HEINL RADIO BUSINESS LETTER

INSURANCE BUILDING

WASHINGTON, DOCE BEINE

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 WAYELENGTH, CALL LETTERS AND POWER, PATENTS, EXPORTS, FEDERAL TRADE COMMISSION RULINGS AND OTHER WAYTERS OF 16 INTEREST TO BROADCASTERS AND MANUFACTURERS. :: :: CONFIDENTIAL—NOT FOR PUBLICATION. ::

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No. 598

WALSH OFFERS AMENDMENT TO BEER ADVERTISING BILL

Senator David I. Walsh, of Massachusetts, has introduced an amendment to the pending beer bill to permit advertising of the 3.05 per cent beverages it proposed to legalize. Senator Walsh represents a minority of the Senate Finance Committee.

An amendment was adopted by the Senate Judiciary Committee to prevent advertising the beverages in States which remain dry, which would place a ban on radio and newspaper advertising.

The following is a memorandum explaining the existing condition of the law.

"The Volstead Act prohibits the advertising by any means of 'liquor.' The Volstead Act defines liquor as used in the act to include all beverages containing one-half of 1 per cent or more of alcohol.

"The so-called 'Reed bone-dry amendment', passed in 1917, before the eighteenth amendment took effect, prohibits the sending through the mails of any advertisement of 'intoxicating liquors' to any place at which it is unlawful under local law to advertise such liquors. This act does not define the term 'intoxicating liquors,'

"Both of these restrictions on advertising are in existing Federal statutes.

"The House bill, providing for the manufacture, distribution, and sale of liquor containing 3.2 per cent, or less, of alcohol by weight, amends the definition of 'liquor' so that it does not include beer, ale, or similar fermented liquors containing 3.2 per cent, or less, of alcohol by weight.

"Therefore, under the House bill, the provision of the Volstead Act prohibiting the advertisement by any means of liquor would no longer prohibit the advertising of beer containing not more than 3.2 per cent of alcohol by weight, because the prohibition in the Volstead Act applies only to the advertising of liquor and, under the House bill, such beer would no longer be 'liquor' within the meaning of the Volstead Act. However, the effect of the House bill on the Reed 'bone-dry' amendment is uncertain. A doubt exists because this act does not define intoxicating liquors. This doubt should have been removed by a clear statement in the House bill that the provision of the Reed "bone-dry" amendment does not apply to the liquor authorized therein.

"The bill reported by the Judiciary Committee of the Senate, and which is now pending in the Senate, provides in one section that nothing in the national prohibition act shall apply in any way to beer, wine, and fruit juices containing not more than 3.05 per cent of alcohol by weight; but there is another

section of the bill which contains the so-called "dill amendment" which prohibits the advertising of liquor authorized by the bill in dry States. Furthermore, there is the same doubt as to the effect of the Reed 'bone-dry' amendment on the provisions of this bill, which amendment is not repealed.

The so-called 'Dill amendment', providing for prohibiting the advertising of non-intoxicating liquors, such as beer and other liquors of alcoholic content of less than 3.05 per cent in dry States, would mean that all newspapers and radio advertising would be forbidden unless — which is not possible — it could be shown that a newspaper printed in a wet State never went outside the borders of that State into a dry State."

The amendment to be proposed by Mr. Walsh would permit advertising, strikes out the Dill amendment of the Senate bill, and inserts language that removes the doubt concerning the Reed bone-dry amendment, as follows:

"Amendment intended to be proposed by Mr. Walsh of Massachusetts to the bill (H.R. 13742) to provide revenue by the taxation of certain non-intoxicating liquor, and for other purposes: On page 10, to strike out lines 15 to 25, both inclusive, and lines 1 and 2 on page 11, and in lieu thereof insert the following:

making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1918, and for other purposes", approved March 3, 1917, as amended and supplemented (U.S.C., title 18, sec. 341; Supp. VI, title 18, sec. 341), shall prohibit the deposit in or carriage by the mails of the United States, or the delivery by any postmaster or letter carrier, of any mail matter containing any advertisement of, or any solicitation of an order or orders for any of the following containing not more than 3.05 per cent of alcohol by weight: Beer, ale, porter, wine, similar fermented malt or vinous liquor, or fruit juice. "

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TESTS FOR GREAT NEW NAVY DIRIGIBLE RADIO

To make thorough tests of the radio equipment of the Navy dirigible "Macon", sister ship to the "Akron", Chief Radio Electrician Chester S. Denton and four regular Navy radiomen will be detailed for duty at Station NID at Akron, O. The radio tests will continue through the "Macon's" trial trips which are expected to last between 60 and 70 days.

