

HEINL RADIO BUSINESS LETTER

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ISSUED TWICE A WEEK AND CONTAINING THE LATEST INFORMATION REGARDING THE RULINGS OF THE FEDERAL RADIO COMMISSION, RADIO LEGISLATION, DEPARTMENT OF COMMERCE REGULATIONS, CHANGES IN WAVELENGTH, CALL LETTERS AND POWER, PATENTS, EXPORTS, FEDERAL TRADE COMMISSION RULINGS AND OTHER MATTERS OF INTEREST TO BROADCASTERS AND MANUFACTURERS. :: :: **CONFIDENTIAL—NOT FOR PUBLICATION.** :: ::

W. Sprague
File
INDEX TO ISSUE OF FEBURARY 27, 1933 *G. W. JOHNSTONE*

Industry Mourns Passing Of Judge S. B. Davis.....	2
Mullen, Nebraska Democrat, May Succeed Saltzman.....	3
Bars Broadcasting Of A. P.'s News.....	3
N.A.B. Reported Having Difficulty Financing Baker.....	4
Radio On The Roosevelt Bandwagon.....	4
Radio-Phone Service With Panama Opened.....	4
Examiners Recommend More Power For Jersey City.....	4
Press Association Bans Free Radio Program Publication.....	5
Straus Was Slated For Commerce Post.....	6
Senator Scorches "Old Counselor".....	7
A Marvelous Fiddler.....	8
NBC New Accounts and Renewals.....	9
Decisions of the Federal Radio Commission.....	10

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INDUSTRY MOURNS PASSING OF JUDGE S. B. DAVIS

It was a great shock to the radio industry to learn of the death of Judge S. B. Davis, former solicitor general of the Commerce Department, in New York last Friday. Judge Davis, who was once Secretary Hoover's right hand man in radio, died suddenly of a heart attack at the Hotel New Weston, Madison Avenue and Fiftieth Street. He was 58 years old.

Working under the supervision of President Hoover, then Secretary of Commerce, Mr. Davis set up the administration of the radio system which, substantially, operates today.

Born in Middletown, Conn., Mr. Davis was admitted to the Connecticut bar and removed the next year to Las Vegas, New Mexico.

In 1921-22 Mr. Davis was Associate Justice of the New Mexico Supreme Court. He was the unsuccessful Republican candidate for United States Senator in 1922, and later in that year was appointed Solicitor of the Department of Commerce, taking office in 1923.

In those days radio broadcasting was in a confused state, and for the next few years the task of the department in connection with it was difficult. Mr. Davis represented the department during that period in many court cases and in negotiations with foreign nations.

The formation of the Federal Radio Commission was opposed by Mr. Davis on the ground that the control of broadcasting should be vested in a government department already established.

The new law went into effect early in 1927, the same year in which Mr. Davis' book, "The Law of Radio Communication", received the Linthicum Foundation prize from the Law School of Northwestern University. The book was the first treatise of its kind on radio law.

Surviving ~~are~~ his widow, the former Miss Mary La Rue of East Las Vegas; three children, Mrs. Ferdinand L. Bailey, of Sewickley, Pa.; Mrs. Neal Brown of Las Vegas, and Stephen Brooks Davis, Jr. of Las Vegas, and a sister, Mrs. Henri de Magnin of Bronxville, N.Y.

The funeral was held in Las Vegas.

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MULLEN, NEBRASKA DEMOCRAT, MAY SUCCEED SALTZMAN

It is rumored that Arthur F. Mullen, member of the Nebraska bar and active in Democratic politics, may be named by President-elect Roosevelt to fill the vacancy created by the resignation of Gen. Charles McK. Saltzman last July, shortly after March 4.

Mr. Mullen participated in the last campaign; he has been a member of the Democratic National Committee since 1916. He was Attorney General of Nebraska during 1910 and 1911. He makes his home in Omaha and is a member of the Nebraska State Bar Association and the Bar Association of New York City.

President Hoover recently named Prof. J. C. Jensen, of Nebraska Wesleyan University, to the post. The latter will not be confirmed.

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BARS BROADCASTING OF A.P.'S NEWS

A test of whether it can prohibit the use by radio broadcasting companies of the news which it and its members have gathered was begun Saturday by the Associated Press.

A suit in equity filed in Federal District Court at Sioux Falls, S. Dakota, by the press association asked that the Sioux Falls Broadcast Association, operator of radio station KSOO, be perpetually enjoined from unauthorized broadcasting of news gathered by The Associated Press.

