ADVERTISING BY FRANK ARNOLD

One of the outstanding contributions to modern advertising literature will be published and placed on sale September 15th when "Broadcast Advertising, The Fourth Dimension" by Frank A. Arnold, Director of Development of the National Broadcasting Company, becomes available to the public.

Arnold has written approximately 300 pages into the new volume. So much of the contents is based on personal experience of the author that it might almost be called an autobiography of broadcast advertising. The book is written in narrative style.

"Broadcast Advertising, The Fourth Dimension" is the first book on the subject to be written for advertising men by an advertising man. Arnold was, for twelve years, President and General Manager of "Suburban Life." He was an officer and director of the Frank Seaman Advertising Agency for nine years and resigned from that company in 1926 to assume his present duties with the National Broadcasting Company.

For six years he was a Committee Chairman of the American Association of Advertising Agencies and Vice-Chairman of its first Radio Advertising Committee.

It was in 1923 - the early days of experimentation with broadcast advertising programs - that Arnold's pioneer business instinct saw potentialities in this form of publicity and he alone is responsible for the phrase characterising this as "the fourth dimension of advertising."

He is considered by many men the outstanding authority on broadcast advertising and as Director of Development of NBC has delivered more than 400 addresses on radio broadcasting in more than 200 cities throughout the country - all by special invitation.

The active advertising and broadcasting fraternity look forward to the appearance of Arnold's book, which will be published by John Wiley and Sons, Inc., of New York City.

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CONDITION OF JAPANESE RADIO MARKET

The following report on the Japanese radio market was made to the Department of Commerce by H. B. Titus, Assistant Trade Commissioner at Tokyo:

"The broadcasting of radio programs in Japan is carried on by 15 stations, which are members of the Japan Central Broadcasting Corp. The programs must be approved by the Department of Communications, no advertising being permitted. Owners of radio receiving sets are required to subscribe to the service of the

Central Broadcasting Association and pay a monthly fee of 1 yen (par value of the yen is about \$0.50). The number of subscribers to this service has grown from 348,971 in 1926, to 795,532 on May 2, 1931.

"The Department of Communications has approved the establishment of seven new broadcasting stations.

"The manufacture of radio sets and the assembling of sets from imported parts has grown rapidly in Japan in the past few years. It is possible under this arrangement to sell sets at prices well below that which must be charged if the complete sets are imported. Manufacturers at present are importing high-grade aluminum foil paper for condensers from Germany, but it is believed that American manufacturers might share in this business. The price of the German product is comparatively low and the quality good. Dynamic and magnetic-cone loud-speakers of moderate prices are in considerable demand. Condenser winding machines are also imported. Enameled wire, sizes 30 to 32, has been and still is imported from the United States in considerable quantities.

"There are numerous manufacturers of radio tubes in Japan, but one company, the subsidiary of an American concern, is the largest. However, some quantities of tubes are imported, particularly screen-grid tubes, which are just becoming popular in Japan.

"It is estimated that there are at least 100 brands of receiving sets manufactured and sold in Japan. Discounts from retail prices for the wholesaler, jobber, and retailer vary from 25 to 50 per cent, depending upon the size of the orders.

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RADIO FEDERATION OFFERS SUPPORT TO HOOVER

The radio industry has offered its support to President Hoover to carry on a campaign to instill confidence in American business. The facilities for National Radio Week have been offered to the administration by the executives of the National Federation of Radio Associations. The Radio Manufacturers' Association and the National Association of Broadcasters have endorsed and are jointly sponsoring this movement with the N.F.R.A.

It is anticipated that this year the sponsors of over fifty chain programs over national hook-ups will either dedicate their program to radio or will make some mention of the event in their announcements, according to Harold J. Wrape, Chairman of the National Radio Week Committee. With the offer of cooperation to the Presidential administration, it is planned that these same announcements this year will be devoted to instilling confidence in American business and giving encouragement for the resumption of normal business conditions.

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ADVERTISING AGENCY HAS COMPLETE RADIO STUDIO

The new offices in New York City of N. W. Ayer & Son on the 27th floor of 500 Fifth Avenue, New York City, have as their feature a radio studio for the trial of advertising programs.

"The radio department of this concern is all in New York", the Editor & Publisher says in describing the layout. "It is headed by Douglas Coulter, Vice-President of N. W. Ayer & Son of New York, in charge of production, and H. L. Hodgson as Vice-President in charge of business operations for radio. Their offices are a step from a completely equipped soundproof studio, wired for broadcasting, and separated by windows from a control room. The studio is primarily for program tryouts although it can be used for actual broadcasts. A program under consideration may be presented here, carried by wires to any of the three conference rooms, and reproduced from a radio instrument as a sample of how the actual broadcast would sound to the listeners it might be aimed at. Executives of the agency and the advertiser, sitting in the conference room, would be able to O.K. the tentative plans or make changes without the distraction of seeing the mechanics of production.

