

HEINL RADIO BUSINESS LETTER

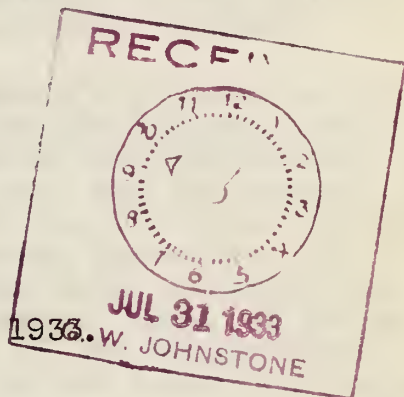
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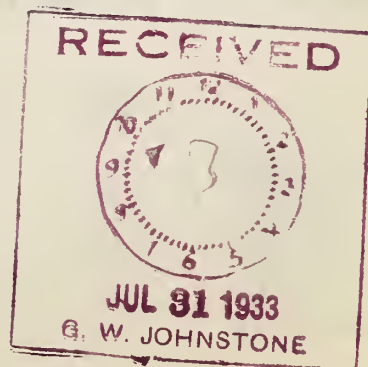
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No. 642



NEWTON BAKER CONFERS WITH ATTORNEY GENERAL

There is considerable speculation as a result of a conference in Washington early in the week between Newton D. Baker, of Cleveland, former Secretary of War, and Attorney General Cummings at the Department of Justice. Neither the Attorney General nor Mr. Baker would reveal the topic of their discussion. It was said at the Department, however, that no agreement had been reached.

The natural conclusion as to Mr. Baker's mission was that, inasmuch as he has been retained as counsel by the National Association of Broadcasters in the controversy between the Broadcasters and the American Society of Composers, that that was the object of his errand. Color was lent to this theory by the fact that earlier in the day Mr. Baker and his law partner, Joseph Hostetler, of Cleveland, met with Alfred J. McCosker, of New York, President of the National Association of Broadcasters, Isaac D. Levy, of Philadelphia, Chairman of the Financial Committee of the Broadcasters, and Oswald F. Schuette, who has been directing the copyright fight.

In the meantime, it has been learned definitely that an informal complaint has been lodged against the Composers, evidently by the Broadcasters, at the Federal Trade Commission, and that the Commission is giving it serious attention.

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OVER TWO MILLION TAXES PAID BY RADIO

During the first year's operations of the new Federal 5 percent excise tax on radio and phonograph records, the industry has paid \$2,206,763.39 to the Government, much less than the estimates of the Treasury Department to Congress when the law was under consideration.

Internal Revenue Bureau collections during June of the 5 percent tax amounted to \$165,646.40, according to an official statement just released in Washington. June collections on mechanical refrigerators were \$642,727.48.

Treasury experts originally estimated that between ten million and eleven million dollars would be secured from the 5 percent taxes on radio and phonograph apparatus. The new law became effective June 20, 1932, and following are the records of Government collections for the past year:

<u>1932</u>		<u>1933</u>	
June 20 to July 31	- \$ 32,848.57	January	- \$283,425.27
August	- 76,445.47	February	- 173,987.32
September	- 165,710.65	March	- 149,859.86
October	- 218,722.70	April	- 138,587.02
November	- 298,577.86	May	- 110,747.70
December	- 392,204.81	June	- 165,646.40

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WARNS AGAINST POLITICALLY COATED SERMONS

Licensees of broadcasting stations should check carefully political arguments over their stations, delivered under the guise of "sermons", James H. Hanley, a member of the Federal Radio Commission declared at the Commission.

This matter was brought to the attention of Mr. Hanley by a letter from Hubert La Due, of Yucaipa, California, who wrote:

"I wish to call to your attention a condition that I -- along with many others -- feel is utterly wrong.

"During recent months especially, and probably for the years to come, unless a stop is put to it, the 'reform' type of ministers, under guise of sermons, have been waging a rabid, almost vicious, fight in behalf of the Eighteenth Amendment and against Repeal.