Soon after, Judge James D. Elliott signed a temporary order restraining the broadcasting company from circulating AP dispatches and made it returnable March 6, when a hearing will be held to determine whether an injunction should be issued. The restraining order was served on a representative of the radio station.

The temporary order restrains KSOO from "pirating, appropriating, using or disseminating to the general public news gathered and obtained through the labor and expenditure of the complainant corporation, during such period as such news retains and has commercial value as news to complainant and members of complainant corporation, said period to be not less than twenty-four hours after the first publication of said news, in a newspaper which is a member of complainant corporation."

The suit is the first of its kind on record.

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N.A.B. REPORTED HAVING DIFFICULTY FINANCING BAKER

It is understood many of the individual broadcasters are not so keen about contributing to the large retainer which they must pay to Newton D. Baker to represent them in their fight against the Composers. The Broadcasters have not made known what this fee is but outside guesses have been made that it is likely to be between \$50,000 and \$75,000.

Whatever the sum is, it is believed that the Broadcasters will raise it, as they have announced definitely that Mr. Baker will participate in the case.

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RADIO ON THE ROOSEVELT BANDWAGON

With Col. Louis Howe, the President-elect's advisor, appearing in Rudy Vallee's program; with Rudy himself to march in the Inaugural Parade uniformed as a Naval Commander on the sea-going staff of the Governor of Maine; with Mrs. Roosevelt having appeared regularly on the Pond's program; with Mrs. Dall likely to take her mother's place on that program; with Guy Lombardo playing at the Inaugural Ball at the personal request of President-elect Roosevelt; and with the compositions of William H. Woodin, next Secretary of the Treasury, widely broadcast, radio seems destined to play an important part in the new administration.

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RADIO-PHONE SERVICE WITH PANAMA OPENED

Radio-telephone service between the United States and Panama was inaugurated recently with a conversation between Secretary of State Stimson and Juan Demostenes Arosemena, the Foreign Minister of Panama.

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EXAMINERS RECOMMEND MORE POWER FOR JERSEY CITY

The application of the Bremer Broadcasting Corp., operating Station WAAT, Jersey City, N.J., for a modification of its license to increase power from 300 watts to 500 and to install new equipment was approved by Examiner R. H. Hyde in a report to the Federal Radio Commission.

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PRESS ASSOCIATION BANS FREE RADIO PROGRAM PUBLICATION

The attitude of newspaper publishers on broadcasting of news was brought shortly to the foreground in Chicago last week when the Inland Daily Press Association at its annual convention adopted, by an overwhelming vote, a resolution to discontinue free publication of radio programs and at the same time voted to table, by a vote of 21 to 18, the resolution against use of news gathered by press associations for radio broadcast. The first named resolution provided that radio programs should be published only when offered as advertising matter and paid for as advertising matter.

Linwood I. Noyes of Ironwood (Mich.) Globe and G.G. Grandon, Sterling (Ill.) Gazette, reported that they had not printed radio programs for several years and have had no complaints from their readers. It was also brought out at the roundtable discussion that approximately half of the Inland members are no longer printing radio programs.

E. P. Adler, Davenport (Ia.) Times, asked how newspapers would prevent broadcasters from getting the news from their bulletin boards and "bootlegging" the same over the radio. He maintained it was much better for news organizations to get credit for radio news bulletins and to have the public get the news accurately. E. H. Harris, of the Richmond (Ind.) Palladium-Item, chairman of the American Newspaper Publishers Association radio committee, was asked for his personal opinion how newspapers can best go about to curtail news broadcasts. He replied as follows:

"The only hope of solving this problem is keeping all newspapers on a common basis. The real fight is to come at the April meeting of the Associated Press board of directors. We are just a small group here. At this time it would be a serious mistake to take action prior to the A.N.P.A. meeting."

Prior to that Mr. Harris had outlined the attitude of publishers on radio broadcasting. He pointed out that the main facts about which newspapers are most concerned at present are:

(1) The tremendous amount of news which is being given away to the public free through radio channels; (2) The inability of newspaper publishers to classify radio programs to be advertising instead of news; (3) Whether radio in the future will become complementary to the newspaper; if so, what shall be done to bring about an equitable arrangement for the handling of radio broadcasting through proper channels.

"There is no doubt", Mr. Harris said, "that the promiscuous broadcasting of news in great quantities at all hours is seriously depreciating the value of news in the minds of the listeners."

