

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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NATIONAL BROADCASTING COMPANY, INC.

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## PRESIDENT OMITTS RADIO COMMISSION IN REORGANIZATION PLANS

President Roosevelt in submitting to Congress executive orders for reorganizing certain Government services, at a saving estimated at \$25,000,000, omitted any reference to the Federal Radio Commission.

It has been generally understood that the President would merge the Commission into a Radio Bureau in the Department of Commerce. The fact that he did not send his recommendations with regard to the Radio Commission to Congress at this time, leads to the conclusion that there is a hitch in the matter and he desires to give it further consideration, or that the Commission may be allowed to go along in its present form at least until after the International Radio Conference in Mexico City in July. There are even some who declare that the Commission will be allowed to continue indefinitely.

This is all a surmise, however, as thus far the President is not known to have discussed the fate of the Commission with anyone.

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## COMMISSION REFUSES TO ACT IN WIBO CASE

The petition filed with the Radio Commission requesting a reopening of the WIBO, Chicago, case, alleging "fraud" on the Radio Commission and the Supreme Court, was denied by the Commission. The grounds for the denial were that the Commission was without jurisdiction in the matter.

At least that is the way it was the way it was dressed up legally but off the record one of the Commissioners is said to have remarked that the Commission had no desire to make a "spectacle" of itself by trying to overrule Chief Justice Hughes and the United States Supreme Court.

The Supreme Court on May 8th in a sweeping decision sustained the Commission's original order that WIBO and WPCC, Chicago, be removed from the air and that their assignment of 560 kc to WJKS, Gary, be allowed to stand. The deletion of the two Chicago stations will now unquestionably be made. It will simply be a matter of carrying out the orders of the Commission and the Court.

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## C O R R E C T I O N !

It is with deep regret that we learn of inaccuracies in the account we sent out of the Federal Radio Commission hearing captioned, "Station Earnings Revealed At Hearing", having reference to Station WDRC at Hartford, Conn. This information came to us from what over a period of years has been an unusually reliable source and we are at a loss to understand how such an error could have been made in this particular case.

In the hope that it may lessen the embarrassment of those referred to, we are reprinting here the following letter received from Franklin M. Doolittle, General Manager of WDRC:

"My attention has been called to a statement entitled "Station Earnings Revealed at Hearing", in a news service issued by you.

"The conclusions which you draw with regard to the financial status of this station and the return to Messrs. Pickard, Lowman and Butcher are untrue and an injustice to them as well as to this station. I do not propose to go into the matter other than to say that \$5,000.00 was the initial investment in WDRC, Incorporation, owners of Station WDRC when the Corporation was organized approximately ten years ago. If you will consult the statement which you have evidently used in arriving at your conclusions, you will note that over a ten year period a considerable surplus has been accumulated which represents the present material worth of the Corporation without taking good will into account. Messrs. Pickard, Lowman and Butcher were not original stockholders in WDRC, Incorporation, but purchased their stock from original stockholders about three years ago and hence your estimate as to their investment is absolutely without foundation and is grossly inaccurate as are also your figures as to their returns on their investments.

"Your reference to Dr. N. I. Adams is also inaccurate as Dr. Adams is employed by this station only as a consulting engineer and does not receive a regular salary nor is he financially interested in the station.

"Your interpretation of the seventy-five or eighty per cent of commercial time is the most glaring error in your report of the hearing. Testimony revealed that of all time devoted to commercial programs seventy-five to eighty per cent was devoted to network commercial programs. This does not mean that seventy-five or eighty per cent of the time of the station is devoted to commercial programs. Your conclusion that most of the time of the station is devoted to commercial programs is, therefore, without foundation.



"One further error is the statement that I am connected with Yale University. I have not been connected with Yale University for seven years.

"This station asks that you retract these false and misleading statements in your bulletin in at least as conspicuous a manner as they were made."

We are very glad to do this and to offer our apologies to Messrs. Doolittle, Lowman, Pickard and Butcher, and again express our regret for any false impression which we may have created in the matter.

R. D. H.

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#### RADIO PROBE ASKED

A Congressional investigation into the Federal Radio Commission to determine the extent "the two large chain networks have been favored" was proposed in a resolution by Representative Ellzey, Democrat, of Mississippi. It was referred to the House Committee on Rules and will be considered at the next session of Congress.