"Now, this is their right. But when anyone uses the radio to speak in behalf of repeal, or for ratification of the 21st Amendment, he is required to stamp his address as a 'political talk'. The announcer is required to introduce and to conclude the speech with the words, 'This is a political talk; this station is neutral and the speaker does not necessarily express the opinion of this station', or words to that effect.

"When such an announcement is not made, before and after a speech, a much different impression is given the listeners. It detracts considerably from the weight of any political speech, yet it is utterly fair.

"But when political argument is served up in the guise of 'sermons', it puts the opposing side at tremendous disadvantage.

"I respectfully submit that all reformers, ministers or otherwise, fighting the 21st Amendment, either be required not to mention Prohibition -- pro or con -- or else that the station be required to introduce and to end such addresses with the usual 'political' clause."

While the situation referred to by Mr. La Due is not specifically covered by the Radio Law of 1927, as amended, or by regulations of the Commission, it is a matter which is worthy of serious study.

It would seem that in the interest of harmony and goodwill the licensees of stations would treat alike representatives of both sides of controversial questions. For station owners to stamp an address in favor of repeal of the 18th Amendment as a "Political Talk" and to allow "Sermons" opposing repeal to be delivered without such a designation, of course, is rank discrimination and should not be countenanced.

As Mr. La Due points out in a post-script, the opinion of the wets is of no more value, perhaps, than the opinion of the drys, but they should argue over the air under exactly the same rules.

Nor should speakers over the air be allowed to argue a controversial matter deftly and subtly while discussing another topic. In such cases, in my judgment, the licensee would be justified in cutting the speaker off the air.

In the Radio Law specific instructions are laid down relative to the use by candidates for public office of radio stations in their campaign. It is set forth that if the licensee of a radio station permits one candidate to use its facilities, the same privilege must be extended to other candidates for the same office, but the licensee is not obliged to allow the use of his station by any candidate. That section of the law is eminently fair and just and should be a guide for all broadcasters in handling controversial matters.

While the law says the licensee has no power of censorship over material broadcast under the clause relative to the use of a station by candidates, it is the solemn obligation and duty of broadcasters to scan carefully all other material used over their stations, for the Court of Appeals in the District of Columbia, in a celebrated decision in a radio case, recently quoted the Biblical injunction "By Their Fruits Ye Shall Know Them" for the guidance of the Commission in evaluating stations and in determining whether they are operating in the public interest, convenience and necessity.

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RADIO INDUSTRY PROSPERITY CAMPAIGN

The Radio Industry has organized under the Radio Manufacturers' Association to lift itself out of the depression this Fall with a September Radio Prosperity campaign. This will be an intensive National Sales Drive through the month of September, with a local campaign committee in every city, working together to increase the sale of new sets, tubes, parts and accessories. It will reach a climax in Radio Progress Week October 2-7. A week of special broadcasting programs to develop popular appreciation of modern radio broadcasting and equipment and to enlarge the radio audience.

Headquarters have been established at 330 West 42nd St., New York City by Earl Whitehorne, director of the drive.

Mr. Whitehorn declared that Radio Progress Week shall be a gift of music and entertainment to the American people that will bring them a new appreciation of the extent to which radio is enriching their lives.

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RADIO STATION COOPERATION FOR ROOSEVELT URGED BY McCOSKER

This appeal has been made by Alfred J. McCosker, President of the National Association of Broadcasters to all stations:

"The National Association of Broadcasters has pledged its active cooperation to the National Recovery Administration in the campaign to arouse popular support for President Roosevelt's undertaking to create jobs for the jobless and end unemployment for as many as possible in the quickest possible time.

"An advisory committee on radio broadcasts consisting of Alfred J. McCosker, President of the National Association of Broadcasters; Frank M. Russell, Vice-President of the National Broadcasting Company; Harry C. Butcher, Director of the Washington Office of the Columbia Broadcasting System; Martin Codel, Publisher of Broadcasting, and Philip G. Loucks, Managing Director of the National Association of Broadcasters has been appointed by the Administration. This committee recently held a meeting in the offices of the National Association of Broadcasters with W. B. Dolph, in charge of the Administration's radio broadcasting activities for the purpose of making effective radio cooperation.

