

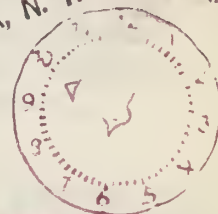
# HEINL RADIO BUSINESS LETTER

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 :: :: **CONFIDENTIAL—NOT FOR PUBLICATION.** :: ::

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B. W. JOHNSTONE

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## ELECTION MAY PLAY HAVOC WITH CONGRESSIONAL RADIO SET-UP

Either way the election goes it will cause sweeping changes in the radio legislative set-up in Congress. Every member of the House Radio Committee (Merchant Marine, Radio and Fisheries) is up for re-election. Likewise the fate of five members of the Senate Radio Committee (Interstate Commerce) is in the hands of the voters. These Senators are Smith, of South Carolina; Wagner, of New York; Tydings, of Maryland; and Barkley, of Kentucky, Democrats; and Watson, of Indiana, Republican.

The first casualty on the Senate Committee is Brookhart, Republican Progressive, of Iowa, who was defeated for the nomination by Henry Field, of Station KFNF, Shenandoah. If Field is elected, he will undoubtedly endeavor to succeed Brookhart on the Committee. Another vacancy will be caused by the voluntary retirement of Senator Hawes, of Missouri.

If the Republicans carry the Senate, Senator Couzens, Republican, of Michigan, will continue as the Chairman, but if the Democrats have a Senatorial majority, Senator Ellison D. Smith, Democrat, of South Carolina, will head the Committee.

That is, if Senator Smith is re-elected. If not, Senator Key Pittman, Democrat, of Nevada, would automatically become the Chairman. Should Senator Pittman decline the honor, or prefer to head another committee, Senator Dill, of Washington, co-author of the Radio Act, then inherits the chairmanship.

However, if Roosevelt is elected, Senator Dill, whose term in the Senate expires in 1935, may go into the Cabinet. Senator Dill was one of Governor Roosevelt's pioneer supporters in the West and has been mentioned as a Cabinet possibility - most frequently as the Secretary of the Interior or Secretary of Commerce. Should that come to pass, Senator Burton K. Wheeler, of Montana, would then have the refusal of the Senate Radio Committee Chairmanship. Wheeler, too, is a Cabinet possibility, and the chairmanship then might go down the line to Wagner, of New York, or Tydings, of Maryland, depending, of course, upon their re-election.

So the next Senate radio czar, if he is to be a Democrat, is an uncertain quantity.

If Reverend Shuler should defeat William Gibbs McAdoo for the Senate in California, the former surely would endeavor to get on the Senate Radio Committee. Should he succeed, it would place him in a position where he might have sweet revenge. The Radio Commission six months or so ago closed Shuler's station down because of the minister's personal attacks upon individuals.

If Shuler landed on the Senate Radio Committee, the Radio Commission would be at his mercy. He could even block the confirmation of the Commissioners who voted to close his station when they came up for re-confirmation.



However, he would have to wait a while to do it as the first one he would have a chance to take a crack at would be Commissioner Starbuck who, if reappointed, comes up in 1934. The next Commissioner who will have to be confirmed, who voted against Shuler, will be Judge E. O. Sykes, in February, 1933, if the latter is reappointed. However, that would be before Shuler is seated, if he is elected to the Senate.

Representative Ewin Davis, of Tennessee, Democrat, Chairman of the House Committee, has already been defeated for renomination which will put Representatives Schuyler Otis Bland, of Virginia, or Clay Stone Briggs, of Texas, at the head of the Committee if the Democrats win a majority in the House. The defeat of Representative Davis came as a distinct surprise. He actively assisted in framing the Radio Act and was the author of the Davis Amendment for the equal distribution of radio facilities.

If the House is Republican, then the radio chairmanship may go to Representative Frederick R. Lehlbach, of New Jersey, if he is re-elected. If not, it will go to Representative Arthur M. Free, of California, or if he should not be elected, to the fiery Representative Frank R. Reid, of Illinois. If there is a Democratic landslide, it might go as far down the seniority ranks as Representative Charles L. Gifford, of Massachusetts.

