

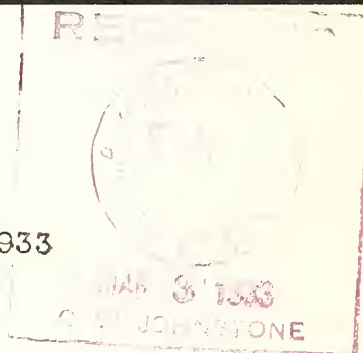
HEINL RADIO BUSINESS LETTER

Insurance Building
WASHINGTON, D.C.
New York, N. Y.

National Broadcasting Company, Inc.
GENERAL LIBRARY

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 :: :: **CONFIDENTIAL—NOT FOR PUBLICATION.** :: ::

INDEX TO THE ISSUE OF MARCH 2, 1933



John Henry, of Iowa, Now Seen For Commissionership.....	2
Sherley Missing Fire Puzzles.....	2
Woodin Is ASCAP Member - Society Proud of Him.....	2
Radio Commission Approves N B C - WMAL Tie-Up.....	3
Adams Stops Radio Concerts Of Bands.....	3
Commission Disapproves Two-Way Police Communication.....	4
Broadcast Stations Held Not To Be Public Utilities.....	6
Baldwin Leaves Commission - Goes With N.A.B.....	7
Columbia's New and Renewed Accounts.....	7
Radio Problems Facing the Next Congress.....	8
Pershing Not To Go On Air Commercially.....	10
Decisions of the Federal Radio Commission.....	11

No. 604

NOTE: BECAUSE OF THE INAUGURAL HOLIDAY ON SATURDAY AND THE FACT THERE IS NO BUSINESS MEETING OF THE COMMISSION ON MONDAY, THERE WILL BE NO ISSUE OF THE BUSINESS LETTER MARCH 6, UNLESS THERE IS SOMETHING OF IMPORTANCE.

-R.D.H.

JOHN HENRY, OF IOWA, NOW SEEN FOR COMMISSIONERSHIP

It is now believed that John Henry, of Station KOIL, Council Bluffs, Ia., 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.

Arthur F. Mullen, of Omaha, Nebraska, is said to have refused the position, urging that Mr. Henry be named in his stead.

Mr. Henry is an experienced broadcaster, has a wide acquaintance among radio station owners and is, it goes without saying, a Democrat.

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

X X X X X X X X

SHERLEY MISSING FIRE PUZ ZLES

"The Douglas appointment as Budget Director caused some heartaches", Paul R. Mallon writes in the "National Whirligig", published by the McClure Newspaper Syndicate, of New York. "The Kentuckian, Swagar Sherley, had been slated for that job. He was chairman of Mr. Roosevelt's secret economy committee, which has been acting on the sly here (in Washington) for some time. On it were also Byrnes, Douglas and Daniel C. Roper, new Commerce Secretary.

"The reason Mr. Sherley did not get anything important is Mr. Roosevelt's own secret. A personal reason arose at the last minute".

X X X X X X X X

WOODIN IS ASCAP MEMBER - SOCIETY PROUD OF HIM

"Reading your issue of February 23rd, and particularly the article regarding William H. Woodin", writes E.C. Mills, of the American Society of Composers, Authors and Publishers, "I know you will be glad to hear that our whole Society is extremely proud of his selection by the new President as Secretary of the Treasury, as Mr. Woodin has been one of our most valued members.

"I wonder if the National Association of Broadcasters would care to characterize him as a 'racketeer'?"

X X X X X X X X

RADIO COMMISSION APPROVES NBC-WMAL ARRANGEMENT

The Federal Radio Commission gave its consent to the assignment of the license of Station WMAL, Washington, to the National Broadcasting Company, under a five year lease on Tuesday. The NBC started operation of the station this morning (Thursday). WMAL becomes a member of the Blue network of the company. Washingtonians already get Red network offerings through WRC. This new arrangement gives the District of Columbia complete network coverage from the two national chains.

The decision was handed down as the result of a hearing held before the full Commission on February 15 on the application filed jointly by M. A. Leese, owner of Station WMAL, and the National Broadcasting Company. Consent also was given to the application for assignment of the construction permit previously granted WMAL by the Commission.

