

INSURANCE BUILDING

WASHINGTON, D. C.

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 :: :: **CONFIDENTIAL—NOT FOR PUBLICATION.** :: ::



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No. 617

## COMMUNICATIONS COMMISSION RECOMMENDED

Although nothing has been made public on the subject it is learned on excellent authority that the reorganization plan involving radio now before President Roosevelt contemplates the following set-up.

There will be appointed an Assistant Secretary of Commerce. This Assistant Secretary would have under his direction a Communications Commission of three members. He would also have under his jurisdiction a Transportation commission, likewise in the Department of Commerce, which would take over, among other things, the railroad regulatory functions of the Interstate Commerce Commission.

The Communications Commission would include the regulation of cable, telephone and telegraph as well as radio, absorbing those duties of the Interstate Commerce Commission as well as the Federal Radio Commission.

Then there would be a Director of Communications, under the direction of the Commission. This Director would make decisions and there will be appeal from his decisions to the Commission. There would, of course, be the same right to appeal from the decisions of the Communications Commission to the courts as there now is with the Federal Radio Commission.

The Director of Communications would be in charge of the personnel of the Commission. Evidently his duties would correspond pretty much to those at present delegated to the Secretary of the Radio Commission, with the added responsibility of deciding issues.

Two of the three members of the Communications Commission would be Democrats and the third a Republican. Even if President Roosevelt were to appoint members of the present Radio Commission there would still be quite a casualty list. There are now five Federal Radio Commissioners.

It would seem highly improbable that three of the present five Radio Commissioners would be appointed to the Communications Commission, inasmuch as there would also have to be representation for telephone, telegraph and cable as well. It is more probable that only one man with radio experience would be appointed. There is also a chance that a radio man might be appointed Assistant Secretary of Commerce but again it might be someone with special transportation knowledge.

It would seem to be a difficult task to find a man who had a knowledge of both radio and transportation. Or it may be a political appointment. Many of the Radio Commission appointments have had a political angle. In fact, every man on the present Commission is a political appointee.

It is assumed if the new Communications Commission plan is adopted by President Roosevelt, Judge E. O. Sykes, a Democrat, of Mississippi, chairman of the Federal Radio Commission, would be appointed to the new organization.

Also there is some talk that the new setup may include Gen. Charles McK. Saltzman, U.S.A. retired, former chairman of the Federal Radio Commission. General Saltzman is a member of the Committee which framed the new plan. As Chief of the Army Signal Corps he / familiar with telegraph, telephone and cable. (became) He is a Republican.

There may be a delay in the President's consideration of radio reorganization. It is said he wishes to get the railroad situation in hand before he turns to communications. It is expected that he will make a decision in time to have the reorganization settled by July 1st, if he cannot reach it sooner.

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#### CALIFORNIA BILL WOULD SET UP RADIO "CZAR" IN STATE

Radio control of advertising and news broadcasts, through a radio "czar" is a possibility in California. The state legislature is now considering a bill to regulate radio broadcasting through a person referred to in the measure as a "radio authority". He would also have radio interference problems to decide.

The radio "czar" would make recommendations to the Federal Radio Commission that licenses be revoked or that disciplinary measures be taken in cases which he could not settle under the powers given him in the State Act.

If the bill is passed, it will be the first legislation of its kind in America. It is the first attempt to regulate radio broadcasting in the State.

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The Pacific Lumber Company of Illinois, with main offices in Chicago, filed a receivership bill in chancery court on April 21 against the Henry Field Company, operator of KFNF, Shenandoah, Ia., for \$1079. The bill states that for the year ended May 31 last the Henry Field Company showed gross sales of \$2,075,078 and a net loss of \$211,617.

