

HEINL RADIO BUSINESS LETTER

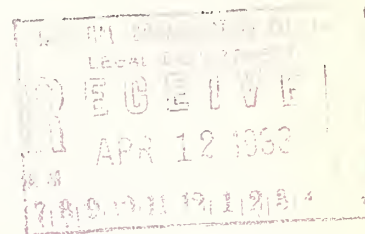
INSURANCE BUILDING

WASHINGTON, D. C.

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APR 12 1933

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 :: :: CONFIDENTIAL—NOT FOR PUBLICATION.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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RADIO COMMISSION REORGANIZATION DELAYED

There has been another delay in submitting recommendations for the proposed reorganization of the Federal Radio Commission to President Roosevelt.

General Charles McK. Saltzman, former chairman of the Federal Radio Commission, and Judge Ewin L. Davis, of Tennessee, who was chairman of the radio committee during his terms in the House of Representatives, have been working as a sub-committee on this under Secretary of Commerce Roper. Their recommendations were completed last week and were to have been submitted by them to President Roosevelt at the White House on Friday afternoon. Then the meeting was postponed until 9 o'clock Monday night. However, consideration of the railroad situation at that time caused a further postponement. No further date has been set for the conference with the President, but radio will be discussed soon.

Although neither General Saltzman or Judge Davis have given the slightest intimation as to what their recommendations for the reorganization of the Radio Commission are the impression persists that they will suggest that radio be transferred back to the Department of Commerce, where it will become a bureau headed by a director. The present personnel of the Commission would be greatly reduced in such a transfer.

This bureau would be under an Assistant Secretary of Commerce yet to be appointed. The bureau might be entirely devoted to radio. Again it might include telephone, telegraph and cable as well. If such a bureau were created, Judge E. O. Sykes, chairman of the Federal Radio Commission, would be the logical man for director. However, it is felt that he might not find the position to his liking because the Assistant Secretary of Commerce would be the real head of radio. Inasmuch as this would be strictly an administrative position and the Assistant Secretary would probably have other subjects as well as radio, Judge Sykes might not find this position to his liking. It is well known he would much prefer a Federal judgeship.

Should Judge Sykes lose out in the radio shakeup it is understood he will be offered a Federal judgeship which is expected to be available next Fall.

Judge Ewin L. Davis is said to have been offered the position of Assistant Secretary of Commerce (including supervision of radio, if radio goes to the Commerce Department) but declined because he prefers to become a member of the Federal Trade Commission, a position he is understood to have been offered by President Roosevelt.

Although the President has been represented as planning to do away with the Radio and other independent commissions, it is understood the Federal Trade Commission will not be abolished. That particular Commission was created by the Democrats themselves and they propose to keep it functioning.

There has been some talk that General Saltzman may be the new Director of Radio. Another version is that Commissioners Sykes, Hanley and Brown may form a Court of Appeals for the new Radio Division if it is created.

Some persons, usually well informed, believed that the further cut of \$140,000 in the appropriation, beginning July 1, will be all the economy demanded of the Radio Commission at present. If the Commission can operate successfully on \$640,000 next year, they believe it will be allowed to go along, as is, for some time to come.

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SUPREME COURT RULES LOWELL AND DUNMORE MAY KEEP ALTERNATING CURRENT RADIO PATENTS

Federal employees who develop inventions need not assign the patents to the United States nor grant the government exclusive rights unless specifically assigned to work out the inventions concerned, the Supreme Court ruled in the suit of the government against the Dubilier Condenser Corporation.

The opinion, written by Justice Roberts, concerned three radio inventions by Francis W. Dunmore and Percival D. Lowell, while employed in the Bureau of Standards, and subsequently controlled by the Dubilier Corporation.

The inventions made possible the substitution of alternating current for direct battery current in radio apparatus; tended to eliminate "hum" in sets, and energized a dynamic type of loud-speaker with alternating current.