It is a certainty if Dr. Frank W. Elliott, former manager of Station WOC, Davenport, Ia., Republican nominee for Congress, is elected that he will seek to be assigned to the House Radio Committee.

A pre-election House radio casualty and the elimination of a caustic chain was the defeat for renomination in the State of Washington primaries of Representative Ralph Horr, of Seattle. Mr. Horr, a Republican and former receiver of the Northwest Broadcasting System, began his first term two years ago with an attack on broadcasting monopolies.

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GOT THE NAME OF HIS HIGH BOSS WRONG

Who was the NBC-WJZ announcer who referred to the head of the RCA presiding at the Coolidge meeting in New York City as Gen. "Charles" G. Harbord?

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## MEXICAN SITUATION ALARMS BROADCASTERS

The American broadcasters are becoming very much alarmed over the conflict of Mexican broadcasting stations with those licensed to operate in this country. The Mexican Government recently authorized the construction of a broadcasting station at Villa Acuna, Mexico, to operate with 500,000 watts power on a frequency of either 655 kilocycles or 735 kilocycles. Stations with which the Mexican transmitter will interfere if it goes on the air on 655 kilocycles are WSM, Nashville, a 5000 watt station; and WEAF, New York, a 50,000 watt station. Stations WGN, Chicago, and WSB, Atlanta, Ga., would be affected if the 735 kilocycle frequency is chosen. Transmission of any of these stations would be practically ruined by the half-million-watt broadcaster.

"The construction and operation of this station with such superpower will destroy the effective service to the public now being rendered by many stations of all classifications licensed by the United States Government", declared a letter addressed to the Department of State by the National Association of Broadcasters, protesting this move. "There is no necessity to discuss in any detail here the engineering questions involved. It is undisputed that the use of superpower in Mexico on the precise frequencies or adjoining frequencies assigned to stations in the United States will cause such ruinous interference as to make reception conditions intolerable.

"More than a year ago a committee of this Association called formally upon the Department of State and advised it of the contemplated construction and operation of high powered stations in Mexico. Since that time the construction of one station of 75,000 watts and another of 150,000 watts have been authorized and one of them is already in operation.

"The present broadcasting structure of the United States has been developed over a period of years at great expense to our broadcasting companies and individual citizens. While the Federal Radio Commission has done all that it can to stabilize broadcasting, it is unable to exercise its powers beyond the territorial limits of the United States. Its constructive efforts at regulation are now being undermined by interference conditions beyond its control.

"Due to the fact that there does not now exist an understanding between our Government and the Mexican Government with respect to the allocation and use of broadcasting frequencies, stations licensed by the Commission have been helpless in the rapid encroachment upon licensed rights resulting from the construction of new stations and the continued increases in power of existing stations in Mexico.



"The Association feels that the continuance of this situation is not only ill-advised from the standpoint of international good-will but tends to aggravate actual differences existing between these two nations. Indeed, if it is continued there will result a condition which will make a constructive solution of the problem extremely difficult if not entirely impossible.

"In view of the foregoing, we respectfully call upon the Department of State to take whatever steps are necessary to maintain the status quo with respect to the assignment of frequencies, increases in power, and new construction of stations in Mexico so as not to prejudice a future solution of the problem, since the matters under consideration at the International Radiotelegraph Conference now in progress at Madrid should furnish the basis for such solution."

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#### STATIONS MAY INSURE AGAINST LIBEL OR SLANDER

An insurance company is said to be offering radio stations a policy which will protect the station against libel or slander actions.

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#### TRADE COMMISSION GOES AFTER ADVERTISER

A corporation operating a large broadcasting station and permitting the vendor of an electro-magnetic coil to make representations concerning such appliance which were alleged to be false and misleading, agreed to waive its rights as a joint respondent and in the subject matter, and to be bound by an action of the Federal Trade Commission against the advertiser.