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## RADIO RESTRICTIONS ANNOUNCED BY ASSOCIATED PRESS

The full resolution adopted by the Associated Press with regard to news broadcasts follows:

"Be It Resolved, That it is the sense of this meeting that the board of directors shall not allow any news distributed by the Associated Press, regardless of source, to be given to any radio chain or chains; and be it further

"Resolved, That no member newspaper of the Associated Press shall be allowed to broadcast its local news or news furnished by the Associated Press, other than brief bulletins covering events of major local, national or international importance with credit to the Associated Press and the member newspaper, and then only over an individual radio station located at or near the place of publication of the member paper broadcasting; and be it further

"Resolved, that it is the sense of the meeting that the board of directors shall promulgate at once rules and regulations covering the hours of such news bulletin broadcasts so as to distinguish between morning and evening members, fix a schedule of additional assessments to be applicable solely to those member newspapers which broadcast Associated Press news, the revenue from which shall be applied to a pro-rata reduction of assessments paid by non-broadcasting members; take all steps necessary to protect the news report of the Associated Press from pilfering or such other illegal use by radio news commentators or others, and define the meaning of 'brief bulletins' in conformity with the text and spirit of this resolution,

President Noyes, of the Associated Press, reported the results of the canvass to the directors, showing an overwhelming vote against further chain broadcasting.

Mr. Noyes, in his report on the radio questionnaire by which the canvass was taken, said:

"This poll of membership opinion brought a larger response than any other poll we have ever taken. Out of a domestic membership of 1,197, responses were received from 1,103. The replies on the question of chain broadcasting show a heavy preponderance, both numerically and as to assessments paid, opposed to any use of Associated Press matter by broadcasting chains."

Two questions on chain broadcasting were asked. One read: "Do you favor permitting broadcasting of brief Associated Press bulletins of news of E.O.S. (Extraordinary Occasion Service) importance by chains?" Negative answers



were received from 768 members, paying \$99,488.94 assessments. Affirmative answers were received from 264 members, paying \$38,915.03.

The second was: "Do you favor denial of any Associated Press news whatever for broadcasting by chains regardless of the course adopted by other news-gathering agencies?" Affirmative answers came from 696 newspapers with assessments of \$97,944.21; negative from 306 with assessments of \$42,621.83.

"As to member broadcasting", Mr. Noyes' report continued, "while the numerical vote on question C shows 433 voting in favor of permitting member broadcasting and 577 opposing such broadcasting, the favoring member broadcasting pay assessments considerably exceeding the assessments paid by opposing members; the amounts being, favoring \$78,813, opposing \$59,977."

Adolph S. Ochs, publisher of The New York Times, said he believed member newspapers should have the right to broadcast news on extraordinary occasions in their own territory if they chose to do so. He said he believed the broadcasting of such bulletins whetted the appetite of the public for the reading of a newspaper with the news in full and therefore helped the newspapers. Mr. Ochs did not believe that broadcasting would do the newspapers much harm.

In any event, he suggested, the newspapers should not stick their heads in the sand, for he said the radio would find a way to broadcast news of extraordinary importance regardless of what The Associated Press decided to do. As far as The Associated Press as an organization, was concerned, he continued, he thought the members were agreed that it should not furnish any further news to the radio chains for broadcasting. He expressed the view that the news gathered by the Associated Press members belonged to the members, who could dispose of it as they saw fit.

Roy W. Howard of the Scripps-Howard newspapers and The United Press said he believed The United Press would follow any sensible course adopted by The Associated Press, and that he thought the International News Service probably would do likewise.

Mr. Howard said that in his opinion the great problem was not to stop the broadcasting of news bulletins but to stop the pilfering of news by radio commentators who skimmed the cream of the day's newspapers as they were published and gave it over the radio before the newspapers could be distributed to their readers.

A.N.P.A. Also To Act

The American Newspaper Publishers Association will take up the subject of whether or not to continue printing radio programs gratis. There is considerable sentiment in favor of omitting programs unless the stations or networks pay for them at advertising rates. The A.N.P.A. is expected to pass a resolution to this effect.

However, as explained by an official of the A.N.P.A., this resolution will not be binding upon the members and some newspapers may discontinue printing programs unless they are paid for printing them at advertising rates while others will continue to print the programs free.

"My guess", he added, "is that we will pass a resolution condemning the practice of printing programs free and then if the stations and networks don't pay we will go on about as we have in the past, some newspapers printing the station programs and some omitting them."

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WJSV MAY SEEK COURT AID MAY 1

If the Federal Radio Commission carries out its threat to remove Station WJSV from the air on May 1, because of alleged interference with experiments in radio communications at the Naval Research Laboratory, located a mile away, the Old Dominion Broadcasting Company, operating the station, will be obliged to ask the court for a stay order. The station management anticipates no difficulty in securing a temporary injunction and hopes for sufficient respite in which to file its case and have the matter decided by the Court of Appeals.