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#### WBAL'S DIRECTOR GETS CIVIC AWARD

For distinctive service to the City of Baltimore, Frederick R. Huber, Director of Station WBAL and also Municipal Director of Music for Baltimore, has been named one of three citizens of that city to receive the civic awards offered by the Advertising Club of Baltimore. The reasons governing the award given to Mr. Huber in formal presentation at a club luncheon, to which the public was invited, were as follows:

Because in the face of a third year of depression he has succeeded in retaining every single activity of the Department of Municipal Music. He has won the support of municipal authorities and public so that Baltimore Symphony Orchestra concerts for adults and children and also the City Colored Orchestra and Chorus have been carried on uninterrupted.

Because while other cities were abandoning cultural programs, he brought back to Baltimore the Metropolitan Opera Company for its 13th consecutive season even in the face of the bank holiday which occurred at that time.



Because during the past year he correlated great works of art in the realm of painting with those of music at the Young People's concerts.

Because as Director of WBAL, he has offered the facilities of that station during the past year more than ever, especially to programs to reinforce public morale in times of stress, reaching his strongest association with various municipal and civic movements. Over this station the Baltimore Symphony went on a coast-to-coast radio hook-up for the first time and due to his activity.

Because his efforts in behalf of municipal musical activities in Baltimore, reaching a higher degree than ever in the past year, have inspired Mr. Kenneth Clark of the National Bureau for the Advancement of Music, to write on these activities a small volume which drew the attention of the country to Baltimore.

Mr. Huber has the distinction of having been America's first Municipal Director of Music, a Department which he organized in Baltimore 18 years ago and which attracted national musical attention in that it was the first department of music ever to be incorporated in any city government. In 1925, when Station WBAL first came on the air, Mr. Huber was called to be its Director. In addition, he is Baltimore representative for the Metropolitan Opera Company and is Manager of the Summer School of the Peabody Conservatory of Music. Through these various activities and interests, Mr. Huber has become known as one of the country's leading musical executives.

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#### SENATE SMOKES HOWE OUT ON SALARY

The Senate finally succeeded in finding out how much Louis McHenry Howe, the President's secretary, receives for his Sunday night broadcasts. This was revealed in a second hazing Mr. Howe received at the hands of the Senators.

Senator Vandenberg, of Michigan, following Mr. Howe's silence upon the subject when questioned by Senator Dickinson, of Iowa, said that he (Senator Vandenberg) had wired General Harbord at New York, President of the Radio Corporation of America, asking for the information.

General Harbord replied that he did not have the information himself but he was in the position to say that Colonel Howe himself would be very happy to provide it.

"I now have Mr. Howe's complete and detailed answer", Senator Vandenberg said to the Senate. However, I am somewhat perplexed in connection with it because it is labeled 'personal and confidential', which scarcely is in line with the objective to which I was addressing myself; but I find within the letter frank permission to abstract from the letter -

"The information you wish in connection with the facts as to my own contract."

"I respect Colonel Howe's request and use only the information referring to his own contract."

"I have been somewhat perplexed again to dissect out the information which I am entitled to use; but I believe I am entitled to report that Colonel Howe spoke originally twice upon the radio with a compensation of \$1,000 each time for 15 minutes; that his present contractual arrangement, covering a 10 weeks' revocable relationship, nets him \$900 for each 15 minutes; and that the total cost of his 15-minute radio hour, including the compensation for all concerned, is \$1,500, which is at the rate of \$100 per minute."

"When the Secretary to the President of the United States speaks in a radio hour in any such fashion as this radio hour is presented, regardless of all efforts to warn the country otherwise, the inevitable conclusion is that the White House has spoken by proxy to the Nation. You can undertake to draw any fine discriminations as you please, but that is the inevitable popular conclusion. Colonel Howe makes no such pretense, of course. Indeed, he undertakes to avoid it. But he cannot shed his White House role."

Whereupon Senator Vandenberg read an announcement from a radio trade magazine which concluded, "Colonel Howe is nationally recognized as the President's spokesman, and as such this series makes him the 'mouthpiece of the White House.'"

"That is about as near to an official, professional announcement of Colonel Howe's relationship to this radio hour as we could get", Senator Vandenberg said.