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#### LANDLINE RATES PUBLISHED BY THE BERNE BUREAU

A complete list of radio and landline rates charged by companies operating in the United States will be published by the Berne Bureau in the next issue of the List of Fixed and Land Stations. Complete information concerning these rates has not been available for several years due to certain confusion resulting from the quotation of "through rates" by commercial companies.

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## RADIO DESCRIBED AS U.S. STEPCHILD

A report of the Standing Committee on Communications of the American Bar Association, meeting in Washington, pictures the radio industry as a sort of stepchild of the Government.

"It may be safely stated that in the entire history of the United States Government no industry has ever had imposed upon it so much uncertainty as to its continued existence or as to the protection of its investment, or so great an expense because of Government regulation, as the broadcasting industry", it was declared in the report of this committee, headed by Louis G. Caldwell, Washington lawyer, who formerly was chief counsel for the Federal Radio Commission, now representing the National Association of Broadcasters at the International Radiotelegraph Conference in Madrid. The report was presented by John W. Guider, as acting chairman of the Committee.

The meeting was thrown into confusion when Judge Ira E. Robinson, formerly chairman of the Federal Radio Commission, now a practicing radio attorney, charged that the report was "an awful indictment of public officials". He said the report was "tactless" and that he was opposed to it. A dissenting opinion disapproving as inappropriate such unreserved criticism of a government commission will be drafted by Judge Robinson and Mr. Guider.

The conclusion of the committee was reached in a summation of the "major defects apparent in the commission's administration of radio regulations", the committee including this along with a survey of radio legislation - Federal, State, municipal and foreign, and with recommendations on the conduct of the radio industry.

The report called attention to the fact that "in the absence of any pronouncement by the United States Supreme Court and with only a few decisions by other courts, the boundary line between Federal and State jurisdiction in radio regulation continues vague and obscure."

"As a result", it continued, "states and cities are continually adding to the list of enactments of doubtful validity. This tendency has been given emphasis during the recent past by legislation imposing license fees or privilege taxes of one sort or another on the operation of broadcasting stations and of receiving sets."

It was also pointed out in the report that the long awaited test of the fundamental constitutionality of the radio act may be furnished in the Court of Appeals of the District on appeals from two Chicago stations - WIBO and WPPC-- whose assignments were given to Indiana broadcasters on the grounds



that Illinois is "over quota" and Indiana "under quota" under the Davis amendment.

Several phases of the administration of the Radio Commission are criticized by the committee.

Important matters, it says, which to all intents and purposes are given the effect of regulations, are not embodied in the regulations, and no one can be certain in a particular case whether such matters will be determinative in his case.

Because of the prohibition of censorship, the report points out, the commission regards itself as without power to forbid certain types of programs, such as lotteries, fortune telling talks, and so forth, yet holds that any such matters are pertinent to an application for a renewal of license and may be relied upon to justify denial of such an application. This, it points out, subjects a broadcaster to deprivation of his license without advance notice of specific charges he may be called upon to meet at a hearing.

Clear-channel service, which is the only method of reaching large portions of the rural sections, the report continues, "is under-going a relentless process of corrosion which threatens ultimately to ruin them". This "corrosion", it says, has taken the form of permitting duplicate operation of stations on clear channels by "consent" of the dominant clear-channel stations, the authorizations of daytime and limited-time stations on clear channels at inadequate separations and the recent consent of the United States to the use of two United States clear channels by proposed Canadian stations.

The few hearings, held by the commission are also criticized.

Legislation to restrict radio advertising is opposed, "at least for the present" by the committee.

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#### TRADE PAPER LISTS SALARIES

The following are the salaries actually paid radio stars, according to Variety, the theatrical magazine:

Amos and Andy, \$7,500 weekly; Mildred Bailey, \$2,500; Ben Bernie band, \$6,500; Boswell Sisters, \$3,000; Cab Calloway and band, \$5,000; Camel Quarter Hour, \$8,500; Russ Columbo, \$2,000; Bing Crosby, \$3,000; Morton Downey, \$4,500; Gene and Glenn, \$5,000; Guy Lombardo band, \$6,000; Vincent Lopez band, \$4,000; Mills Brothers, \$3,500; Jack Pearl, \$3,500; Revelers, \$3,500; Sanderson and Crummit, \$3,500; Kate Smith, \$7,500; Paul Whiteman band, \$8,500; and Ed Wynn, \$5,000.