The Commission, in its decision, pointed out that "the proposed operation of Station WMAL by the National Broadcasting Company would result in a marked improvement in the program service of that station. This agreement provides the National Broadcasting Company will pay all expenses incidental to the maintenance and operation of the station and will have complete and exclusive management and control of the station and the programs broadcast".

X X X X X X X X X

ADAMS STOPS RADIO CONCERTS OF BANDS

Organized musicians have scored a partial victory in their fight against the radio broadcasting of the service bands. Secretary of the Navy Adams executed an order cancelling the regular broadcasts of the Marine and Navy Bands on Tuesday.

As a result of that order these bands will not be on the air only on special occasions, in which they obviously will not be considered infringing on the rights of organized musicians. Although the protests of the organized musicians have not been mentioned by the Navy Department it is generally believed that their fight influenced the Secretary's action.

The musicians' union made such a vigorous fight against the use of the Marine Band on the opening program of the new WJSV in Washington that the band was withdrawn and a local orchestra substituted. Whether similar action will be taken by the War Department on the broadcasting activities of the Army Band is not known, though the Secretary of War may issue such an edict.

X X X X X X X X X

COMMISSION DISAPPROVES TWO-WAY POLICE COMMUNICATION

The Federal Radio Commission does not look with favor upon requests received for authority to establish two-way communication between police headquarters and police cars in the rapidly increasing police radio systems of the country.

"While there may be some merit in these two-way police communication proposals", officials reply in a comprehensive survey which has just been made public, "the Commission nevertheless does not have an ample supply of frequencies to permit the granting of applications to all who might make a satisfactory showing and it would be inconsistent to grant facilities to one applicant unless the same privileges could be granted to others. The officer's duty is to go where he is sent and when through to phone back to headquarters. If he is in trouble, a transmitter in his car would probably not be any more useful than the telephone at the corner store.

"Moreover, it is pointed out that the usual practice in the handling of messages between police headquarters and patrol cars is to transmit test messages at regular intervals. The officers in the patrol cars then know that a test message should be received at these regular times and should they not hear the message, they are instructed to report immediately to the operator in charge of the station in order that a service car may be sent to investigate the difficulty.

"As a result of this procedure, a reliable system of communication has been worked out. In the event that someone at police headquarters should desire to talk personally to an officer on duty regarding a special emergency, an announcement could be made directing him to telephone to headquarters. This is now done in most cities and has proven to be a fast service.

"Some police officials believe that secrecy systems have possibilities if they can be made mechanical, rather than of the code book type. However, the majority believe that secrecy systems are unnecessary and that the number of times the transmissions are used for improper purposes is far outweighed by the salutary effect due to reception by the general public", the Radio Commission reports.

"One licensee, with reference to a secrecy system, states that it is his belief that any criminal organization having the ability to install and operate an intercept system for the protection of criminals against the police would be able to duplicate mechanical devices installed for secrecy purposes and render such a system ineffective.

"Opinion with reference to a code designed with a view to transmitting the maximum amount of information with the minimum

number of words is divided. At least one city reports the use of a very complete code based on a numerical system in which the type and gravity of the crime is indicated by the size of the number, such as number 1 indicating a murder, number 2 an armed holdup, etc. Other cities are experimenting with the code system but do not feel that they are as yet in a position to report on its feasibility.

"A few cities have tried code and discarded its use. A large group of licensees feel that a code system is unnecessary if care is used by the dispatcher to avoid the transmission of unnecessary words, and, therefore, do not recommend its adoption."

With regard to exclusive frequencies for the police of certain cities, the Commission responds negatively:

"There is a belief on the part of some police administrations that a separate frequency should be assigned to each municipality. It is pointed out that with only eight frequencies available, such a system could not possibly be as efficient as the zone system of allocation. For example, in one metropolitan area, there are 19 cities located in 80 districts, nearly all of which are within twenty miles of the center of the district.

"Therefore, if different frequencies were assigned to each municipality, the adjacent police departments would lose the advantage of being notified of crimes committed in neighboring cities, with a consequent delay in the apprehension of criminals who succeeded in making their escape from one city to another.