Communications pertaining to the trails will be under the direct supervision of Lieut. Commander T. G. W. Settle, now on duty at Akron as Inspector of Naval Aircraft.

SUPREME COURT ASKED TO REVIEW WJKS CASE

The Federal Radio Commission, in a petition just filed with the Supreme Court of the United States, contests a decision by the Court of Appeals of the District of Columbia which nullified an order of the Commission assigning the Johnson-Kennedy Radio Corporation a license to operate in Gary, Ind., with unlimited hours on a frequency shared by two Chicago stations. Termination of the licenses of the latter, WIBO and WPCC, was ordered by the Commission.

The Johnson-Kennedy company (Station WJKS) also submitted a petition, as intervenor, asking review of the case, Federal Radio Commission, et al. v. Nelson Brothers Bond & Mortgage Co. (Station WIBO); Same v. North Shore Church (Station WPCC) Nos. 659-60.

The Commission's petition presented the question in the case to the court as follows:

Whether under this Radio Act, the Commission, in exercising the licensing power, is authorized to decline to renew a license to use a frequency previously used by two stations rendering satisfactory service in a grossly overquota State, and upon a finding that the public interest would be served thereby, to license the use of this frequency to a meritorious station in an underquota State, for the purpose of extending and improving the service of the latter station and bringing about a greater degree of equality in the broadcasting facilities licensed in the two States.

The Court of Appeals found that the only apparent reason for granting the application of Station WJKS "and destroying the other two stations is that Indiana is underquota, which in the circumstances furnishes no substantial justification for the decision of the Commission."

"As already observed", the opinion stated, "the evidence discloses that Stations WIBO and WPCC have been and are serving public interest, convenience, and necessity certainly to as great an extent as the applicant station. In our view, the conclusively established and admitted facts furnish no legal basis for the decision of the Commission. In other words, the decision is in a legal sense arbitrary and capricious."

In support of its general conclusion, the Commission's petition states, the lower court referred to facts not made the basis of findings by the Commission, and also referred with approval to certain findings of the Commission's Examiner whose recommendation that the application should be denied was not adopted by the Commission.

The court erred, the petition contends, in holding that the Commission does not have authority "to lessen the gross disparity existing between the broadcasting facilities of the two States", in relying upon findings of the Examiner which were inconsistent with findings of the Commission, and in holding that the Commission erroneously determined that the public interest, convenience, or necessity would be served by the transfer to the applicant of the frequency assigned to the respondents.

The Commission points out that this is the first case in the courts involving the affirmative application of the act by the Commission.

"It is essential to the proper discharge of the Commission's duties that the court should determine whether the Commission may refuse to renew licenses and thereby curtail the facilities of existing stations, in order to bring about a fair distribution of broadcasting facilities among the States, as provided in the Davis amendment", the petition states.

It revealed that substantially the same question is involved in 116 separate proceedings pending before the Commission in which applications have been filed requesting, in each case, the reassignment to an undeserved State or zone of all or a substantial part of the facilities now licensed to a station in an overquota State or zone.

The Davis amendment directs the licensing authority to establish and maintain "as nearly as possible" equality of broadcasting service to each of the several zones, and to "make a fair and equitable allocation of licenses", etc., to each of the States within those zones.

"It seems clear that if the Davis amendment is to have any application, it must apply in a case such as this", the Commission's petition declares, "where the State of Illinois is 55 per cent overquota in station assignments, while Indiana is 22 per cent underquota."