"It was agreed that all stations cooperate closely with their local committees, now being organized throughout the country, by providing time on the air to speakers officially designated by such committees and that attempts be made to persuade advertisers to include in their programs brief announcements to be furnished from headquarters of the Administration.

"The networks will continue to broadcast speeches by leading government officials who will discuss policies of the Administration as well as report on the progress of its activities.

"It was recommended that the Administration give careful consideration to the making available of electrical transcriptions to stations not having network affiliations and that the telephone companies be requested to cooperate in extending wire circuits to non-network stations with a view to giving the widest possible circulation to the most important announcements by government officials.

"The Administration will send to cooperating stations material for broadcasting use as well as suggestions for the use of such material.

"Obviously, the committee has spoken for members of the National Association of Broadcasters, promising both the letter and spirit of cooperation with the Administration.

"As President of the National Association of Broadcasters, I urge you to fulfill the promise made by the Association to the Administration and to support enthusiastically President Roosevelt's Recovery program with the zeal heretofore demonstrated by broadcasters in efforts of great public interest."

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CENTURY OF PROGRESS EXPOSITION HAS FINE RADIO EXHIBIT

Although considerable has been written about the important exhibits at the Century of Progress Exposition, very little has been said regarding the radio display. It has remained for F. P. Guthrie, District Communications Manager at the Radio Corporation of America in Washington, to bring back a good account of this.

Giving his impression of what he saw along the lines of radio, Mr. Guthrie said that he rather hesitated to talk about the radio display as a whole because he had paid more attention to the exhibits of his own concern. Nevertheless, there appears to be little that he missed.

"Radio is given considerable recognition at the Century of Progress Exposition in Chicago", Mr. Guthrie said. "One wing of the large Electrical Building is devoted to communications, and over one of the entrances appears the word "R A D I O" in large letters.

"Naturally, the largest radio exhibit is that of the companies affiliated with the Radio Corporation of America. George H. Clark, who for many years has been the custodian of RCA's historic exhibit, has on display many historic pieces of equipment showing the gradual processes of development through which radio has gone, from the first tube receiving set up to the most modern receiver."

There are also working models of the radio compass, and another attractive working model illustrating services rendered by the Radiomarine Corporation of America in saving life at sea by radio, Mr. Guthrie continued.

The RCA Radiotron Company has a complete exhibit showing the manufacture of radiotrons. Radiotrons are actually manufactured before the eyes of the visitors and there is always a crowd around this exhibit.

R.C.A. Communications, Inc. has on display the equipment used to transmit and receive messages in the international Morse code, and visitors to the Fair may write out messages to themselves at the transmitting desk, see the operator punch the tape just as would be done in actual transoceanic communication, and see and hear the message being received at another desk a few feet away.

RCA Victor, in addition to having a complete display of its receiving sets, has its famous "Color Organ" in a very prominent position. Also, the RCA Victor's automatic Electrola is conspicuously displayed, a small auditorium being provided with one of the machines on the stage arranged with a large mirror to show the operation of the automatic record change, and the seats of the auditorium are almost always filled by visitors taking the

opportunity to rest for a few minutes and, at the same time, listen to the music and watch the operation of the machine, which is entirely automatic.

Other branches of communications are represented by displays of the Western Union Telegraph Company, Postal Telegraph Company, and the American Telephone and Telegraph Company, but less emphasis is laid on radio in these exhibits, although in connection with the Postal's exhibit, the apparatus used by the Mackay Radio and Telegraph Company is on display, and both the Postal and Western Union exhibit cable transmitting and recording equipment. It is interesting to compare the tape used for radio reception and the tape used for cable reception. Both devices use a syphon recorder which operates on the same principle, but radio dots and dashes seem to laymen to be somewhat easier to decipher, since the dashes are obviously longer than the dots. On the cable tape, however, the dash is represented by a mark on one side of the center line of the tape, while the dot is represented by an exactly similar mark on the other side of the center line. The same arrangement for visitors to send messages to themselves is provided by the cable companies as described above for radio messages.