"In many cases, cities desire to install a police transmitter capable of serving the metropolitan area and to make the installation at once with a view to ultimately furnishing service to mobile units in contiguous municipalities. The construction of such a station may be authorized, pending a conclusion of arrangements between the applicant and the police officials in surrounding municipalities.

"However, a license to use power above that which may be authorized on the basis of the applicant's city will not be granted until satisfactory arrangements have been concluded and the Commission has been furnished with copies of contracts entered into by all cities subscribing to the system.

"In the event that the amount of power allocated is insufficient to afford reliable coverage over the desired area, the Commission will, upon proper showing being made, authorize the use of additional transmitters of the same or less power.

"The City of Chicago, for example, now operates three 400-watt transmitters. The City of New York, one 500-watt and two 400-watt transmitters, and the City of Detroit, two 500-watt transmitters. In each case it is possible to provide efficient communication and at the same time limit the power on the particular

frequency so that it can be duplicated for use in other zones, Where more than one transmitter is installed, only one transmitter is required for local alarms and two or more transmitters in turn when the alarm is general in nature."

To sum up, the following is the usual method of handling a call, the Federal report concludes:

"A citizen calls the police department by telephone. This call comes direct from the telephone operator at the main telephone switchboard, who switches the call to the police dispatcher. The dispatcher then determines which car is to be sent to the scene of the alarm and just what order should be given to the car. He then calls for the transmitter over his talking circuit and gives his orders over the order circuit and through the radio transmitter direct to the car.

"These orders are received by all the automobiles in the streets, the precinct stations, or other units having radio receivers, thus informing all cars of the movements of any others. The car, upon receiving its orders, immediately proceeds to the scene of the trouble. The car in adjacent territory will endeavor to cruise near the territory boundary in order to be ready to handle a second emergency call from that territory or a call from its own. As soon as the car sent to an emergency completes its work, one member of the crew telephones back to the radio station and the car is then considered ready for further service."

X X X XXX X X X X X

BROADCAST STATIONS NOT PUBLIC UTILITIES

The term "public utilities corporation", when used in an act or a city ordinance but not therein defined does not include radio broadcasting stations, according to an opinion by the Attorney General of the State of Oregon.

Attorney General I. H. Van Winkle was asked by a member of the Legislature whether the term would cover railroads, telegraph lines and radio stations when used in an act or a city ordinance imposing a gross license tax. The Attorney General held that the term would cover railroads and telegraph lines, but not radio stations, and added that "especially it is clear that radio stations are not included in an ordinance attempting to impose a gross license tax against same".

X X X X X X X X X X

With complection of its new RCA transmitter at Wayne N.J., operating with double the power of the former one, Station W2XE, the Columbia Broadcasting System's short wave unit in New York, has returned to the air. It's signals were broadcast for the first time in several months at 11 o'clock yesterday morning.

X X X X X X X X X X

BALDWIN LEAVES COMMISSION; GOES WITH N.A.B.

James W. Baldwin's resignation from the secretaryship of the Federal Radio Commission was announced February 28. A few hours later his appointment as a member of the executive staff of the National Association of Broadcasters was announced by Alfred J. McCosker, of Station WOR, president of the company.

Mr. Baldwin assumed his new post on March 1 and immediately took charge of the Association's preparations for the forthcoming North American Radio Conference now scheduled to be held in Mexico City, Mexico, during April of this year.

Following shortly after the appointment of Newton D. Baker as counsel for the Association, the addition of Mr. Baldwin to the executive staff represents the second important step in the Association's extensive program of expansion approved at the November convention of the organization.

Mr. Baldwin, by virtue of his legal training and his meritorious service as secretary of the Federal Radio Commission, is eminently qualified for the prominent post he will assume. He has been a student of broadcasting, and was selected to represent the broadcasters because of his thorough knowledge of the economic, legal and technical problems of radio.

X X X X X X X X

COLUMBIA'S NEW AND RENEWED ACCOUNTS

Renewal, one time only, General Mills, Inc., Gold Medal Flour. Agency: McCord Company. Gold Medal Fast Freight, 10:00-10:15 p.m. 22 basic and 10 supplemental stations.