Originally the government sued the Dubilier Corporation as exclusive licensee, contending that the patents belonged to the government because Messrs. Dunmore and Lowell worked them out while employes of the Bureau of Standards. The Federal court for the District of Delaware dismissed the suits and was upheld by the Third Circuit Court of Appeals, these tribunals being sustained by the Supreme Court.

Justice Roberts held that Congress and not the courts should declare a policy with relation to governmental control of patents. He said the courts were "incompetent to answer the difficult question whether the patentee is to be allowed his exclusive right or compelled to dedicate his invention to the public."

Justice Stone sharply dissented, holding that it was "unconscionable" of Messrs. Lowell and Dunmore to withhold from public and government full benefits of the inventions. Chief Justice Hughes and Justice Cardozo also dissented from the majority.

In his opinion, Justice Roberts described how Messrs. Dunmore and Lowell were employed at the Bureau of Standards in 1921 to work on the development of "airplane radio". The Justice continued:

"In the midst of aircraft inventions and numerous routine problems of that section, Dunmore was wrestling in his own mind, impelled thereto solely by his own scientific curiosity with the invention of substituting house-lighting alternating current for direct battery current in radio apparatus.

"In the Fall of 1921 Dunmore and Lowell were considering the problem of applying alternating current to broadcast receiving sets. This project was not involved in or suggested by the problems with which the radio section was then dealing and was not assigned by any superior as a task to be solved by either of these employes. It was independent of their tasks and voluntarily assumed.

"While performing their regular tasks they experimented at the laboratory in devising apparatus for operating a radio receiving set by alternating current with the hum incident thereto eliminated. No one advised them prior to the filing of applications for patents that they would be expected to assign the patents to the United States or to grant the government exclusive rights thereunder."

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NORTH AMERICAN RADIO CONFERENCE DELAYED

It now looks as if the North American Radio Conference to be held in Mexico City will not take place before May 15th or June 1st, if then. The postponement has been made necessary by the delay of the Mexican Government in issuing the formal invitations. An opinion was expressed in official circles that no significance should be attached to this and that no opposition had arisen to the conference in Mexico City.

Before retiring from office President Hoover appointed Judge E. O. Sykes, of Mississippi, now chairman of the Federal Radio Commission, and Senator Wallace H. White, Jr., of Maine, the delegates to the North American Conference which was to have been held some time during this month.

At Mexico City the principal problem to be decided is whether or not the United States will have to give up additional broadcasting channels to Mexico, Cuba and Canada. The general impression is that this country will lose some of its present channels.

In anticipation of this broadcasters in the United States are seeking more of the longer wave lengths (below 550 kilocycles) for entertainment programs with the Navy and shipping interests opposing them. The latter are said to be willing to concede the shorter wave lengths (from 1500 to 1650 kilocycles) to broadcasting, but want to hold onto the longer waves. These channels are not acceptable to the broadcasters because of the limited service range they offer. An effort has been made to reach an agreement over this through conferences held in Washington during the past few months. All interests involved were represented at the conferences.

It is believed that the exact demands of the foreign countries, and the channels the United States will have to relinquish, if any, will not be known until the delegates reach Mexico City.

If this country is obliged to part with any considerable number of broadcasting channels, it will very likely make necessary a general reallocation of all the wave lengths in this country. Numerous stations may be deprived of their channels or present desirable broadcasting frequencies and the situation has the industry badly worried.

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FRANCE WITHHOLDS NEW TARIFF ON RADIO

Following protests of Bond Geddes, executive vice president of the Radio Manufacturers Association, to the State Department and to the American Chamber of Commerce at Paris, the French Government has withheld its proposed new restrictions which were to be effective April 1 on radio imports. Press dispatches from Paris that France had dropped, at least temporarily, the new import restrictions proposed through a tax on import quota certificates, has been confirmed, according to advices to the Association, by the Department of Commerce in a cablegram from the American Commercial Attache at Paris.

The proposed new tariff restrictions are held at least in abeyance indefinitely and, according to press reports, may be permanently abandoned. The French Government proposed to impose virtually a prohibitive tax on import license certificates under the quota plan and was also reported to be contemplating a reduction of prevailing import quotas.