Rehearsals may also be held with more privacy than elsewhere.

The long interest of the Ayer Company agency in broadcast advertising is attested by the photographs in uniform, red-bordered frames which fill the walls of one large conference room. They are those of artists who made their first broadcasts under Ayer auspices, dating back to the old Eveready Hour of the National Carbon Company, put on the air in 1923 when Station WEAJ was the first to open its facilities to advertisers.

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APPLICATIONS RECEIVED BY FEDERAL RADIO COMMISSION

August 26 - WNBZ, Earl J. Smith and Wm. Mace d/b as Smith and Mace, Saranac Lake, N. Y., license to cover C. P. granted 7/14/31 to make change in equipment; KMLB, J. C. Liner, Monroe, La., license to cover C. P. granted 6/26/31 to make changes in equipment and to increase power from 50 watts to 100 watts; J. G. Burbank & John A. Dalton, Laramie, Wyoming, C. P. amended to request 500 watts - 1 kilowatt LS instead of 250 watts; to share time with stations KPOF and KFKA instead of one-half time, sharing with stations KPOF and KFKA, also to install new transmitter; KFWB, Warner Bros. Broadcasting Corp., Hollywood, Calif., C. P. resubmitted requesting facilities of former KPWF.

August 27 - WTFI, Toccoa Falls Institute, Athens, Ga., modification of C. P. granted 4/14/31 to move transmitter and studio locally; also, voluntary assignment of C. P. to Toccoa Falls Broadcasting Company; WRJN, Racine Broadcasting Corp., Racine, Wisconsin,

C. P. amended to request the facilities of Station WJBC; KGDY, Voice of South Dakota, Huron, South Dakota, C. P. to increase power from 100 watts to 100 watts-250 watts LS and to make changes in equipment; Merle F. Jewell & Merinda C. Jewell, Hood River, Oregon, C.P. resubmitted amended as to equipment.

August 28 - KPJM, A. P. Miller, Prescott, Ariz., license to cover C. P. granted April 24, 1931, to make changes in equipment and to move transmitter and studio locally; KHQ, Louis Wasmer, Inc., Spokane, Wash., modification of license to increase power from 1 kw-2 kw, LS to 5 kw, dismissed at request of applicant August 20, 1931; WELK, WELK Broadcasting Station, Inc., Philadelphia, Pa., C. P. to move transmitter and studio to Philadelphia, Pa., Broad and Spring Garden Sts., dismissed at request of applicant.

Applications, Other Than Broadcasting

W7XAV, City of Portland, Oregon, Portland, Oregon, C. P. (new) to replace license deleted 2416 kc., 25 watts, special experimental service; The Journal Company, Milwaukee, Wisconsin (Portables), new C. P.s for 1564, 2368 kc., 7½ watts and 50 watts, relay broadcasting; Knickerbocker Broadcasting Co., Inc., New York City, new C. P. for 46 megacycles 500 w., television; RCA Victor Company, Inc., Camden, N. J., new license to cover one of two transmitters operating under W3XAJ, 23100, 25700, 26000, 27100, 34600, 4100, 51400, 60000-400000 and above 401000 kc., experimental, 500 watts; KHNTG, Standard Oil Co., of California, Plane NC-233-M, modification of license for additional frequencies, 5540, 3070 kc., 50 watts, aircraft.

Also, W9XAN, Elgin National Watch Co., Elgin, Ill., renewal of license for frequencies in amateur bands in accordance with revised amateur regulations 500 watts, special experimental; W2XBB, Radio Corporation of America, New York City, license to cover C.P. for 25700, 34600, 6000-400000 and above 401000 kc., 1 KW, experimental; W2XB, Radio Pictures, Inc., Long Island City, N. Y., modification of license for change in frequencies and two additional transmitters 2100-2200, 2850-2950, 43000-46000, 48500-50300, 60000-80000 kc., 1 kw, visual broadcasting.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

The Commission on August 28th granted the following applications:

WCAL, St. Olaf College, Northfield, Minn., license covering installation of new equipment 1250 kc., 1 KW, shares with KFXM, WLB and WRBM; WKBB, Sanders Brothers Radio Station, Joliet, Ill., license covering changes in equipment 1310 kc., 100 watts, shares with WCLS; KOB, Dwight Faulding, Santa Barbara, Cal., voluntary

assignment of license and C. P. to Santa Barbara Broadcasters, Ltd.; KGIX, J. M. Heaton, Las Vegas, Nevada, extension of completion date on C. P. from Sept. 8th to Oct. 15th, 1931; WBAL, Consolidated Gas Electric Light & Power Co., Baltimore, Md., extension of authority to operate synchronously with WEAF and WJZ, New York, for period of 90 days from September 5th; WTIC, The Travelers Broadcasting Service Corp., Hartford, Conn., extension of authority to operate synchronously with WEAF and WJZ, New York, for period of 60 days from Sept. 5th.