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O. H. CALDWELL SEES CLEAR CHANNELS DOOMED

Shortly after the new administration takes hold, a drastic reallocation of North American broadcasting stations may be looked for, O. H. Caldwell, of New York, former Federal Radio Commissioner, predicts.

"Pressure from Canada and Mexico for more wave lengths (however unjustified by proportional population figures) will undoubtedly be met by conceding more channels to our northern and

southern neighbors. In this rearrangement, the doom of the United States clear channels, which bring good radio broadcasting to millions in small towns and rural communities, now seems sealed", Mr. Caldwell ventures.

"When this massacre of the clear channels begins, and the airways on which important broadcasters operate become howling bedlams, outside of the immediate neighborhood of the transmitters, the radio industry will have only itself to blame for past apathy. Little or no interest has been displayed by radio engineers or industrial organizations. Radio reception in the vast stretches of America has been taken for granted, like the sunshine. Meanwhile selfish interests and political trading are ever forcing unimportant stations into more advantageous positions locally, to the destruction of Nation-wide good service. At Washington the pressure of those who would ruin outlying reception is continuous; yet never a word comes in rebuttal from radio men who know the inevitable result.

"Soon those who avow to discredit the radio engineer and his 'fool theories' will ride high in the political chariots of officialdom. Ignorant, political tampering with the present fairly smooth-running radio machine will deprive millions of rural communities of good radio."

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ROOSEVELT AS HABITUAL BROADCASTER

During his four years as Governor of New York, "F.D.R." used the radio at regular intervals to commune with the people of the Empire State, following a practice first instituted by Al Smith when he was enthroned at Albany.

"On various vital occasions, when the Legislature opposed their programs, the respective Governors went straight to the citizenry over the air, and generally contrived to arouse public opinion sufficiently to carry their points", Frederic William Wile observed. "The President-elect has given no intimation that he plans to convert the White House into an occasional broadcasting studio, as he did the Executive Mansion at Albany, but, with the experience he's had with the air as a political ally, it wouldn't be surprising if he takes to it habitually at Washington. As the country discovered during the campaign, the Governor has a pleasing 'radio style'. Out in the corn belt they at first didn't like his Harvard pronunciation of farmer as 'fah-mah', but it didn't seem to count against him on election day."

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REVISION IS MADE IN FEDERAL LIST OF BROADCASTERS

The Federal Radio Commission has issued a revised list of radio broadcast stations. There are 283 stations assigned unlimited time, 20 limited time, and 166 sharing time with others.

On January 1 there was a total of 610 stations of which 608 are classified as follows:

	Clear	Regional	Local	Total
Unlimited time	30	128	125	283
Limited time Daytime	20 17	18	· · ·	20 42
Sharing time	20	98	48	166
Part time	anta anta	1	1	2
Specified hours	6	34	55	95
Total stations	93	279	236	608
Total frequencies	40	44	6	90

Two stations are not classified above for the reason that the quota units formerly assigned these stations have now been assigned to other stations, but the call letters have not been officially deleted because of pending litigation.

The total number of stations shown above represents the number of outstanding licenses or construction permits, but because of the great number of stations authorized to share time with another station in the same geographical area, there are in use the equivalent of 382 full time assignments.

On January 1, 1933, there were in use 599 transmitters, exclusive of auxiliary transmitters.

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PROPOSED COMMISSIONER IS EDUCATIONAL EXPERT

John Christian Jensen, director of Station WCAJ, at Nebraska Wesleyan University, appointed by President Hoover to succeed Commissioner Charles McK. Saltzman on the Federal Radio Commission, is said to possess considerable knowledge about radio, particularly radio from the educational point of view. He is especially interested in the subject of educational broadcasting stations and recently justified such stations selling time on the air.

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WGY TO HAVE ALEXANDERSON AS 11TH ANNIVERSARY GUEST

Dr. E. F. W. Alexanderson, whose invention of the high frequency alternator gave the United States supremacy in world radio communication, will be the guest of WGY on the occasion of the station's eleventh anniversary, Monday, February 20. The scientist, who is a consulting engineer of the General Electric Company, will relate some of the unpublished incidents in connection with voice radio before the advent of popular broadcasting.