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## COMPOSERS WAIVE CAMPAIGN ADDRESS CHARGES

Expressing the belief that a public service is rendered to the Nation by the various political candidates in their radio discussions of problems which confront the Government, and desiring to support the dissemination of such information and to contribute its bit towards the service to the people, E. C. Mills announces that the American Society of Composers will not collect the usual royalties insofar as political programs are concerned.

Stations are required to pay the Society three per cent of the net receipts for all programs for which time is sold but this fee will be waived in connection with campaign addresses.

Mr. Mills' letter to broadcasting stations follows:

"Believing that a substantial public service is rendered to the Nation by the various political candidates in their discussions through radio of problems which confront the Government, and desiring to support in every consistent manner the dissemination of such information and to contribute our bit toward the service of the people, please take note:

"Whilst the formula endorsed by the Board of Directors of the National Association of Broadcasters and accepted by our Society under which licenses are to issue as of September 1, 1932, covering the use in broadcast performances of music copyrighted by our members, provides that a percentage is to be paid to the Society of all net receipts in respect of all programs without exception for which the time is sold, we are going to waive the collection of the amount represented by these percentages as far as political addresses are concerned.

"Therefore, in accounting on the forms provided by our Society for 'Net Receipts' from the sale of time, you may eliminate all straight political programs regardless of the party affiliations of the speaker, and regardless of whether as an incident to such programs music copyrighted by members of the Society is used.

"As to stations which have already made remittances of percentages in respect of such programs hereafter rendered, we would thank them to make claim upon us for a refund of the amount thereof. These refunds will be made with the distinct understanding, however, that if at the time the sale of facilities was made the political party or candidate who purchased this time was charged an additional music license fee, the amount thereof shall be refunded by the station."

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## DO PEOPLE LISTEN TO COLLEGE STATIONS?

Although it started as a hearing between small stations, the question raised "Do people listen to college stations?" was such a big one that before the case was closed, it had the interest of the entire Federal Radio Commission. It came about through the efforts of Station WRHM, of Minneapolis (the Minnesota Broadcasting Company), attempting to divorce itself from three college stations which share time with it - WCAL, St. Olaf College, Northfield, Minn.; KFMX, Carleton College, Northfield, Minn., and WLB-WGMS, the University of Minnesota, Minneapolis, Minn.

The general charge was made by John E. Tappan, representing WRHM, that virtually nobody listened to a college station program. The colleges countered with the assertion that relatively few listened to the average commercial program.

The college stations through counsel argued that WRHM already has procured 80 per cent of the time and they are unable to extend their educational programs unless their time is increased to 29 per cent.

Here another important question was raised when the colleges demanded night hours for their educational programs. "What would happen to us", one commercial broadcaster asked, "if all educational stations demanded night hours - our best commercial time?"

Mr. Tappan, speaking for Station WRHM, stated that the educational programs attracted such a limited audience that after their programs are begun, the regular listeners of the Minnesota Broadcasting Corporation tune off and turn to other stations to the detriment of their advertising. Frequent interruptions in the regular programs for college educational station features, he asserted, had caused a loss in listeners to the commercial station and revenues from advertising are falling off so rapidly that the corporation is fighting for its life.

Horace Lohnes, representing the college stations, pointed out that the net profit of Station WRHM amounted to \$25,000 in 1930, and it was not a case of survival but a desire for exclusive time on the air. He reminded the Commission that the presence of the college stations was brought about by the application of WRHM for a modification of its license for unlimited time.

Mr. Tappan further asserted that the type of programs broadcast by the college stations are of scanty interest to the general public and that their interruptions alienated listeners who would ordinarily follow the programs of Station WRHM. He said the lectures in the evening by college professors on science, biology, languages, and similar subjects have no appeal to the tired workingman. But 1 per cent of the listeners are interested, he added.