Renewal, Affiliated Products Co., (wave setting lotion) Agency: Blackett-Sample-Hummert, Inc., Sunday Matinee of the Air - Sunday 2:30-3:00 p.m. 15 basic, one supplemental.

Renewal, Affiliated Products Co. (Kissproof cosmetics) same agency - Albert Bartlett, the Tango King, Sunday 2:15-3:00 p.m. 14 basic, 1 supplemental.

Renewal, Standard Oil Co. of N.J. Agency: McCann Erickson. Five Star Theatre (different artist each week) Tuesday, 10:00 - 10:30 p.m. 11 basic, 17 supplemental.

Renewal, two broadcasts, Grigsby-Grunow Company. Agency: Carroll-Dean-Murphy. John Kennedy, editor Collier's. (on early broadcast) Saturday - 1:15-1:30 p.m. and 9:30 - 9:45 p.m., March 4. 22 basic, 10 supplemental

X X X X X X X X

RADIO PROBLEMS FACING THE NEXT CONGRESS

Only one radio bill, out of more than two dozen bills and resolutions introduced during the last session or held over from the first session of the 72nd Congress, was passed. This was the Davis omnibus bill, amending the Radio Act of 1927.

However, radio will receive a generous share of attention during the first session of the 73rd Congress. Senator C. C. Dill, of Washington, is at work now on a communications bill which he expects to have ready for consideration by the new Congress shortly after it meets. The bill provides for the consolidation of radio, telegraph, telephone and cable in a single commission of three members. Power is not included in Senator Dill's bill. President-elect Roosevelt is said to have given his approval to the Dill commission.

The following is a brief list of legislation which failed of passage in the 72nd Congress:

Senate

Fess radio educational bill, pending Committee on Interstate Commerce.

King copyright bill, pending Committee on Patents.

King bill licenses for unused patents, pending Committee on Patents.

Hebert copyright bill, pending Committee on Patents.

Tydings Copyright bill, pending Committee on Patents.

Dill patent bill, pending Committee on Patents.

Dill bill on clear channels, pending Committee on Interstate Commerce.

Hatfield bill for labor clear channel, pending Interstate Commerce.

Shipstead bill to change allocation, pending Committee on Interstate Commerce.

Dill copyright bill, pending Committee on Patents.

Metcalf bill appropriating money for Radio Commission to cooperate with states for radio educational work, pending Committee on Education and Labor.

Howell bill for investigating possibility of broadcasting from Senate chamber, pending Committee on Rules.

Dill bill to investigate RKO, pending Committee on Audit and Control.

Dill bill providing for broadcasting from Senate chamber, pending Committee on Rules.

Dill bill providing license fees for issuance of licenses, etc., pending Interstate Commerce Committee.

House

Vestal copyright bill, pending Committee on Patents

Hoch bill to amend I.C.C. Act to define radio as a "common carrier", pending Committee on Interstate and Foreign Commerce.

Connery bill to provide clear channel for labor, pending Committee on Merchant Marine, Radio and Fisheries.

Amlie bill prohibiting radio advertising on Sunday, pending Committee on Merchant Marine, Radio and Fisheries.

LaGuardia bill establishing fees for radio advertising, pending Committee on Merchant Marine, Radio and Fisheries.

Horr resolution to investigate Radio Commission and NBC control of Pacific coast stations, pending Committee on Rules.

Amlie resolution on free speech, pending Committee on Merchant Marine, Radio and Fisheries.

Ludlow bill amending Radio Act by making it unlawful to use radio to pick up police signals for the purpose of avoiding arrest and places those violating act under the provision of the penalizing section of the Radio Act of 1927.

McFadden bill, investigation finances of National Broadcasting Company and Columbia Broadcasting System.

Fulmer resolution, study of radio broadcasting in the United States and other countries to obtain information to be used as a basis for legislation.

Rayburn bill, reorganization of Radio Commission.

While many of these bills will not be revived, there are others which are certain to be re-introduced and then jockeyed into place on the calendar. Among the bills likely to be re-considered are those dealing with license fees, copyright, educational work, patents, and, of course, investigations.