Many Association members were much concerned over the proposed new tariff restrictions and requested some action. By direction of Chairman Paul B. Klugh, of the Legislative Committee, a formal protest against the proposed French restrictions was filed with the State Department March 28. By cable the American Chamber of Commerce and American importers and jobbers in France were communicated with and, it is understood, made effective protests to French Government officials. The State Department cabled the RMA protest to the American Embassy in Paris and other action was taken by the Commercial Attache and the representatives in France of the Department of Commerce.

Officials in Washington assured the manufacturers that radio goods in transit, if the French restrictions had become effective, would be exempt, but that no grounds for diplomatic action existed unless there was discrimination against American radio products, tariff action when non-discriminatory being regarded as a matter of domestic concern.

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SPECIAL MEETING OF RMA DIRECTORS IN CHICAGO

President Fred Williams, of the Radio Manufacturers Association, has called a special meeting of the Board of Directors on Tuesday, April 25, at the Stevens Hotel, Chicago, to consider a comprehensive plan for initiating merchandising and sales activities next fall in which all radio interests would participate.

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COMPREHENSIVE SURVEY OF EDUCATIONAL BROADCASTING MADE BY RADIO EDUCATION COMMITTEE

A careful study of all phases of radio broadcasting by land-grant colleges and State universities has been completed by Tracy F. Tyler, secretary and research director of the National Committee on Education by Radio. Mr. Tyler visited more than half of the 71 institutions engaged in radio activities.

The appraisal of the broadcasting work was made to determine the extent to which the educational institutions use the radio; the nature of the programs being broadcast by those institutions which use the radio; comparison between the types and costs of the equipment owned and used by institutions which have their own radio stations and those that use the facilities of commercial stations; the amount of money spent annually for broadcasting; the different types of organization which exist in the various institutions for administering radio service; the radio personnel required by an institution engaged in broadcasting; the opinions of the presidents, deans, extension directors, and radio directors concerning the objectives of institutional broadcasting in the United States, the extent to which studies have been made by institutions of the effectiveness of their broadcasting in reaching the citizenry of their respective states, and so forth.

Of the seventy-one institutions surveyed, twenty-four owned and operated broadcasting stations. Four of these stations have been either leased or abandoned since then. Thirty-eight of the institutions surveyed reach the listening public by means of regular or occasional programs given thru the facilities of commercial broadcasting stations. Nineteen of the twenty-four broadcasting stations owned by institutions included in the study are located at land-grant colleges - while only five are located at separate state universities.

The total radio program time of institutions engaged in broadcasting is divided as follows: entertainment, 44.6 per cent; general information, 23.6 per cent; farm and home information, 20.4 per cent; formal instruction, 7.5 per cent; and commercial programs 3.9 per cent. Of the total time, 21.3 per cent is devoted to the transmission of reproduced music or speech.

Reports relative to the equipment being used were secured from 23 of the 24 institutions which had broadcasting stations at the time of the study. Twelve of the 23 institutions have transmitters installed since January 1, 1929, while 2 new ones have been installed since the data were collected. The 23 stations operate on 20 different frequencies, ranging from 550 to 1400 kilocycles. The typical station operates with 1000 watts during the day, and 500 at night. The 24 institutions operating stations were assigned 3.5 per cent of the total units

assigned to broadcasting in the United States by the Federal Radio Commission. Only 2 stations have unlimited time.

The total amount invested in broadcasting equipment by the twenty-three institutions which own stations is \$720,045, or an average cost of \$31,306.

Mr. Tyler reports it was difficult to secure complete returns from all of the institutions on either operating or maintenance costs for their radio service. Maintenance costs for the 15 institutions reporting for the year 1931-1932 average \$1270.94. The median figure is \$610.11. The operating expense of the radio service for the same period averaged approximately \$10,000.

Four types of organization to carry on broadcasting were found: the radio unit in the president's office; the radio unit under a faculty committee; the radio unit under the university extension division; and the radio unit under the agricultural extension service. Full-time workers in connection with broadcasting activities were few.