Senator Reed, of Pennsylvania, remarked that there should not be so much concern to the Senators about the \$100 a minute because it comes from a private purse.

"In less than a minute Colonel Howe costs the United States about \$100,000 in the purchase of the Conservation Service toilet kits", Senator Reed declared, "and that comes out of the Treasury of the United States." (Laughter in the galleries).

They laughed so uproarously, in fact, that the presiding officer found it necessary to admonish the gallery occupants.

Senator Vandenberg evidently resented the fact that Secretary Howe had criticized the Senate in connection with the Veterans' administration.

"No senatorial secretary will ever get a radio contract for \$100 a minute", he concluded. "I respectfully submit that there is no escape from the conclusion that the President's secretary capitalizes a high position, belonging to the Nation, for private gain."

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#### WESTERN UNION-POSTAL MERGER BLOCKED

The amendment to the Railroad Bill which would have permitted a merger of the Western Union and the Postal was killed in conference. Interests which were left out, such as the RCA, are said to have been responsible for the amendment's failure to be ratified. Senator Dill is said to have been among those who killed it.

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#### 45 COUNTRIES MAY REACH US BY RADIO PHONE

One of the large communication companies of the United States has recently installed apparatus at Opa-Locka, Florida, near Miami, for radio-telephone service. Eventually seven sets will be used to Central and South America including the one now in use to the Bahamas. Upon completion of these installations, forty-five foreign countries will be within telephone reach of the United States.

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Vice President Garner rejected a \$1,000 per week offer from a broadcasting company. Maybe he's afraid of disagreeing with Louie Howe and Ray Moley. - Washington Post.

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## JACK WATCHES HIS STEP

There is just a suspicion in well-informed circles that Vice-President Garner, refusing \$1,000 a week, the year round, to make one speech over the air, felt in addition to what he considered the lack of propriety of discussing political features in his position, that he might also run out of things to say. The Vice-President is not, and never was, much of a talker. And when he does speak, it is sometimes feared that he may politically "spill the beans." For this reason, it is understood that he will be muzzled during the greater portion of the administration.

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## "RADIO PROGRESS WEEK" IN OCTOBER

Announcement was made at the Radio Manufacturers' Association's convention in Chicago last week of plans for national "Radio Progress Week" to be held the first week in October as a united effort to stimulate sales of radio sets and tubes. The Association also took into consideration the National Industrial Recovery Act, and approved its general principles.

Earle Whitehorn, of McGraw-Hill Company, New York City, has been appointed campaign manager of Radio Progress Week. Promotion plans call for local radio and newspaper advertising on the part of dealers, jobbers and radio manufacturers throughout the country. The cooperation of national broadcasting chains to present special radio program that week will also be sought, Bond Geddes, General Manager of R.M.A. stated.

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## NEA CALLS FOR CLOSER REGULATION

Resolutions that radio broadcasting companies be placed under more strict Federal regulation were contained in a report submitted at the closing session of the National Editorial Association, at Indianapolis.

Walter D. Allen, of Brookline, Mass. was elected President of the Association.

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## CLEVELAND READY TO BEGIN WIRED RADIO

An authentic report from Cleveland is to the effect that they are all set for a try-out there of wired radio. The latest information is to the effect that two sub-stations of the Bell Telephone Company have been especially equipped for the service. Apparently about all that is holding it back is the depression. There will have to be an improvement in general conditions before the experiment is actually started. Everyone talked to seems to be very vague about the whole matter. Nevertheless, they are ready to start immediately whenever they receive the word to go.

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## ASHEVILLE NEWS BROADCAST DROPPED

News bulletin broadcasts have been discontinued over radio station WWNC, operated by a subsidiary company of the Asheville (N.C.) Citizen-Times company.

The decision was reached after the Associated Press limited bulletins broadcast to 30 words and indicated that an additional charge might be placed against newspapers furnishing their radio stations with A. P. news.

Before dropping the broadcast, however, listeners were asked to indicate their desire to have the service continued. Only a few requests were received, the paper reported.

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## RADIO ADVERTISING DECLINES

Expenditures for radio advertising in April are reported to have declined to 39 per cent under the corresponding month of last year.

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The next Intersectional Convention of the Institute of Radio Service Men is scheduled to be held at the Hotel Pennsylvania, New York City, October 2 to 4, 1933, for the benefit of those service men who live in the eastern section of the country.