X X X X X X X X

PERSHING NOT TO GO ON AIR COMMERCIALLY

In the issue of February 23rd there was a story that General Pershing would appear in a series of thirteen radio programs. This report is unfounded. According to an announcement made by the National Broadcasting Company, the General was to have gone on the air March 15 in a musical and dramatic presentation of the incidents in his life, under the sponsorship of the General Tire and Rubber Company.

General Pershing telegraphed his office at the War Department in Washington yesterday that he had not entered into any radio contract. Although numerous proposals have been made to him, the General made it clear that he had no intention of undertaking the broadcasts announced.

X X X X X X X X

DECISIONS OF THE FEDERAL RADIO COMMISSION

Broadcasting Applications

WMAL, M. A. Leese Radio Corp., Washington, D.C., granted permission to transfer license to National Broadcasting Company under lease agreement, effective immediately.

Applications Received

WGNV, Peter Goelet, Chester Township, N.Y., license to cover CP granted Sept. 30, 1932, for new station; WMAL, National Broadcasting Co., Washington, D.C., license to cover CP granted Oct. 21, 1932 for auxiliary transmitter; WFOV, Paramount Brdcastg. Corp., Brooklyn, N.Y., mod. of license, change hours from share WCGU, WLTH and WBBC to WFOV, three-fourths time, WBBC, one-fourth time, facilities WCGU and WLTH, amended to request unlimited hours; WIP, Pennsylvania Brdcastg. Co., Philadelphia, Pa., spec. auth. to increase power from 500 w. to 1 kw. on experimental basis;

WFLA-WSUN, Chambers of Commerce of St. Petersburg and Clearwater, Fla., CP to make changes in eqpt.; WFBC, Greenville, S.C., News-Piedmont Co., mod. of CP to make changes in eqpt., mod. of CP granted Nov. 22, 1932, to change proposed transmitter and studio location to West Faris Road and Imperial Hotel, Greenville, S.C., respectively; also extend date of completion; KOIN, Inc., Portland, Oreg., CP to make changes in eqpt. and increase operating power from 1 kw. to 1 kw. night, 2½ kw. to local sunset; Don Lee Broadcasting System, Redlands, Calif., CP for new station to use 780 kc., 500 w. night, 1 kw. to local sunset. Unlimited hrs. facilities KTM, Los Angeles, Calif., and KELW, Burbank, Calif., amended to change power requested to 500 w. day and night.

Applications - Other Than Broadcasting

Press Wireless, Inc., Hicksville, N.Y., license for 7640 kc., 5 kw.; license for 10,090 kc., 2500 w., to use transmitter already constructed, point-to-point telegraph; Same company, Chicago, Ill., license for 4,753 kc., 4 kw. to use transmitter already constructed; multiple address, radio-telephone; Same Co., Hicksville, N.Y., license for 2398, 4,797.5, 6425, 8655, 12,862, 17,310 kc., 4 kw., gen. exp. to use transmitter already constructed; Same Co., Chicago, Ill., license for 4797.5, 6425, 8655, 12,862, 17,310 kc., 4 kw., gen. exp. to use station already constructed; Same Co., San Francisco, license for 4797.5, 6425, 8655, 12,862, 17,310 kc., 1500 w., gen. exp. to use transmitter already constructed; Press Wireless, Inc., Hicksville, N.Y., CP for 7640, 10,090 kc., 10 kw., pt. to pt. telegraph;

WAFM, WAFN, WHT, WHV, WHY, WJA, Press Wireless, Inc., Chicago, Ill., CP to move transmitter from Chicago to Elgin, Ill.; same Co., portable and mobile, three CPS for 23,100, 25,700, 26,000, 27,100, 34,600, 41,000, 51,400, 60,000-400,000 kc., 100 w., gen. exp.; Same Co., Elgin, Ill., CP for 4735, 5305 kc., 750 w., spec. exp.; W2XDZ, Central Hudson Gas & Elec. Corp., portable in Ulster and Green Counties, N.Y., license covering CP for 60,000-65,000 kc., 5 w., gen. exp.; United Air Lines, Inc., license for 3105, 3162.5, 3172.5, 3182.5, 3322.5, 5572.5, 5582.5, 5592.5, 5662.5 kc., 50 w., aircraft; W3XAI, RCA Victor Co., Inc., Camden, N.J., renewal of spec. experimental license; KGKD, Santa Maria Air Lines, Santa Maria, Calif., ren. of airport license for 278 kc., 15 w.