The presidents, deans, extension directors, radio directors, and other administrative officers, totaling 631 in the 71 institutions surveyed, were interviewed during the survey. The principal findings resulting from the interviews are published in "Some Interpretations and Conclusions of the Land-Grant Radio Survey", published by the National Committee on Education by Radio, 1201 Sixteenth Street, N.W., Washington, D.C.

In view of the facts that have been secured by an intensive study of the use of radio in extending the services of the land-grant colleges and separate state universities, the following recommendations are made:

"Every institution", Mr. Tyler declares, "insofar as it receives financial support from public funds, has a peculiar obligation to extend its services to its entire constituency. Radio has had sufficient trial in a number of institutions to show that it can be made of considerable aid in meeting this obligation. Each institution should plan, therefore, to utilize radio at the earliest possible time. Each institution should make a thorough study of its constituents and plan programs that will meet their educational and cultural needs. Educational broadcasting should be planned for as many specific groups as possible. Institutions owning broadcasting stations should provide sufficient funds to secure modern equipment which meets the best technical standards. A radio unit should be administered as a separate division of the institution. Competent personnel should be provided. Any institution that uses the radio should provide for a constant study of the needs of the listeners, the suitability of the broadcast hours, and the effectiveness of the programs.

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WJSV GETS EXPERIMENTAL PERMIT UNTIL MAY 1 ONLY

The Federal Radio Commission has granted Station WJSV an experimental license to test out the directional antenna with which it is hoped interference with the Naval Research Laboratory may be prevented. Station WJSV applied for a 60-day permit but the Commission has given them until May 1 only to determine whether it will overcome the difficulty.

In addition to the regular broadcast hours, the station was given permission to test between 12 midnight and 6:30 o'clock in the morning.

WJSV was ordered to close down its transmitter on May 1 a few days ago. The amount invested in WJSV's transmitter is said to be upwards of \$75,000 but the Navy argues that the investments at the Naval Research Laboratory run into the millions. Furthermore they point to the fact that their work has to do with the national defense.

One question which arises is who will pay for the costly mistake. A legal authority ventured the opinion that if WJSV is forced to seek another location, to scrap its present plant which is less than six months old, or is shut down for any length of time, Columbia's only redress will be to try to get a bill through Congress reimbursing the network for its loss. WJSV will argue that the Commission gave it permission to erect the station there and that it complied with all the Commission's rules and regulations.

Inasmuch as the Federal Radio Commission has been blamed for granting WJSV a permit to erect a station within a mile of one of the government's most important radio stations, the Commission's justification of its position has been awaited with considerable interest. It was finally revealed by the Commission, in part, as follows:

"At the time of granting the construction permit to WJSV the Radio Commission was not informed of and had no knowledge concerning the various activities at the Naval Research station and had no knowledge that the operation of WJSV would cause serious interference therewith. In fact the Commission was not informed concerning the activities of the Naval Research Laboratory, or that interference would be caused therewith by the operation of WJSV."

"A fine alibi", a critic of the Commission declared. "The Radio Commission evidently didn't know of the existence of one of the Navy's most important broadcasting stations. If the Navy station had been located on the Pacific Coast or out in the Philippines there might have been some excuse but the Naval Research station can almost be seen from the Commission's offices. What kind of a Radio Commission is it that apparently doesn't even know where the principle radio stations are located?"

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NBC NEW ACCOUNTS AND RENEWALS

Renewal - Metropolitan Life Insurance Co., 1 Madison Ave., New York City. Starts April 24, 1933 for 52 weeks. Daily exc. Sunday 6:45-8:00 a.m., EST. Network WEAf WEEI WBEN WGY Philadelphia WCAE WRC CKGW Program: Tower Health Exercises - setting up exercises by Arthur Bagley, piano accompaniment and interludes. Note: there will be no program on eight legal holidays.