Also, National Broadcasting Company: New Portable, C. P. for experimental purposes, frequencies, 17300, 25700, 34600, 51400, 60000-400000 kc., 10 watts; W2XCZ, Portable, modification of license for additional frequency; WAEB, Aeronautical Radio, Inc., Columbus, Ohio, C. P. to move station to Port Columbus, O., and to operate transmitter by remote control after the move is completed; WPDT, City of Kokomo, Ind., Kokomo, Ind., license for police service, 2470 kc., 50 watts; Eastern Air Transport, Inc., NC-725-K, Western Air Express, NC-584-K, Northwest Airways, Inc., NC-303-N granted licenses;

Radiomarine Corporation of America: W1OXL, NC-9779, W8XJ, Bradley Road, West Dover, Ohio, granted renewal of licenses; American Telephone and Telegraph Co.: W3XO, Portable in N. J., W2XDO, Ocean Gate, N. J., W2XA, Rocky Point, N. Y., W3XT, Long Lines Dept., Lawrenceville, N. J., granted renewals of licenses; W2XBJ, RCA Communications, Inc., Rocky Point, N. Y., renewal of license; W2XBW, Globe Wireless, Ltd., Garden City, L. I., renewal of license; KHERI, NC-659-M, and KHAHS, NC-9683, Pan American Airways, Inc., modification of licenses to change frequencies.

Also, The Texas Co.: KNB, Portable #5 in Texas, Miss., & La. modification of license to change location from Portable #5 in Texas, Miss. and La., to Portable - Unrestricted; KND, #16 in Texas, Miss., and La., KNE, #18, KNF, #19, KNC, #15, modification of license to change to portable, unrestricted.

Renewal of Licenses

The Commission granted renewal of licenses to the following stations, covering the regular license period:

KELW, Magnolia Park, Ltd., Burbank, Cal.; KTAB, The Associated Broadcasters, Inc., San Francisco, Cal.; KFYR, Mayer Broadcasting Co., Bismark, North Dakota.

In the following cases, the Commission on consideration of the fact that applicant has failed to comply with G. O. No. 115, Sec. 4, (1) designated said applicant for hearing, and (2) directed that a temporary license be issued for term beginning 3 A.M., EST, Sept. 1, 1931, and ending according to Special Minute #360, adopted April 16, 1931, said license to contain the following clause: "This license is issued on a temporary basis and subject

to such action as the Commission may take after hearing on licensee's pending application for renewal of license. No authority herein contained shall be construed as a finding by the FRC that the operation of this station is, or will be in the public interest beyond the term hereof."

KFRC, Don Lee, Inc., San Francisco, Cal.

In the following case the Commission took the following action: (1) directed that an investigation be made to determine whether the present licensee has by any means lost control over this station; (2) directed that a renewal of license be issued on a temporary basis for the period beginning 3 A.M., EST, Sept. 1, 1931, and ending 3 A.M., EST, Nov. 1, 1931:

KGJF, First Church of the Nazarene, Little Rock, Ark.

In the following case the Commission took the following action: (1) directed that an investigation be made to determine whether the licensee is by any means using unauthorized power (2) directed that a renewal of license be issued on a temporary basis for the period beginning 3 A.M., EST, Sept. 1, and ending 3 A.M., EST, Nov. 1, 1931:

KTAR, KTAR Broadcasting Company, Phoenix, Arizona

In the following case the Commission on consideration of the fact that a hearing has been held upon the application filed by WJKS, Gary, Ind., for the facilities of Station WIBO, and that said matter is pending action before the Commission, directed that a temporary license be issued for the period beginning 3 A.M., EST, Sept. 1st and ending according to Special Minute #360, said license to contain the following clause: "This license is issued on a temporary basis and subject to such action as the Commission may take after hearing on the application filed by Station WJKS, Gary, Ind., for the frequency 560 kc., no authority herein contained shall be construed as a finding by the FRC that the operation of this station is, or will be in the public interest beyond the term hereof":

WIBO, Nelson Bros. Bond and Mortgage Co., Chicago, Ill., renewal of license, 560 kc., 1 KW, with additional 500 watts, from local sunrise to local sunset; sharing with WPCC, which is licensed to operate Sundays from 10 A.M., to 4:30 P.M., and from 6 P.M. to 11:30 P.M., CST, and such other station or stations that may be assigned on 560 kc., to replace former station WISJ.