X X X X X X X X

BOND GEDDES' SON ADMITTED TO PHI BETA KAPPA

Gail S. Geddes, nineteen-year-old son of Bond P. Geddes, secretary of the Radio Manufacturers Association, a senior at Dartmouth College, Hanover, N.H., has been honored by admission to the Phi Beta Kappa Scholastic society.

X X X X X X X X

RCA ISSUES ANNUAL REPORT

The annual report of the Radio Corporation of America is now available. It covers all phases of the company's operations - financial, organization, litigation, manufacture and sales, broadcasting, international communications, research and engineering, marine radio, television, and competitive position of Radio Corporation.

The consolidated balance sheet shows a ratio of current assets to current liabilities of 8.23 to 1. The gross income of RCA and its wholly owned subsidiaries for the year 1932 was \$67,361,142.55. This is a decline of about 34 per cent from the 1931 gross.

X X X X X X X X

DECISIONS OF THE FEDERAL RADIO COMMISSION (Cont'd)

Applications Granted

WNBW, Inc., Carbondale, Pa., granted codification of CP to extend commencement date from Sept. 19, 1932, to Feb. 15, 1933, and completion date from Dec. 18, 1932 to June 15, 1933; KGHI, O. A. Cook, Little Rock, Ark., granted consent to vol. assignment of license to Lloyd Judd Company; KFNF, Henry Field Co., Shenandoah, Ia., granted continuation from March 1 to April 1 of special authority to use the time assigned to but not used by KUSD and WILL;

WBAL, Consolidated Gas & Elec. Lt. & Pr. Co., Baltimore, Md., granted extension of synchronization authority for period of three months from March 1; WNBW, Inc., Carbondale, Pa., granted extension of auth. to remain silent for 60 days from Dec. 15, 1932; KWEA, Hello World Brdcastg. Corp., Shreveport, La., granted extension of authority to remain silent pending action on construction permit and renewal application now pending before the Commission;

KFMX, Carleton College, Northfield, Minn., granted authority to remain silent for an additional period of 10 days. (Station was granted authority to remain silent for 30 days from Jan. 23, 1933, while making changes in equipment); WLBL, State of Wisconsin, Dept. of Agr. and Markets, Stevens Point, Wis., granted auth. to remain silent on all national holidays, which include Jan. 1, Feb. 22, May 30, July 4, Labor Day and Dec. 25, or the day which may be set for observance in case of holidays falling on Sundays;

WDGY, Dr. George W. Young, Minneapolis, Minn., granted special auth. to erect and operate temporarily a transmitter at 909 W. Broadway, Minneapolis, Minn., 1180 kc., 500 w., for period not over 30 days; KFYR, Meyer Broadcasting Co., Bismarck, N. Dak., granted special auth. to operate from 12:30 to 2 p.m., CST, March 4, provided KFDY remains silent; KFYR, Meyer Brdcastg. Co., Bismarck, N. Dak., granted spec. auth. to operate from 12:30 to 2 p.m., CST, March 6, 13, 20 and 27, provided KFDY remains silent; WNAD, University of Oklahoma, Norman, Okla., granted spec. auth. to operate from 12:30 to 2 p.m., CST, March 6, 13, 20 and 27, provided WGGF remains silent;

KGXZ, Pierce County, Tacoma, Wash., granted renewal of aviation-airport license, 278 kc., 10 w.; WSM, The Nat'l Life & Accident Ins. Co., Nashville, Tenn., granted auth. to conduct antenna tests using 1 w. power on frequencies 270, 400, 500, 550, 600, 650, 700, 750, and 800 kc., between 1 and 6 a.m. CST for period of 30 days from March 1; KGHO, State of Iowa, State Bureau of Identification, Des Moines, Ia., granted auth. to resume operations on 1534 kc., 400 w. to May 1, 1933.

X X X X X X X X