Kenneth A. Hathaway, of 510 North Dearborn Street, Chicago, is secretary of the Institute.

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## NEW KDKA HEAD INTERVIEWED

William S. Hedges, former President of the National Association of Broadcasters and newly named General Manager of KDKA, Pittsburgh, was heard over a National Broadcasting Company network today. He was interviewed during the National Farm and Home Hour by Helen Stevens Fisher.

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## LOUISIANA STATION SUED OVER NEWS

Suit for an injunction against radio Station WDSU to prohibit the broadcast of news from newspaper columns was filed in Civil District Court in New Orleans last week by the New Orleans daily newspapers.

The petition was signed by The New Orleans Times Picayune, The New Orleans States and The New Orleans Item-Tribune. Judge W. L. Gleason issued an order to the radio station to show cause by 11 A.M. Monday (yesterday) why an injunction should not be issued.

The newspapers said in the petition that the suit was based on a decision of the United States Supreme Court that newspapers had a very definite and distinct property right in the news they gathered and distributed, and that it was illegal for any one to make use of this news, especially for commercial purposes.

"Some millions of dollars a year are spent by the New Orleans newspapers in collecting and distributing news", the petition said.

"Several of the local stations have been taking and broadcasting it. It is claimed that in cases the news had been sold by the stations as part of their paid advertising programs. Not seldom, it is alleged, pirated news reports have been garbled in the broadcasting, thereby spreading alarm in the community. Instances of this have happened during storms and in the recent financial troubles.

"The newspapers are held responsible for the matter they print. For that reason, they go to enormous expense and spend tremendous time in seeking to assure its accuracy. No such responsibility rests on the radio stations when they appropriate the news reports of the newspapers."

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## DECISIONS OF THE RADIO COMMISSION

### Applications Granted (June 13, 1933)

KGIZ, Grant City Park Corp., Grant City, Mo., renewal of license and dismissed application from hearing docket; 1500 kc., 100 w., unlimited time; KUJ, KUJ, Inc., Walla Walla, Wash., renewal of license, 1370 kc., 100 watts, 6 A.M. to local sunset; also renewal special authority permitting unlimited time exp. during next license period; KGCA, Charles W. Greenley, Decorah, Ia., authority to remain silent from July 15 to July 23, in order to permit personnel to take a vacation; WHAZ, Rensselaer Polytechnic Inst., Troy, N. Y., authority to remain silent on Monday nights from Aug. 7 to Sept. 4 incl. because station is operated by members of the Communication Engineering Dept. and are not available on Monday nights during this period; KIEM, Harold H. Hanseth, Eureka, Cal., authority to operate nighttime June 19, to broadcast election returns; WGNV, Peter Goelet, Chester Township, N. Y., authority to operate from 6 to 9 A.M., E. Daylight Savings time, for period of 1 week in addition to regular broadcasting schedule in order to make field intensity survey, particularly with respect to daytime coverage; WKFI, J. Pat Scully, Greenville, Miss., authority to remain silent for 90 days in order to rebuild transmitter.

Also, WBAA, Purdue University, W. Lafayette, Ind., special temp. authority to operate from 1:45 to 5 P.M. CST, Oct. 7 with power of 1 KW provided station WKBF remains silent; KFDY, S. Dak. State College, Brookings, S. Dak., special temporary authority to operate from 2 to 3 P.M. CST, June 30, provided station KFYR remains silent; WAZL, Hazleton Broadcasting Service, Inc., Hazleton, Pa., special temp. authority to operate a maximum of 4 hours daytime only, simultaneously with Station WILM, for period July 1, 1933, to Jan. 1, 1934;