Set For Hearing

The Tribune Co., Elgin, Ill., requests C. P. 6140-6425, or 8900-9610 kc., band, 1500 watts; The Atlanta Journal Co., Atlanta, Ga., requests C. P. 2000-2100, 2750-2850 kc., 500 watts; WMAQ, WMAQ, Inc., RFD, Township of Addison, Ill., requests C. P. 5900 or 6040 kc., 500 w.; Television Laboratories, Ltd., San Francisco, Cal., requests C. P. 2100 kc., 1500 w.; Parkersburg Board of Commerce,

Parkersburg, West Virginia, requests C. P. 1310 kc., 100 w., unlimited time; KFXJ, H. G. and Chas. Howell, d/b as Western Slope Broadcasting Co., Grand Junction, Colo., requests modification of license to change hours of operation from sharing with KFUP to unlimited;

Also, Robert Wilkin Stolzenbach, Springfield, Ohio, requests C. P. 12600 kc., 100 w., unlimited; WDIX, North Mississippi Broadcasting Corp., Tupelo, Miss., requests C. P. to move transmitter and studio from Tupelo to Greenville, Miss., and change frequency from 1500 to 1310 kc., and from unlimited time to daytime only; Alexander T. Marante, New Britain, Conn., requests C. P. for new station 1210 kc., 100 w., unlimited time; WXYZ, Kunsky-Trendle Broadcasting Corp., Detroit, Mich., requests C. P. to move transmitter and studio locally; install new equipment and increase power from 1 kw to 5 kw.; J. G. Burbank and John A. Dalton, Laramie, Wyo., request C. P. 880 kc., 250 w., power, half-time, sharing with KPOF and KPKA; WMCA, Knickerbocker Broadcasting Co., Inc., New York City, requests C. P. to move transmitter from Hoboken, N. J., to College Point, Causeway, Flushing, N. Y.; WRDO, WRDO, Inc., Augusta, Me., requests modification of C. P. to move transmitter and studio from Augusta to Lewistown, Me.

The following cases are set for hearing because their facilities have been applied for:

KWSC, State College of Washington, Pullman, Wash.; WHAD, Marquette University, Milwaukee, Wis.; WLBG, Robert Allen Gamble, Petersburg, Va.; KGDE, Chas. L. Jaren, Fergus Falls, Minn.; KGIZ, Grant City Park Corp., Grant City, Mo.; KFUP, Fitzsimons General Hospital, U.S. Army, Denver, Colo.; WSVS, Seneca Vocational High School, Buffalo, N. Y.

Hearing Cancelled

The following case was set for hearing upon its renewal application because equipment did not conform to requirements of General Order 97. Since that time applicant's equipment has been changed to comply with the Commission's rules and regulations and the hearing scheduled for Sept. 2nd cancelled. A regular renewal license will be issued:

KFDY, South Dakota State College, Brookings, South Dakota.

Miscellaneous

KSO, Iowa Broadcasting Co., Clarinda, Iowa, the hearing on renewal of license for failure to comply with G. O. 111, 115 and 105, has been cancelled; applicant has complied with provisions of G. O. 111 and 115, but time sharing agreement has not been filed as per G. O. 105. A regular license will be issued, subject, however, to hearing to be held in re removal of station to Des Moines and for simultaneous operation with WKBH.

KFIU, Alaska Electric Light and Power Co., Juneau, Alaska, licensee of this station has been unable to operate in conformity with G. O. 105, and therefore desires to surrender station license. Station KFIU will therefore be deleted;

KGMB, Honolulu Broadcasting Co., Honolulu, T. H., the hearing on renewal of license for this station scheduled for September 4th, has been cancelled, since applicant has now conformed to G. O. 105.

In the following cases the Commission (on August 25th) directed the Secretary, in accordance with General Order No. 114, Section 2, to request the licensees to file applications for renewal of their licenses through the office of the Supervisor of Radio in charge of the district in which the stations are located on or before September 15, 1931:

KGFX, Dana McNeil, Pierre, S. Dak.; KPPM, The New Furniture Co., Greenville, Tex.; WCCH, Westchester Broadcasting Corp., Yonkers, N. Y.; WLCI, Lutheran Association of Ithaca, N.Y.; KGKX, C. E. Twiss and F. H. McCann, Sandpoint, Idaho; KOKB, Eagle Publishing Co., Thler, Texas.; KFYO, T. E. Kirksey, Abilene, Texas; KGFK, Red River Broadcasting Co., Inc., Moorhead, Minn.; WROL, Stuart Broadcasting Corp., Knoxville, Tenn.; WMRJ, Peter J. Prinz, Jamaica, N. Y.; WGBB, Jarry A. Carman, Freeport, N. Y.; KFLX, George Ray Clough, Galveston, Texas.; KARC, Alamo Broadcasting Co., San Antonio, Texas.

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