WGY will signalize its birthday with a one hour program at 11:00 P.M., February 20, the first half-hour of which, 11:00 to 11:30, will be carried by an NBC-WEAF network of stations. During the network program other speakers will be Martin P. Rice, who was director of broadcasting for the General Electric Company in the pioneering days of the new art, and Chester H. Lang, the present radio director of that company.

Kolin Hager, manager of WGY, has planned a rapid-fire program introducing many of the performers whose work has won them a place on the NBC network. The performance will open with an orchestral overture made up of theme tunes of WGY programs, and arranged by the station music director, David Buttolph. Among the features to be introduced will be: Mary Nally, contralto, with Charles Gilbert Spross, accompanist; the Rice String Quartet; Upstaters Male Quartet; the Banjoleers; Annette McCullough, crooner; and the mixed vocal quartet of the Musical Comedy Hits program.

In the second half-hour period, from WGY only, will be introduced Joe and Eddie, comedy sketch; Three Shades of Blue, a male singing group; Piano Pals and Jerry Brannon, tenor; Antoinette Halstead, concert contralto; Charles Gilbert Spross, pianist, and Edward A. Rice, violinist, in a Scherzo from violin and piano sonata composed by Mr. Spross; and the Musical Comedy Hits quartet.

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PUTS NEWSBROADCASTING UP TO ANPA

Members of the American Newspaper Publishers' Association, will be asked to join with the California Newspaper Publishers' Association and the California Circulation Managers' Association in a movement to attempt to halt the use by broadcasting stations of news collected by press associations and by newspapers.

The California movement will be described to the next convention of the A.N.P.A. by Norman Chandler, assistant published of the Los Angeles Times.

RADIO ADVERTISING MAGAZINES MERGE

Just a couple of young fellows trying to get along, Martin Codel and Sol Taishoff, who were then working for a living as radio writers, seeking a field of richer compensation and a life of ease, started "Broadcasting" magazine in Washington as a trade journal for the broadcasting industry. That was only a year and a half ago but the boys did such a good job of it, and despite unusual business conditions, succeeded to such a degree that yesterday they acquired their principal competitor, "Broadcast Advertising", which for the past five years has been published in Chicago by Gustav Stamm.

"Broadcasting" will now combine both publications in the National Capital with Codel as editor, "Solly" Taishoff as Managing Editor, and last, but not least, their Hoosier advertising manager, F. G. Taylor.

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B. F. MIESSNER'S NEW ELECTRONIC PIANO

A musical instrument which looks like a piano but plays like an organ, a flute, a saxophone, a guitar, a harp, a bassoon, an oboe — or as a variety of other instruments including the piano — will be introduced to the musical and scientific world on Wednesday, February 15th, in three concerts before the General Science course groups of the School of Commerce, Accounts, and Finance of New York University, and the Music Education Department of the School of Education.

In the opinion of Benjamin Franklin Miessner, the inventor, the instrument which, for lack of a better name, is at present being called an Electronic Piano, may revolutionize not only the piano, radio and general musical instrument industries but the technique of musical composition as well. It is possible with this instrument, for example, to swing at will from piano to flute, to guitar, to organ, to saxophone or to almost any instrument found in an orchestra. The inventor claims it is possible with the Electronic Piano for one person to approximate extensive orchestral effects by varying as he plays the adjustment of half a dozen radio—like dials.

This Electronic Piano was developed by Mr. Niessner, an acoustical physicist, at his laboratory in Millburn, N. J., with the assistance of Charles T. Jacobs, both working on it steadily since early in 1930.

DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted

WBAA, Purdue University, Lafayette, Ind., granted authority to operate additional night hours during February, March and April, as follows: Feb. 20 and 27, 8 to 9 p.m. CST.; Feb. 25 and March 4, 7 to 9 p.m., CST., and March 25, 1 to 3 a.m., CST. April no additional hours; WCAZ, Superior Broadcasting Service, Carthage, Ill., granted temp. auth. to broadcast on Sundays, pending action on modification of existing license; KFDY, South Dakota State College, Brookings, S. Dak., granted auth. to operate from 8:30 to 9 p.m. CST, Feb. 9, in order to broadcast a speech by Lt. Governor of South Dakota;

KIEV, Canon System, Ltd., Los Angeles, Calif., granted auth. to broadcast test program for DX purposes on mornings of Feb. 5, 12, 19, and 26, between hours of 1 and 3 am. PST; WJZ, National Broadcasting Company, New York, special experimental authority to increase operating power from 30 kw. to 50 kw., heretofore set for hearing because of protest filed by WJR, withdrawn from hearing docket and granted, because WJR has withdrawn its protest; WJBO, Baton Rouge Broadcasting Co., Baton Rouge, La., special authority to remain silent for term beginning Feb. 3, and continuing until completion of construction authorized under CP, but not later than May 31; WMAL, M. A. Leese Radio Corp., Washington, D. C., equipment test period extended for ten days from Yeb. 2; WOCK, Radiomarine Corp. of America, New York, granted authority to operate for 60 days aboard vessel "Benj. Brewster", 375 to 500 kc., 500 w.;

WMCF, Matson Navigation Co., San Francisco, Calif., granted 30 day authority to operate station as third class, pending receipt of formal appl. on vessel "Manoa"; Aeronautical Radio, Inc., portable and mobile, granted 3 new experimental CPs, frequencies41,000, 51,400, 60,000-400,000 kc., and above, 20 w.; Atlantic Broadcasting Corp., mobile, granted 2 new experimental CPs, frequencies 31,000, 51,400 and 60,000-400,000 kc., 1.5 w.; Harvard University, Cruft Laboratory, portable, 1st radio district, granted gen. exp. CP, 1,594, 2,398, 3,492.5, 4,797.5, 6,425, 8,655, 12,862.5 kc., 500 w.; WOKO, Inc., mobile (Albany, N.Y.), granted CP for temp. broadcast pickup service, 1,542 kc., 1 w.; RCA Communications, Inc., New Brunswick, N.J., granted fixed public point-to-point telegraph construction permit, 17,880 kc., 1 kw., to communicate primarily with Panama, San Jose and Managua; Police Department, Gary, Ind., granted emergency police construction permit, 2,470 kc., 100 w.; W3XAM, RCA Victor Co., Inc., portable and mobile, Camden, N.J., granted gen. exp. license, freq. 23,100, 25,700, 26,000, 27,100, 34,600, 41,000, 51,400, 60,000-400,000 kc., 100 w.;

KIZA, Haman Exploration Co., portable, in Texas and Louisiana, granted geophysical license, 1,628 kc., 10 w.; WHM, Aeronautical Radio, Inc., Indianapolis, Ind., granted aviation aeronautic CP, 2906, 3072.5, 3088, 4,967.5, 4,987.5, 5510, 5540, 5672.5, 5692.5 kc., 400 w.; KGSI, Kansas City, Kans., granted aviation aeronautic license, 2906, 5692.5, kc., 90 w.; KGUR, Burbank, Calif., granted aviation aeronautic lic. 2316, 2356, 3467.5, 4790 kc., unlimited; 6540, 6550, 6560 and 8015 kc., day only, 150 w.; WP FF, Police Department, Toms River, N.J., granted lic. for emergency police service, 2430 kc., 50 w.;

WPEG, City of Jacksonville, Fla., granted license for emergency police service, 2442 kc., 100 w.; KIES, Modesto Irrigation District, Modesto, Calif., granted emergency service license, 3190 kc., 150 w.; WKC, RCA Communications, Inc., Rocky Point, N. Y., granted license for fixed public point-to-point telegraph service, authorizing operation of station by use of recently installed transmitter of increased power instead of transmitter now designated in current license. WAD, Rocky Point, granted license, fixed public point-to-point telegraphic to communicate with London and Montreal;