"WJSV must have an outlet in Washington", said one observer of this situation. "Some way will be found out of the present muddled affair. The Court will certainly allow them sufficient time to re-locate".

"WJSV hasn't got a chance if the Navy insists the station be shut down on June 1", said another. "They may not even be able to get a temporary injunction if the Navy makes enough fuss about it."

In the meantime, the WJSV management is hopeful, declaring it will not be necessary for the transmitter to be off the air at any time during the settlement of this legal tangle.

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## COLUMBIA'S NEW AND RENEWED CONTRACTS

New - Wasey Products Co. (Zemo, and other products), started April 24, 1933. Advertising Agency: Erwin, Wasey. Program: "The Voice of Experience". Time: Mon. Thurs. Fri. 11:00-11:15 p.m. Wednesday, 8:00-8:15 p.m. 15 basic network stations.

Renewal - P. Lorillard Co. (Old Gold Cigarettes) Starting May 10. Advertising Agency: Lenn & Mitchell Program: "Old Gold Program", Fred Waring's Pennsylvanians, George Givot. Wednesday 10:00-10:30 p.m. 22 Basic stations, Don Lee, plus 22

Changes - Gulf Refining Co. - Irvin S. Cobb - 9:00-9:15 p.m. Wednesdays and Fridays - is adding WLBZ, Bangor, and WFEA, Manchester, to its hookup of Columbia network stations. General Cigar Co. - Beginning April 26th, the Burns and Allen portion of the program will originate WABC.

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## NBC NEW AND RENEWAL ACCOUNTS

New - General Tire & Rubber Co., Akron, Ohio. Agency: Hays McFarland and Co., Chicago. Started April 18, 1933 for 52 weeks. Tuesdays, 10:00-10:30 p.m. EST. Basic red, SW, SC, KOA, KDYL Orange Program: "Lives At Stake" - dramatic presentations of feats of national heroes with supplementary band music and narrator.

New - Gulf Refining Company (Gasoline and oil), Pittsburgh, Pa. Agency: Cecil, Warwick & Cecil, 230 Park Ave., NYC. Starts April 30, 1933 for 8 weeks. Sundays 9:00-9:30 p.m. EST. Network: Basic blue east of Chicago, SE, SC, WFAA, KPRC, WOAI, KTBS, KTHS Program: Will Rogers and orchestra.

Renewal - Kraft Phoenix Cheese Corp., 400 Rush St., Chicago, Ill. Agency: J. Walter Thompson Co., 410 N. Michigan Avenue, Chicago. Starts April 22, 1933 for 13 weeks. Saturdays 11:00-11:15 a.m. Basic Blue exc. KWCR, KSO, WSYR WMAL Program: "Forecast School of Cookery" - talks by Mrs. Goudiss.

Change - Bristol Myers Co. - WJZ "Phil Cook and the Ingram Shavers" - On May 26 and thereafter this program will be changed to Mon. Wed. Fri. 8:45-9:00 p.m.

Extend Chevrolet Motor Car Co. Contract six weeks up to and including June 23, 1933 - The Chevrolet Program with Jack Benny. Fridays 10:00-10:30 p.m. EST WFAF.

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## DECISIONS OF THE FEDERAL RADIO COMMISSION

### Applications Granted

KFNF, Henry Field Company, Shenandoah, Ia., granted extension of special authority from May 1 to June 1, 1933 to use time assigned to but not used by KUSD and WILL; KTSA, Southwest Broadcasting Co., San Antonio, Tex., granted mod. of lic. to reduce day power from  $2\frac{1}{2}$  KW to 1 KW and to increase time to unlt'd. (Facilities of KFUL); KFUL, The News Broadcasting Co., Inc., Galveston, Tex., granted consent to vol. assignment of lic. to Southwest Broadcasting Co.; WBAL, Consolidated Gas & Electric Light Co., of Baltimore, Baltimore, Md., granted extension of synchronous operation with Station WJZ to 5:30 p.m. April 29. (Synchronous operation normally terminates at 4 p.m. Saturday); WSUI, State University of Iowa, Iowa City, Ia., granted special temporary authorization to operate from 4 to 6 p.m., CST, May 3, 5, 15 and 19, 1933, and from 10 p.m. to 12 midnight, CST, May 12. (Station now assigned specified hours and does not share time with any other station).