New - R. L. Watkins Company (Dr. Lyon's Toothpaste), 250 Park Avenue, New York City. Agency: Blackett-Sample-Hummert, 330 W. 42nd St., NYC. Started April 2, 1933 for 13 weeks. Sundays, 9:00-9:30 p.m. EST. Basic Red Network exc. WTAG WCSH; KOA KDYL ORANGE Program: "Manhattan Merry-Go-Round" - popular musical program with Gene Rode-mich, Lambert, Luther, Jean Sargent and David Percy.

Change - Tastyeast, Inc., - WJZ - Change to Wednesday, 8:30-8:45 p.m. EST, effective April 5.

Change - Westinghouse Elec. & Mfg. Co., WJZ. "Octavus Roy Cohen Murder Mystery" - Tues. Thurs. Sat. 7:45-8:00 p.m. Mon. Wed. and Sat. 11:15-11:30 p.m. On April 10 and thereafter this program changed to Mon. Wed. Sat. 7:15-7:30 p.m. basic blue east of Chicago exc. WHAM WGAR 11:15-11:30 p.m. Western Blue, NW SC exc. WSM WAPI, SW exc. KVOO KTBS, KOA KDYL, Orange, KGA.

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WYNN NETW ORK TO HAVE NEW BUILDING

According to a release from the Amalgamated Broadcasting System, Inc., Walter W. Ahlschlager has designed and is personally supervising construction of the network's studios and offices in the Amalgamated Broadcasting Building located at 501 Madison Avenue.

"Ed Wynn, president of the new radio network, gave Mr. Ahlschlager carte blanche in the matter of construction", the statement reads. "Seven studios are being built on the 14th floor. One is intended for large ensembles, while two others will accommodate orchestras up to forty pieces. The remaining four are designated as 'intimate studios'. In addition to the newest methods of sound proofing, all seven studios will have hung floors and ceilings with air pockets on all sides. A master control room on the same floor will be equipped with a device for individual or unity control, so that one or all seven studios will be in constant use.

"It is expected that work will be completed within two weeks."

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted

WHIS, Daily Teleg. Prtg. Co., Inc., Bluefield, W. Va., granted ren. of lic., 1410 kc., 250 w., sharing equally with WRBX, and application dismissed from hearing docket. (Appl. was set for hearing because station had failed to enter into a proper time sharing agreement with WRBX); WCOC, Mississippi Brdcastg. Co., Inc., Meridian, Miss., granted ren. of lic., 880 kc., 500 w. night, 1 kw. LS, unlt'd. time, and appl. dismissed from hearing docket (Appl. was set for hearing because station WQBC sought the facilities of WCOC. That appl. has now been dismissed); WTFI, Liberty Brdcastg. Co., Athens, Ga., granted ren. of lic., 1450 kc., 500 w., unlt'd. time, and appl. dismissed from hearing docket, because station WGST's appl. seeking the facilities of WTFI has been dismissed from the hearing docket;

WQDM, A. J. St. Antoine & E. J. Regan, St. Albans, Vt., granted auth. to operate from 2 to 4 p.m. April 16 in addition to the present specified period of 1 to 2 p.m. in order to broadcast Easter program; WHOM, New Jersey Brdcastg. Corp., Jersey City, N.J., granted approval of the following hours of operation, pending resumption of operation by Station WBMS or the assignment of the facilities of WBMS: 8 a.m. to 2 p.m., 6 p.m. to 12 midnight, daily, EST;

KTRH, KTRH Brdcastg. Co., Houston, Tex., granted ext. of special exp. auth. to operate with 1 kw. power for period of 60 days from April 14; WJSV, Old Dominion Brdcastg. Co., Alexandria, Va., granted spec. exp. license to operate until 3 a.m., May 1, 1460 kc., 10 kw., midnight to 6:30 a.m. daily in addition to regular broadcast hours, to determine results of new antenna system; KGGF, Powell & Platz, Coffeyville, Kans., granted spec. temp. auth. to operate from 7:15 to 9:15 p.m., CST, April 13, provided Station WNAD remains silent; WABI, First Universalist Society of Bangor, Me., granted spec. temp. auth. to operate from 3 to 4 p.m., EST, April 16; WLPM, John B. Cooley, Minot, N. Dak., regular license extended until April 30, pending installation of frequency monitor.