One interesting feature of the cable tape, referred to above, is that the cable signals being sent for only a distance of a few feet, are beautifully sharp and distinct, as compared to actual cable tape used for the reception of messages over several thousand miles of cable; it is often a mystery to the uninitiated how the irregular lines on such tape can be deciphered by the operators. On the other hand, the radio tape, even when receiving messages from stations on the opposite side of the earth, is often just as clean-cut and distinct as in local reception.

Not so much attention is paid to television in the communications wing of the building, but it was noted that there was a television display in the Electrical Building in connection with the exhibit of the Hudson Motor Car Company. An auditorium is provided with a large sign over the door, reading, "TELEVISION DISPLAY EACH HOUR", and there is usually quite a long line of people waiting for the next performance.

When visitors are admitted, they are first shown a motion picture concerning the Hudson and Essex cars, and are then given a very fair demonstration of television. The lecturer cautions the visitors against expecting too much, and he explains in simple language the general principles of the operation of the equipment. He then goes to the back of the auditorium and takes his seat before the transmitter, whereupon his face appears on the television screen on the stage and he continues the talk which he had begun in person before the audience, microphones and loudspeakers being used in conjunction with the television. Later, several members of the audience are invited to go back to the transmitter so that their face may be seen on the screen and recognized by their friends. No mention is made by the lecturer as to the type of equipment used nor the manufacturer of it, as, of course, it is only incidental to the display of the Hudson Motor Car Company.

"Various applications of radio are in evidence throughout the grounds", Mr. Guthrie concluded. "A system of loud-speakers mounted on poles throughout the grounds pours out music practically all day long, and many of the advertising displays use microphones and loud-speakers to attract the visitors. Quite a contrast in these devices can be noted, some of them being obviously very poor, but one of the best is installed on the submarine, whose barker is continually inviting visitors to inspect the submarine, and broadcasts in detail its size, construction, and so forth, which can be clearly heard and understood over a considerable portion of the grounds, as compared to many of the others where the speaker can hardly be understood when within a few feet of the loud-speaker."

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WJSV MUST ANSWER COMPLAINT OF WHOM

The protest of Station WHOM, Jersey City, against WJSV, across the Potomac from Washington, alleging interference with reception in New Jersey since the installation a few weeks ago of a new type antenna by WJSV, was recognized last week by the Federal Radio Commission.

The case is expected to come to formal hearing before the Commission this Fall. The Commission, at the same time, ordered the suspension of regular authority to WJSV to operate with its present equipment and substituted a "special authorization" to operate with its present facilities in the interim.

Station WHOM had previously informed the Commission that the new directional antenna installed by WJSV to eliminate interference with the Naval Research Laboratory at Bellevue, D.C. actually laid down a strong signal in the direction of Jersey City, causing serious interference there. WJSV operates on the 1460 kilocycle channel with 10,000 watts power, and its only 10 kilocycles removed from the 1450 kilocycle wavelength on which WHOM operates.

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BROADCASTERS' ASSOCIATION PUTS REEMPLOYMENT UP TO MEMBERS

The following letter has been sent to all National Association of Broadcasters members signed by Alfred J. McCosker, President of the Association, and Phil Loucks, Managing Director:

"The President's Reemployment Agreement has the complete endorsement of the National Association of Broadcasters. In view of the fact that patriotic and humanitarian considerations are the basic factors, we believe each member should arrive at individual determination concerning signing of the Agreement."

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TELEVISION GROUP FORMED

The National Television Association was formed in Chicago at a meeting of 50 television manufacturers and experts. Martin J. Wade, Jr., Chicago, was elected President; John V. L. Hogan, New York, Vice-President; and Arthur Stringer, Chicago, Secretary and Treasurer. President Wade said the Association will work to "protect the television industry in the allotment of wave bands by the Federal Radio Commission."