Also, Dept. of Public Safety, Bureau of Police, Mt. Vernon, N. Y. (Mobile), special experimental C.P., frequencies, 34600, 41000, 51400, 60000-400000 kc., 4.5 watts; also same, except 25 watts power; City of Miami, Miami, Fla., C.P. for police service, 2442 kc., 100 watts; WPDZ, City of Ft. Wayne, Police Dept., Ft. Wayne, Ind., C.P. to increase power from 100 to 200 watts; Echophone Radio Manufacturing Co., Ltd., Portable & Mobile, Waukegan, Ill., general experimental C.P. 34600, 41000, 51400 kc., 20 watts; W2XCS and W2XCT, Town of Eastchester, N. Y., Dept. of Public Safety, Portable and mobile, license, general exp. service, frequencies 34600, 41000, 51400, 60000-400000 kc., 4.5 watts; (W2XCT same except 25 watts power); WHD, New York Times. Co., New York, N.Y. (operate by remote control), license for mobile press service 6450, 8360, 11355, 16720, 22250 kc., 500 w.; WPEW, Commonwealth of Mass., Dept. of Public Safety, Northampton, Mass., modification of C.P. extending completion date to July 21, 1933; WKEW, Hartung Aircraft Corp., Roseville, Mich., modification of C.P. extending completion date to June 23, 1933; KPE, City of Seattle, Harbor Dept., Seattle, Wash., modification of license to add frequency 12420 kc. (calling); Landon Cecil Herndon, Baltimore, Md., radiotelegraph 1st class license bearing 1st class endorsement on renewal of his 1st class radiotelegraph license.

Also, R.C.A. Communications, Inc.: WHR-WER, Rocky Point, N. Y., modification of C.P. to change equipment and change frequency 6710 to 6725 and call letters WER to WQO; New, Bolinas, Cal., fixed public point to point telg. license 6710 kc., 40 KW; Radiomarine Corp. of America: WSV, Savannah, Ga., modification of license to add working frequency of 137 kc.; KPK, Portland, Ore., modification of license to change working frequency 141 to 131 kc.; KPK, Portland, Ore., modification of license to substitute working frequency 131 for present work frequency 141 kc.; KIP, American Radio News Corp., Redwood City, Cal., modification of C.P. extending commencement date to May 31 and completion date to Dec. 1, 1933; also modification of C.P. extending commencement date to June 15 and completion date to Jan. 15, 1934.

### Renewal of Licenses

The following stations were granted renewal of licenses for the regular period: WAZL, Hazleton, Pa.; WELL, Battle Creek, Mich.; WPFB, Hattiesburg, Miss.; WQDM, St. Albans, Vt.; WRAM, Wilmington, N. C.; KCMC, Texarkana, Ark.; KFJZ, Fort Worth, Tex., KFLX, Galveston, Tex.

### Ratifications

Action taken June 3: WIEX, National Broadcasting Co., Inc. New York, authorized to operate portable and mobile pickup transmitter during period June 5 to June 14, incl. on frequencies 1366 and 2390, 50 watts; KOZB, Radiomarine Corp. of America, Washington, D. C., granted temp. authority (60 days) to operate station aboard CITY OF OMAHA, pending receipt of formal application; Action taken May 20: WODX, Mobile Broadcasting Corp., Mobile, Ala., extension of special authority for 10 days, to operate with 250 watts pending repair of generator; Action taken June 5: KUTT, Radiomarine Corp. of America, Washington, D. C., temporary authority to operate additional transmitter aboard Vessel Birmingham City, frequency frange 375 to 500 kc., 50 watts; June 8th action: Clinton Haith, Baltimore, Md., temporary authority to sail as operator on SS "George S. Henry" pending issuance of renewal of commercial 1st class license; KODN, Radiomarine Corp. of America, Washington, D. C., 60 day authority to operate additional transmitter aboard vessel "Endicott", frequencies 375 to 500 kc., 50 watts.

Action taken June 3: WHER, Westinghouse Electric & Manufacturing Co., E. Pittsburgh, Pa., permission granted to operate broadcast pickup station June 3 to 9 incl. 2390 kc., 15 watts; Action taken June 6: WCOG, Mississippi Broadcasting Co., Inc., Meridian, Miss., special temp. authority to reduce hours of operation from unlimited to specified; KGKL, KGKL, Inc., San Angelo, Tex., special temp. authority to reduce hours of operation from unlimited to the specified hours; KIFI, Dr. George W. Young, Minneapolis, Minn., permission to use Station KIFI for pickup transmitter on June 11, frequency 1518, 10 watts; KGDA, Mitchell Broadcasting Corp., Mitchell, S. Dak., authorized to remain silent pending entry of further order and pending consideration of petition for reconsideration; WBDH, Radiomarine Corp. of America, granted tempor. auth. to operate transm. aboard "Isle Royale" pending receipt of formal appl. freq. range 375 to 500 kc. 250 watts.

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