Mr. Harris emphasized that his observations and conclusions were personal and do not reflect officially the attitude of any association or group on the subject of radio broadcasting. He presented the following four recommendations for consideration:

(1) That each of the national news gathering agencies establish rules regulating and restricting the broadcasting of news by their clients; (2) That no news be broadcast except that of transcendent importance, when released through individual papers over local stations, and then only in the briefest bulletin form; (3) That in order to safeguard the facts given in the news broadcast, and to prevent as much as possible a distortion of important news through radio transmission, Congress be urged to authorize the Federal Radio Commission to prohibit the use of the air except for the broadcasting of news items, except where the message is repeated word for word, giving the newspaper responsible for the news story, and also the agency through which it originated, full responsibility; (4) That radio programs be classified as paid advertising and accepted only as such.

Following Mr. Harris' address, several Inland members announced that broadcasting of the recent attempted assassination of President-elect Roosevelt hurt the sale of extras.

C. R. Butler, Mankato (Minn.) Free Press, was elected president of the Inland association, succeeding A. O. Lindsay, Quincy (Ill.) Herald-Whig.

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STRAUS WAS SLATED FOR COMMERCE POST

The inside story in Washington is that Jesse I. Straus, of New York, president of R. H. Macy and Co., who own the Bamberger Company and Station WOR, was slated for Secretary of Commerce and that Daniel Roper, who will fill the Commerce position, was an over-night choice.

According to the gossip, President-elect Roosevelt had definitely promised the position to Mr. Straus, a loyal supporter and said to have contributed \$60,000 to the campaign. It was all set that Mr. Straus was to be the new Secretary of Commerce until certain labor groups got wind of it. They opposed the nomination so vociferously that President-elect Roosevelt is said to have backed down and decided upon Mr. Roper in his stead.

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SENATOR SCORCHES "OLD COUNSELOR"

In his speech, "The Web of Wall Street", Senator Norris, of Nebraska, referred at length to the "Old Counselor" radio talks. Addressing the Senate, he said:

"Just a day or so ago, before the Committee on Banking and Currency, it was developed that Halsey, Stuart & Co., one of the greatest houses of its kind, if not the greatest, in the United States, had hired a professor out of a university to talk over the radio to the people of the United States. I have heard him, and I suppose all Senators have heard him, telling how to invest money. They call him 'the Old Counselor'. He was a professor from a university. They paid him, I understand, \$50 a week. He did not prepare his addresses; Halsey Stuart prepared them. They got them up for him, and all he did was to read them, and that is one of the ways they operate. That looks a good deal like the methods the public utilities companies have used to control the public during all the years that have passed.

"Here were men and women with some money, savings, perhaps the proceeds of a life-insurance policy to a widow from a dead husband, wanting to invest the proceeds, and they were talked to by 'Old Counselor', hired by Halsey, Stuart & Co., paid by them, talking their words, not his, over the radio, giving this advice. They would naturally suppose he was a professor in a university, an economist, an honest man, and that he was giving his own ideas. When simmered down, the advice was that the securities they were advised to buy were securities which Halsey, Stuart & Co. had for sale and which afterwards became practically worthless.

"Let me suppose a case. Suppose the Senator from Oklahoma were walking down the streets of Washington and a widow should come along whom he knew had in her pocketbook the proceeds of a life-insurance policy on her dead husband, which she was probably going to the bank to deposit. Suppose the Senator would knock her down and steal the money from her and undertake to escape. The people roundabout, if they saw what had happened, would seize the Senator from Oklahoma, and if they did not tear him limb from limb - if the mob did not kill him on the spot - he would be sent to prison when he got into court a short time afterwards.

"But what about Halsey, Stuart & Co.? This same widow with the \$10,000 that her husband had worked perhaps during almost a lifetime to accumulate in the form of a life-insurance policy, hears the 'Old Counselor' say in effect: 'Why I am a professor in a university. From the bottom of my heart I am trying to give advice to men and women about how to invest their savings. I am the "Old Counselor". I

advise you to go and buy some stock in Mr. Insull's company. That is the best investment I know of.'.

"When that is done now by the men who get millions and millions from the poor people of the United States in that manner, in their fictitious securities that they float and sell to innocent and honest people of the country, when they do that kind of thing and take the \$10,000 away from the widow, they are considered financiers. They are not punished like the Senator from Oklahoma would be if he stole it on the street in the case I have just supposed. He did not use any deception. He simply robbed her of the money. But Halsey, Stuart & Co. used deception. They hired a decoy. They hired a man who is supposed to be an upright man, a professor in a college. They paid him their money. They wrote the articles which he was to read over the radio.

"In the outcome they got the money from the widow just the same as the Senator from Oklahoma would have gotten it if he had robbed her on the streets of Washington. But the Senator would go to jail because he would be a criminal. Halsey, Stuart & Co. are financiers. They are specialists. The professor is a specialist. He is an economist. They are men of high standing, away up at the top of the ladder, and when we want to find out how we are going to get out of the depression we send for such men and ask their advice about how to get out, when they are the men who put us into the depression. We still believe they know how to redeem us from what looks a good deal like destruction!"