### Applications Granted - Other Than Broadcasting

New, City of Port Jervis, Port Jervis, New York, granted gen. exp. CP., freqs: 27100, 34600 kc. .5 watts power. Also granted license to cover same; W10XBF, W.G.H. Finch, portable and mobile, granted gen. exp. licenses, freqs. 41000, 51400, 60000-400000 kc., 15 w.; New, Bell Tel. Labs. Inc., portable on a truck used principally in State of N.J., granted spec. exp. license; any freq. within the band 1594-8655 kc., at any time during the 24 hours; power - average 3 watts - peak 200 watts; New, Boeing Air Transport, Inc., 10 planes, granted licenses for 10 planes; freqs: 3105, 3172.5, 3182.5, 3322.5, 5572.5, 5582.5, 5592.5, 5662.5 kc., 50 w.;

New, American Airways, Inc., granted licenses for two new planes; freqs. 3105, 3127.5, 3232.5, 3242.5, 3257.5, 3447.5, 3457.5, 3467.5, 3485, 5602.5, 5612.5, 5632.5 kc., unlt'd. 3222.5 kc. - day only, not to be used within 300 miles of Canada or Mexico; 4917.5 kc., day only, not to be used within 600 miles of Mexico, power 50 watts - granted mod. of aviation license to add freq. 3127.5 kc. 37 aviation stations; W3XY, Bell Tel. Labs., Inc., Menham Township, N.J., granted ren. of spec. exp. license freq. 278, 3415, 5592.5, 5642.5 kc., 10 w. on freq. 278; 400 w. on other freq. specified; WKX, Government of Puerto Rico, Bureau of Insular Telg. Cieba, P.R., granted ren. of public coastal - coastal telg. license; freq. 500, 171, 438 kc. 50 w.; WGW, same, Vieques, P.R., same as WKX;

W9XK, State Univ. of Ioa, Iowa City, Ia., granted renewal of exp. visual brdstg. license, freq. 2000-2100 kc., 100 w. to Nov. 1, 1933; KGPD, City and Co. of San Francisco, Dept. of Electricity, San Francisco, Calif., granted ren. of emergency marine fire license; freq. 1558 400 w. power.

### Set For Hearing

New, Radio Investment Co., Inc., Newark, N.J., CP for facilities of WBMS, 1450 kc., 250 w.; shares 1/4 time with WHOM.

### DUTIES OF COMMISSIONERS, ETC.

The Commission today made the following assignments:

Chairman, Eugene O. Sykes was placed in charge of administrative matters.

Commissioner Thad H. Brown, of the Second Zone, was named vice-chairman, and continues in charge of Field Operations.

Commissioner James H. Hanley, of the Fourth Zone, was placed in charge of the Legal Division.

Commissioner Harold A. Lafount, of the Fifth Zone, was placed in charge of the Examiners' Division and the Press Service.

Commissioner W.D.L. Starbuck, of the First Zone, continues as supervisor of the Engineering Division.

George B. Porter was named Acting General Counsel. He has been Assistant General Counsel since November 1, 1931.

### Ratification of Acts Of Commissioners

Action taken April 19 - WKEK, Radionarine Corp. of America, New York, granted 60-day auth. to operate aboard the Vessel Santa Paula replacing ET-3674-R with ET-3674-A.

Action taken April 20 - WRAE, Radio Marine Corp. of America, New York, granted 60-day auth. to install additional 50-w. tube transmitter aboard Vessel Alabama; freq. 375-500 kc.; WEV, WIIY - RCA Communications, Inc., New York, granted spec. temp. 30-day extension of test period following CP for point to point stations. WQI, RCA Comm., Inc., granted same as above.

Action taken April 21 - WIEK, WIEL, Atlantic Brdstg. Corp., New York, granted auth. to use stations April 26 to May 2, inclusive, using 1542 kc. and 2475 kc., 50 w. for tests and air show in connection Columbian Navy crew race.