W2XCJ, Police Department, Bayonne, N.J., granted mod. of CP extending commencement date to April 30 and completion date to May 30, 1933, <u>W2XGG</u>, mobile, Bayonne, N.J.; <u>WIK</u>, RCA Communications, Inc., New Brunswick, N.J., granted modification of fixed public pt.-to-pt. telegraphic license to change location of transmitter to Rocky Point, N.Y. and change in normal transmitter number to 21; WEO, RCA Communications, Inc., Rocky Point, N.Y., granted modification of fixed public point-to-point telegraphic license, to change normal transmitter number to No. BX and No. 46, and location of transmitter to New Brunswick, and increase power to 20 and 40 kw. <u>WIZ</u>, New Brunswick, N.J., granted mod. of fixed public pt.-to-pt. telegraphic license to change location of transmitter from New Brunswick to Rocky Point, and change normal transmitter to No. 21. WQS, Rocky Poin N.Y., granted mod. of license to change transmitter number WQS, Rocky Point, to No. 54, and change location of transmitter from Rocky Point to New Brunswick.

Set For Hearing

WHBD, F. P. Moler, Mt. Arab, Ohio, application for renewal of license; Radio Engineering Laboratories, Inc., Nasn Atuo, New York, 1932, CP for gen. exp. service 60,000-80,000 kc., 10 w.; Robert Donovan Weaver, Dearborn, Mich., CP for special experimental service, 8 kc., to .020 kc., 1.6 w.; Radio Engineering Laboratories, Inc., experimental license, 60,000-80,000 kc., 3 w.

Miscellaneous

KSTP, National Battery Brdcstg. Co., St. Paul, Minn., granted increase in power until local sunset from 10 kw. to 25 kw., experimentally.

Applications Received

WGY, General Electric Co., Schenectady, N.Y., determine operating power by direct antenna measurement;
Portland, Me., Publishing Co., Portland, Me., CP for new station to use 1340 kc., 500 w., unlimited time, transmitter location Falmouth, Me.; WMIL, Arthur Faske, Brooklyn, N.Y., CP to change transmitter location locally, exact location to be determined, install new transmitter and make other equipment changes; William L. Slade, Hamilton, Ohio, CP for new station to use 1420 kc., 100 w., unlimited hours, resubmitted and amended to request 1370 kc., facilities of WHBD, Mt. Orab, Ohio;

New, C. C. Crawford, Haynesville, La., CP for new station to use 1370 kc., 50 w., specified hrs; facilities of KWEA, Shreveport, La., in quota units; WMT, Waterloo Broadcasting Co., Waterloo, Ia., determine operating power by direct antenna measurement; New, Herbert H. Fette, Meriden, Minn., CP for new station to use 1210 kc., 10 w., daytime, four hours daily; KGU, Marion A. Mulrony and Advertiser Publishing Co., Honolulu, T.H., consent to voluntary assignment of license to Advertiser Publishing Co., Ltd.;

KPJM, Scott & Sturm, Prescott, Ariz., consent to voluntary assignment of license to M. B. Scott and Frank Wilburn; KTAB, Associated Broadcasters, Inc., San Francisco, Calif., mod. of lic. to move Main Studio to Oakland, Calif.; WSPD, Toledo Broadcasting Co., Toledo, Ohio, auth. to install automatic frequency control; KGEK, Beehler Elec. Equipment Co., Yuma, Colo., CP to move transmitter and studio to Fort Collins, Colo., change antenna and change in spec. hrs. amended to omit request for change in hours of operation;

WESG, Cornell University, Elmira, N.Y., mod. of lic. to change hrs. of operation from daytime to local sunset to daytime to sunset at dominant station; WBAL, Consolidated Gas & Elec. Co., Baltimore, Md., CP to change transmitter location from Glen Morris, Md., to Baltimore, Md., and install new antenna system. Amended to change proposed transmitter location to Pikesville, Md.; WNBW, Home Cut Glass & China Co., Carbondale, Pa., consent to involuntary assignment of license from WNBW, Inc.; WILM, Delaware Brdcstg. Co., Wilmington, Del., mod. of lic. to change hours of operation from spec. hrs. to sharing with Station WAZI; WAZL, Hazelton Brdcstg. Service, Inc., Hazelton, Pa., mod. of lic. to change hrs. of operation from spec. hrs. to sharing with Station WILM.