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A MARVELOUS FIDDLER

News photographers seeking a photograph of William H. Woodin, new Secretary of the Treasury, playing his guitar recalls an amusing incident in connection with the late Senator "Fiddling Bob" Taylor, of Tennessee. J. Harold Stieg, then with Harris & Ewing, secured an apparently fine picture of "Fiddling Bob" fiddling, but later discovered, when newspapers throughout the country began printing the photograph, that in posing the Senator he had thrust the fiddle into the wrong hand.

If Mr. Woodin keeps up his guitar playing he is likely to prove ~~fast~~ company for Andy Sannella.

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NBC NEW ACCOUNTS AND RENEWALS

New, Hudson Motor Car Company, Detroit, Mich.,
Agency: The Blackman Company, 122 East 42nd Street, NYC.
Starts Feb. 25, 1933 for 13 weeks. Time: Saturday, 10:00 -
11:00 p.m. EST. Network - Basic Red. Program: "The Satur-
day Night Dancing Party" - 40- piece orchestra directed by
B. A. Rolfe. Popular dance music.

Renewal, Standard Oil Co. of New Jersey (Esso),
26 Broadway, New York City. Agency: McCann-Erickson, Inc.,
285 Madison Avenue, NYC. Starts Feb. 27, 1933, for 13 weeks.
Time: Mon. Fri. 7:30-8:00 p.m., EST. Network: WJZ WBZ WBZA
WBAL WHAM KDKA WMAL WSM WMC WSMB KTBS WRVA WPTF WWNC WIS WSAZ
Program: "Five Star Theatre" - Monday - Groucho and Chico
Marx with orchestra; Friday - Charlie Chan, Chinese detective
drama

Renewal, Northwestern Yeast Company (Yeastfoam),
Chicago, Ill. Agency: Hays, MacFarland & Co., 333 N. Michigan
Ave., Chicago, Ill. Starts March 19, 1933 for 52 weeks.
Time: Sundays, 2:30-3:00 p.m. Network: Basic blue, NW, SE, SC,
SW., Mt. Orange KFSD KTAR Program: "The Northwestern Chronicle" -
script show of small town newspaper life.

Renewal, Tastyest, Inc., Trenton, N.J. Agency:
Stack Globe Advertising Agency, 8 So. Michigan Ave., Chicago,
Ill. Starts Feb. 27, 1933 for 13 weeks. Mondays, 7:15-7:30
p.m. EST Network WJZ WBZ WBZA WBAL WHAM KDKA WGAR WJR WCKY
Program: "Tastyest Jesters" - Dwight Latham, Guy Bonham, and
Wamp Carleson.

New, Progressive Drug Co., Inc. (Veledo-Deodorant),
2346 Third Ave., NYC. Agency: Peck Advertising, 271 Madison
Ave., NYC. Starts March 4, 1933 for 13 weeks. Time: Satur-
days, 5:30 -5:45 p.m. WEAJ only. Program "Three Velodo
Jesters" - Three Jesters - song and dramatic sketch.

New, Thomas Cook & Son (Steamship Lines), 585 Fifth
Avenue, NYC. Agency: L. D. Wertheimer, Inc., 250 Park Ave.,
NYC. Starts March 5, 1933 for 13 weeks. Time: Sunday: 1:15-
1:30 p.m. EST. NETWORK WJZ, WBZ, WBZA WBAL WMAL SYR WHAM WGAR
WJR KDKA Chicago WCKY Program: "Cook Travelogue" - travel
talks by Malcolm La Prade, incidental music.

New, Numismatic Company (Rare coins), 1204 W. Mag-
nolia Ave., Fort Worth, Texas. Agency: Guenther Bradford & Co.,
15 E. Huron Street, Chicago, Ill. Starts Feb. 19, 1933 for
13 weeks. 2:15-2:30 p.m. Sundays Network WMAQ KWK KVCB KSO
WREN Program "Adventures in Money" - educational with drama,
Ralph Kimble, lecturer.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted

WDGY, Dr. George W. Young, Minneapolis, Minn., granted CP to install new equipment; KGFX, Dana McNeil, Pierre, S. D. granted CP to make changes in equipment; KLCN, Charles Leo Lintzenich, Blytheville, Ark., granted CP to move transmitter and studio to City Hall, Blytheville, make changes in equipment and increase power from 50 to 100 w.; KNX, Western Broadcast Co., Los Angeles, Calif., granted license covering change in eqpt. increasing maximum rated power of transmission, 1050 kc., 25 kw., unlimited time; WHBC, Edward P. Graham, Canton, Ohio, granted mod. of CP extending completion date from Feb. 18 to March 18, 1933;