Continuing, counsel for WRHM declared that these college stations could not be self-supporting if they had to depend on a listening audience.

The most logical solution would be to place the three colleges on a separate wave length, and WRHM on a separate wave length, Mr. Tappan continued, declaring that the Minnesota Broadcasting Corporation now has 100 hours on the air per week, and the college stations 20, but this does not reveal the interruptions to the commercial station broadcasts when these break in at certain times. Radio is not necessary to carry out the night work of the university and colleges, Mr. Tappan asserted, especially since the University of Minnesota has a night school, and correspondence courses.

Mr. Lohnes, for the college station, informed the Commission that the night broadcasts were essential to enlarging the educational programs of the institutions. He outlined their endowments incomes, student enrollment, and educational facilities. Radio serves to strengthen the extension courses and the usefulness of it, he said, is testified by depositions before the Commission.

Carleton College seeks to increase its time to 10 hours per week, St. Olaf its to 9 $\frac{3}{4}$ , and the University of Minnesota to 18 hours. He cited the construction of a \$100,000 music hall in St. Olaf College whose choir is nationally known, and stressed the popularity of the college music programs. The University of Minnesota, he explained, plans to enlarge its educational program in the field of science, child welfare, and agriculture to reach the farmers. The use of Norwegian in the programs of St. Olaf College reached large numbers of Norwegians within the area, it was said.

Mr. Lohnes called attention to the fact that the three colleges had withdrawn their application for unlimited time on the air to the exclusion of WRHM because they cannot use all the time originally sought. He said they have no complaint against the Minnesota Broadcasting Corporation but merely want justice for each contestant. He pointed out, however, that 40 per cent of WRHM's time was devoted to phonograph record broadcasts.

As for a separate channel, Mr. Lohnes concluded, this would be most desirable to the colleges, but under the quota assignment for the State, this seems impossible.

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#### ARCTURUS CLAIMS MAJOR TUBE BUSINESS IN 30 COUNTRIES

A survey just completed by Walter A. Coogan, Export Manager of the Arcturus Radio Tube Company, Newark, N. J., shows that Arcturus Tubes amounted to over 50% of the total American tubes imported into thirty of the seventy-six foreign countries in which these tubes are sold, according to a statement from that company.

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## CAMPAIGN ORATOR CARRIES HIS OWN LOUD SPEAKER

Your up-to-date campaign spell-binder this year carries a loudspeaker with him in a suitcase. If a baby cries or a heckler tries to shout him down, he is easily able to roar forth all the louder. His voice can be magnified a hundred times and he has the power to literally blow the audience out of their seats but, of course, he doesn't go to that extreme because he is after their votes.

The entire equipment, including the case, weighs seventy pounds. The equipment includes the amplifier, a loud-speaker, a control unit, and the necessary connections. It operates from the regular alternating-current electric-power supply.

To make its convenience complete, the miniature public-address system is arranged for use with another miniature device developed by the same engineers, the so-called "lapel" microphone which came into prominence during the broadcasting of the national party conventions at Chicago. When the orator arrives at his indoor or outdoor meeting, all he does is set the case down in a good place, plug in on the electric-light line, pin the tiny microphone on his lapel, step up on the platform, and commence talking in his ordinary tone.

The wire from the microphone gives him thirty feet in which to make dramatic strides and gestures. An assistant, seated inconspicuously as far as fifty feet away can, by means of remote volume control, help the speaker punctuate his points without actually raising his voice. The system can also be used with an electrical reproducer to amplify phonograph records of music or prepared speeches.

The system was designed by the Bell Telephone Laboratories and the complete equipment is manufactured by the Western Electric Company.