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NO SING SING DELAY, COMMISSION CONTENTS

Warden Lewis E. Lawes, of Sing Sing, declaring that he had waited four months for Federal approval for his short wave broadcasting station at Sing Sing, as reported in a dispatch from Ossining, met with ready denial at the Radio Commission.

It was said that Warden Lawes made his original application May 9th but that it was returned to him because it was improperly filled out. The Commission again received the application of Warden Lawes May 15, this time in correct form, and it was granted June 23, which it is maintained was the time required to give it necessary consideration and to allocate the station properly on the police frequency.

The short wave station at Sing Sing is designed primarily to spread alarms and for the apprehension of escaped prisoners.

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IF THE PRESIDENT HAD BEEN CUT OFF

In President Roosevelt's Economic Recovery broadcast, he referred to "the continuing descent into the economic hell of the past four years."

There is a standing order in every broadcasting station that the operator upon hearing "hell" or any word of profanity uttered, shall instantly cut the speaker off the air, no matter who he is. This has been done on several occasions.

"What if some dumb operator had literally followed his instructions upon hearing President Roosevelt say 'hell' and cut him off?" a friend, who had heard the broadcast, remarked. "Wouldn't that have created a situation equivalent to the meaning of the word?"

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TECTRON CO. STARTS ANTI-TRUST ACTION

Tectron Radio Corp. is suing RCA, General Electric and Westinghouse jointly for \$3,000,000 damages under the Clayton Act in the U. S. District Court and also for another \$500,000 in the N. Y. Supreme Court in a civil action, all based on the same general anti-trust charges.

The electricians have just filed answers to the allegations making general denials and asking for dismissal of complaints, although admitting the controlling and pooling of over 4,000 patents on radio tubes and coils, but stating affirmatively that this was all done in the interests of furthering the art of radio broadcasting dating from the initial experimental days revolving about KDKA, Pittsburgh.

A licensing arrangement for radio tubes figures in the extensive complaints prepared by Mackey, Herrlich, Vatner & Breen for Tectron, of which Nathan Goldman is President and Robert Robins, Secretary.

It is stated, at the Mackey firm's offices, that a \$75,000 settlement offer has already been proposed.

Defense counsel includes Cotton, Franklin, Wright & Godron and Charles Neave for RCA; Cravath, de Gersdorff, Swaine & Wood for Westinghouse, and Heber Smith for General Electric.

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MRS. HOWELL OPENS GENERAL RADIO RESEARCH OFFICE

Mrs. Fina M. Howell has left the Federal Radio Commission to open an office of her own in the Navy League Building at 18th and E Streets, N. W., Washington, D. C., to handle general radio research work.

Mrs. Howell, who was for more than three years with the Commission, has a thorough knowledge of its activities and in addition is an accomplished linguist. She accompanied the American Delegation to the International Radio Conference at Madrid as translator and also acted in a similar capacity at the second meeting of the C.C.I.R. at Copenhagen in 1931.

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C O R R E C T I O N

It was inadvertently stated in the last issue of the Business Letter that Dr. Leon Levy, Vice-President of Columbia, of Philadelphia, was among those present at the White House last Monday at the time of President Roosevelt's Economic Recovery broadcast. Instead, it was Dr. Levy's brother, Mr. Isaac D. Levy, of Philadelphia, who attended the broadcast.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted (July 28, 1933)

WACO, Central Texas Broadcasting Co., Inc., Waco, Texas, modification of C.P. to extend commencement date to at once and completion date to Dec. 30, 1933; WSEN, The Columbus Broadcasting Corp., Columbus, Ohio, license authorizing local move of transmitter 1210 kc., 100 watts, unlimited time; WEHC, Emory & Henry College, Charlottesville, Va., consent to voluntary assignment of C.P. to Community Broadcasting Corp.; WGN, WGN, Inc., Chicago, Ill., temporary renewal of license and designated application for hearing; also same for auxiliary transmitter; WSFA, Montgomery Broadcasting Co., Inc., Montgomery, Ala., special temporary authority to operate from 7:45 P.M. to 12 midnight, CST, for period ending Sept. 10, 1933, provided station WODX remains silent; WEW, The St. Louis University, St. Louis, Mo., extension of special authority to discontinue operation except to broadcast all government reports, from August 1 to Sept. 1, 1933.