KNOW, KUT Brdcastg. Co., Austin, Tex., granted mod. of CP to change transmission location from Barton Springs Road to Driskill Hotel, Austin, Tex.; extend commencement date of CP from Nov. 7, 1932, to immediately and completion date from Feb. 7 to 90 days from this date; WKEU, Allen W. Marshall, Sr. and Jr. and Guy Aaron Malcolm, La Grange, Ga., granted mod. of CP to make changes in transmitter; WMT, Waterloo Brdcastg. Co., Waterloo, Ia., granted auth. to determine operating power by direct antenna measurement; WESG, Cornell University, Elmira, N.Y., granted mod. of license to increase hours of operation from daytime to local sunset, to daytime in accordance with Rule 78 (sunset at the dominant station);

KTAB, Associated Broadcasters, Inc., San Francisco, Calif., granted mod. of license to move main studio from San Francisco to Oakland, Calif; KGNF, Great Plains Brdcastg. Co., North Platte, Nebr., granted auth. to operate simultaneously with Station WNBR from 8 to 9 p.m., CST., March 23, 1933, in order to broadcast a style show program; W9XA, National Broadcasting Co., Inc., Denver, Colo., granted renewal of special experimental license, 830 kc., 12.5 kw., hours of operation in accord with Rule 320.

Set For Hearing

WLTH, Voice of Brooklyn, Inc., Brooklyn, N.Y., renewal of license; WFOX, Paramount Brdcastg. Corp., Brooklyn, NY., renewal of license; William L. Slade, Hamilton, Ohio CP for new station to operate on 1370 kc., 100 w., unltd. time (facilities of WHBD).

Applications Denied

The following application, heretofore set for hearing, was denied because applicant failed to enter appearance within the time allowed and his request to withdraw without

prejudice, after he had defaulted, also denied: H. Gurab, Inc., New York, renewal of license.

Miscellaneous

WCSH, Congress Square Hotel Co., Portland, Me., made party respondent in case of application of Chas. W. Phelan, to erect a new broadcasting station at Portland, Me.; WFDO, Inc., Augusta, Me., WFEA, New Hampshire Brdcastg. Co. Manchester, N.H.; WSPD, Toledo Brdcastg. Co., Toledo, Ohio, made party respondent in case of application of Chas. W. Phelan, to erect a new broadcasting station at Portland, Me.;

WEBR, Howell Brdcastg. Co., Buffalo, N.Y., re-considered action of Feb. 10, in defaulting application for modification of license authorizing the use of auxiliary transmitter and set for hearing; John Tindale, Abilene, Tex. denied request for continuance of hearing from March 1, to April 15, on application for new station; WJBK, James F. Hopkins, Detroit, Mich., suspended action of Feb. 3, 1933, granting station an increase in nighttime power from 50 to 100 watts, and set case for hearing because of protest of WMBC, Detroit, and WIBM, Jackson, Mich.

Applications Received

WMAS, Inc., Springfield, Mass., CP to make changes in equipment, increase operating power from 100 w. to 100 w. night, 250 w. LS; WFDO, Inc., Augusta, Me., CP to move transmitter and studio to Portland, Me. (Location to be determined as result of observations); WTAG, Worcester Telegram Pub. Co., Worcester, Mass., mod. of lic. to increase power from 250 w. night, 500 w. ls, to 500 w.;

Radio Station KRMD, Shreveport, La., mod. of license for change in specified hrs. of operation on Saturday and Sunday; KGFK, Red River Brdcastg. Co., Moorhead, Minn., license to cover CP for changes in eqpt. and increase power from 50 w. to 150 w.; W. L. Gleeson, Sacramento, Calif., CP for new station to use 1490 kc., 1 kw., unlt'd. time. Facilities of KTM and KELW amended to request 5 kw. Amended to omit facilities of KTM and KELW.

Applications - Other Than Broadcasting

WPFH, Police Dept., Baltimore, Md., license covering CP for 2414 kc., 500 w., municipal police station; Chieftain Flying Service, San Bruno, Calif., CP for 56,000 to 60,000 kc., 3.5 to 5 w., genl. experimental; Southwestern Radio Telegraph, San Diego, Calif., CP for 500, 5560, 6260, 8380, 8450, 8560, 12,585, 12,660, 16,780, 16,860 kc., 2 kw.

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