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## BREAK DOWN IN CALL LETTER ANNOUNCING

Taking advantage of the latitude given to them by the Federal Radio Commission, some stations are growing careless in the matter of announcing call letters at regular intervals. As the Commission regulation now stands, call letters must be announced by a station every fifteen minutes except where a dramatic or musical program of importance would be seriously interrupted. This would be in such a case as a program by the Philadelphia Orchestra or a special event or memorial broadcast.

Heretofore broadcasters, especially the larger stations were very punctilious in announcing their identity but recently listener tuned in for almost an hour without being able to learn what station he was listening to.

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## DECISIONS OF THE FEDERAL RADIO COMMISSION

### Applications Granted (Oct. 10, 1932)

KGKX, Sandpoint Broadcasting Co., Lewiston, Idaho, modification of C.P. extending commencement date from June 10 to Sept. 15, and completion date from Sept. 10 to Nov. 20, 1932; also temporary renewal of license and designated application for hearing; 1420 kc., 100 watts, unlimited time; WMIL, Arthur Faske, Brooklyn, N. Y., authority to remain silent Sunday, Oct. 9, from 11 P.M. to 1 A.M., and Monday Oct. 10 in order to observe Jewish religious holiday; denied authority to operate Tuesday, Nov. 8 from 12 noon to 1 P.M., and from 10 P.M. to 1 A.M.; KGFW, Central Nebraska Broadcasting Corp., Kearney, Nebr., authority to temporarily reduce hours of operation beginning Oct. 3 from unlimited to specified times pending decision on application requesting one-half of facilities of Station KGFW; WNAX, The House of Gurney, Inc., Yankton, S. Dak., authority to take depositions in re its application for renewal of license set for hearing Oct. 31.

Also, Charles Shannon Breeding, Glendale, Calif., aviation airport C.P. frequency 278 kc., 15 w.; KGTT, Aeronautical Radio, Inc. Cheyenne, Wyo, C.P. to change location to WAE Hangar, Municipal Airport Cheyenne, Wyo.;

### Renewal of Licenses

The following stations were granted renewal of licenses for the regular period: WAAB, Boston, Mass.; WADC, Tallmadge, Ohio; WBAA, West Lafayette, Ind.; WBCM, Bay City, Mich.; WHIG, Greensboro, N. C.; WCBA, Allentown, Pa., and auxiliary; WCMA, Culver, Ind.; WDRC, Hartford, Conn.; WEHC, Emory, Va.; WFBL, Syracuse, N.Y.; WCAR, Cleveland; WHK, Cleveland, Ohio; WKBW, Buffalo, N. Y.; WLAC, Nashville, Tenn.; WNBR-KGBC, Memphis, Tenn.; WODX, Mobile, Ala.; WSAI, Cincinnati, O.; WSAR, Fall River, Mass.; WSFA, Montgomery, Ala.; WGMB, New Orleans; WSPD, Toledo; WTAD, Quincy, Ill.; KDFN, Casper, Wyo.; KFAC, Los Angeles, Cal.; KFJR, Portland, Oreg.; KFTY, Spokane, Wash.; KGIR, Butte, Mont.; KGNF, North Platte, Nebr.; KGRS, Amarillo, Texas; KLS, Oakland, Calif.; KOMA, Oklahoma City, Okla.; KOY, Phoenix, Ariz.; KSTP, St. Paul, Minn.; KTBS, Shreveport, La.; KWK, St. Louis, Mo.

Also, KFAC, Los Angeles Broadcasting Co., Los Angeles, Cal., granted special authority to operate unlimited time, subject to immediate cancellation upon final determination of the issues in the Court of Appeals in the case of KGEF, Trinity Methodist Church, South, Los Angeles, but no later than May 1, 1933.

MISCELLANEOUS - WOR, Bamberger Broadcasting Service, Inc., Newark, N. J., renewal of license application heretofore set for hearing Oct. 28, continued to Dec. 15; WSPA, Virgil V. Evans, Spartanburg, S. C., application submitted June 14, 1930, subsequently amended, to move transmitter locally, install new equipment and change frequency from 1420 to 1190 kc., and increase power from 5 w. day, 100 w. night to 5 kw was retired to files for want of prosecution.

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