Also, Ames-Skyways, Inc., East Boston, Mass., two aviation - airport C.P. 278 kc., 15 watts; KGPE, City of Kansas City, Mo., Kansas City, Mo., C.P. to construct additional transmitter at present location, for police service, 2422 kc., 400 watts; W8XO, Crosley Radio Corp., near Mason, Ohio, general experimental C.P. to extend completion date to Feb. 7, 1934; KGSE, Aeronautical Radio, Inc., Municipal Airport, Iowa City, Ia., aviation license, 278 kc., 15 watts; Herman Hobi, Eugene, Ore., authorized to be reexamined at his convenience, for radiotelephone second class license (valid only for telephone operation of stations in aviation service); KGYS, Adam William Lipke, Saldovia, Alaska, modification of license to change frequency 178 to 246 kc.;

Also, Bell Telephone Laboratories, Inc., Mendham Township, N.J., special experimental license to use transmitter previously licensed to general experimental station W3XR for purpose of conducting tests, 2530 kc., 500 watts; City of Aberdeen, Aberdeen, Wash., C.P. for police service, 2414 kc., 50 watts; WPFV, City of Pawtucket, Pawtucket, R. I., modification of C.P. extending commencement date

to August 1, 1933; Benjamin Wolf, Grand Island, Neb., endorsement on 1st class commercial license for 1st class authority for radio telephone service; City of Atlanta, Ga., Police Dept. (Portable) general experimental C.P. to be used to make field strength measurements to find new location for transmitter of police station WPDY, 2414 kc., 100 watts.

Ratifications

Action taken July 22: WTBO, Associated Broadcasting Corp., Cumberland, Md., granted temporary authority to remain silent pending repair of power lines, for period of 10 days; Action taken July 24: WDEQ, Radiomarine Corp. of America, Aboard "Nellwood, 2nd", Washington, D. C., granted 60 day authority to operate aboard vessel pending receipt of formal application 313 to 500 kc. 200 watts; KGBN, Same Co., aboard "Robin Goodfellow", Washington, D. C., same as for WDEQ except vessel "Robin Goodfellow"; W9JZS, Glenn Fea, Knoxville, Ia., granted temporary authority to operate amateur station at Marion Co. Fair Grounds, Knoxville, Ia., from August 7 to 20, 1933; WIEH, Knickerbocker Broadcasting Co., Inc., New York City, authorized to operate Station WIEH from July 25 to 29, 8 to 8:45 P.M.; Action taken July 25: KGBX, KGBX, Inc., Springfield, Mo., the Commission reconsidered its action of June 30, by which it granted in part the application of KGBX, and granted station authority to operate from sunset to midnight CST.

Miscellaneous

The following stations were granted renewal of licenses for the regular period: WINS, New York; WKAR, E. Lansing, Mich. and KFVD, Los Angeles.

WPG, WPG Broadcasting Corp., Atlantic City, N. J., the Commission reconsidered its action of July 11, in granting this station a regular license, and granted a temporary renewal of license, and designated application for hearing because its facilities have been applied for; WSAZ, WSAZ, Inc., Huntington, W. Va., granted renewal of license 1190 kc., 500 watts, limited time, sunset WOI, also granted special experimental temporary authority to operate with an additional 500 watts power; KFAC, Los Angeles Broadcasting Co., Inc., Los Angeles, Cal., granted special temporary authorization to operate unlimited time pending Commission decision on application requesting a change of hours to unlimited. This special authority in no event is to extend beyond 3 A.M. EST, Nov. 1, 1933.

Press Wireless, Inc., Chicago, Ill., denied 3 applications for general experimental work for stations in Hicksville, N. Y., Chicago and San Francisco, denied one application for special experimental license for station at Elgin, Ill., and also denied application for multiple address radiotelephone license for station in Chicago. These applications were heard by the Commission en banc on May 17, 1933.

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