Applications Granted - Other Than Broadcasting

W9XAK, Kans. State Col. of Agr. and Applied Science, Manhattan, Kans., granted ren. of exp. visual brdcastg. lic. 2100-2200 kc., 125 w. to Nov. 1, 1933; KHVBV, Howard Hughes, Hollywood, Calif., granted mod. of lic. to make changes in eqpt. and for addl. frequencies - 3105 kc., unlt'd., 2906, 3072.5, 3088, 4967.5, 5672.5, 5692.5, unlt'd.;

WAJ, RCA Communications, Inc., Rocky Pt., NY, granted mod. of lic. to change primary pt. of communication from London to Oslo, Copenhagen and change transmitter No. to 22; WBD, same co, granted mod. of lic., as above, to change primary pt. of comm. from Paramaribo, Curacao to Havana, and change in transmitter Nos. to 43 and 38; WDC, same, granted mod. of lic. to add St. Martin, Paracaibo as a primary pt. of comm; WEC, same, granted mod of lic. to add Berlin as primary pt. of comm., WEA, same as WEC; WEJ, same, granted mod. of lic. to change primary pt. of comm. from Moscow to Berlin and chg. transmitter No. to 22; WEO, same Co., New Brunswick, N.J., granted mod. of lic. to add Guatemala City as an addl. pt. of communication; WES, same Co., New Brunswick, granted mod. of lic. to add London as addl. pt. of communication;

WEX, RCA Communications, Inc., Rocky Pt., NY, granted mod. of lic. to change primary pt. of comm. from Oslo, Copenhagen to London and change in normal transm. Nos. to 8 and 38; WIK, same, change primary pt. to Berne, Geneva; WIZ, same, change primary pt. from Paristo Rome; WGT, same Co., Jan Juan, P.R., delete Trinidad and Caracas as pts. of comm.; WKD, Same Co., Rocky Pt., N.Y., change primary pt. of comm. from Paris, Madrid and Lisbon to Havana, and change in serial Nos. to 43 and 38; WKP, same, change primary pt. of comm. from Rome to Mexico City and change in transm. to 49; WQB, same, change primary pts. of comm. from Madrid and Lisbon to Paris and Rio de Janeiro and change trans. No. to 38; WQF, same, granted mod. of lic. to change pt. of comm. from Paris to Madrid, Lisbon change in normal transm. No. to 13; WQH, same, granted mod. of lic. to discontinue Vienna as a pt. of comm. and to change normal transm. Nos. to 45 and 38; WQO, same, granted mod. of lic. to change pts. of communication from Berlin and Amsterdam to Moscow and change in normal transm. No. to 41;

WQP, Same Co., Rocky Pt., granted mod. of lic. to communicate primarily with Amsterdam, normal transm. No. 49; WQK, Same Co., New Brunswick, granted mod. of lic. primary pt. of communication: Angora, Beyrouth, Paris; WQQ, same Co., granted mod. of lic. to communicate primarily with Prague, Hamburg, Vienna, Normal Transm. No. 15; WQT, same, granted mod. of lic. to add Madrid, Lisbon as primary pt. of comm.; WEM, same, granted mod. of lic. to change primary pt. of comm. from London to Berlin; KEB, Same Co., Bolinas, Calif., change pt s. of comm. from Honolulu and Panama to Manila and Panama; KKL, same, add Honolulu as primary pt. of comm.;

WPEI, E. Providence Police Dept., E. Providence, R.I., granted mod. of lic. to operate station with the operator on duty as the control point in lieu of at transmitter location; New, Press Wireless Inc., Hicksville, N.Y., granted license freq. 7510 kc., call letters WDD, Transm. No. 5, 5 kw., primary pts. of comm. London, Rome, Mexico City; WDD, RCA Comm., Inc., Rocky Pt., granted mod. of lic. to change freq. from 7510 to 10380.

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