

# HEINL RADIO BUSINESS LETTER

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*Miss Spurgeon*

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## NAB LINES UP WITH JOHNSON ON CODE

General Hugh S. Johnson, Administrator of the NRA, was advised on August 1st by Philip G. Loucks, Managing Director of the National Association of Broadcasters, that the Association "is now at work developing a code for broadcasters.

"President Alfred J. McCosker has appointed a committee which has addressed a questionnaire to all broadcasters with a view to obtaining information upon which a code will be drafted for submission to the National Recovery Administration", the letter states.

"Every effort will be made to have the code agreed upon and ready for submission at the earliest possible date."

Questionnaires mailed to all stations on July 31st are pouring in to the Washington headquarters of the Broadcasters' Association, and information contained therein will be used as the basis for the broadcasters' code. There is no need to stress the importance of each station supplying the information requested at the earliest possible date. Stations are cooperating generously in making the publicity campaign successful and the drafting and filing of a code is essential to make broadcasting's compliance with the letter and spirit of the law complete.

In dealing with industries submitting codes, officials of the NRA are urging each business unit to cooperate with the trade association representing its industry. Such cooperation not only expedites action, which is important, but makes for better representation of the industry involved.

The National Association of Broadcasters, in drafting and submitting a code, will represent the broadcasting business but this representation can be more effective from every point of view if every station joins up and does its part. Nothing would be more beneficial to the broadcasters and more helpful to the NRA than if all 610 licensed stations joined together in a single body under the Broadcasters' Association and worked cooperatively toward the achievement of the letter and spirit of the National Recovery Act.

In an effort to perfect the broadcasters' organization, the NAB at St. Louis, last November, reduced to \$60.00 a year dues for stations whose gross business during the 12-month period immediately preceding December 1, 1932, did not exceed \$30,000.00. It is estimated that about 200 stations will fall within this classification.



## STRATOSPHERE NOT SO GOOD FOR RADIO BACKERS

The stratosphere balloon ascension proved a disappointment to the National Broadcasting Co., one of its sponsors, because there wasn't time to notify listeners when it would start. Word reached Washington about 5 o'clock Friday afternoon (August 4) that the balloon would go up at midnight and that a description of its ascent would be made at that time.

This was too late for the evening papers and too early for the morning papers, with the result that though there were several broadcasts preliminary to Lieutenant Commander's departure, only those who happened to be listening in knew about them.

The balloon finally went up at 2:50 o'clock, EST, Saturday morning. Nothing was heard by radio from Commander Settle after he left.

Thus not only the NBC was left in the dark, but also the Chicago Daily News, another sponsor. The third sponsor of the event, however, cashed in big. This was the Century of Progress Exposition, which seems to have a lucky break in most everything it does. Not only has the Exposition been kept in the public eye by the stratosphere attempt, but thousands upon thousands were attracted to the Exposition grounds to witness the start.

The balloon was equipped with such a powerful radio apparatus that Prof. Auguste Piccard had expected to talk to Commander Settle from Belgium.

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## ILLINOIS STATION TURNED DOWN ON DAYTIME INCREASE

Ralph L. Walker, Examiner at the Federal Radio Commission has recommended that the application of Station WILL, the University of Illinois at Urbana, to increase its daytime power from 500 to 1000 watts, be denied.

The Examiner states that "serious and objectionable interference now exists between Stations WILL and WENR, due to insufficient mileage separation. The granting of the present application would increase this interference and further restrict the good service area of Station WENR. It does not appear that public interest, convenience and/or necessity would be served by granting the application.

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## EARLY FALL "S R O" SIGN LIKELY TO BE HUNG OUT BY NBC NETWORKS

"The Standing Room Only" sign may be exhibited in the National Broadcasting Company's advertising lobby, according to George F. McClelland, NBC's Executive Vice-President in Charge of Sales.

"We have seen it coming", said Mr. McClelland in speaking of the rush for network operations on preferred times. "As much as three months ago, I prophesied that the so-called Summer 'tapering-off' would abruptly halt and a veritable rush for time start. It is now a fact that NBC scarcely has an available 15-minute period in the evenings on either network after September 1st. Nearly every old customer has signed for as much or more time on NBC networks beginning in September."

"The hegira to the NBC networks may have been caused in no little measure by the activities of the President's Industrial Recovery Act now about to be placed into active force. Whatever the individual's opinion of its final outcome, none will admit that NIRA is lacking in potentialities and is accountable for the prevailing strong upswing to business", according to the NBC Trade News Division.

"National advertisers aren't going to miss the opening act of the 'New and Bigger Business Deal.' They'll not only keep their season's box seats but will very probably buy up the choicest aisle seats to steal a march on competition. These national advertisers know from previous experience - even depression experience - that Broadcast Advertising will pay back every cent spent on the regular seats, on the extra seats they are buying. The newcomers to the air have the old-timers' word for it.

"However, down the list of agencies who place the majority of business with NBC, it is learned that no less than 25 shows are being planned and are taking shape under the direction of the ad agencies' radio directors. If the 'pre-views' of most of the shows are any indication, this Fall and Winter should indeed be a 'New Deal' for listeners."

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## MILAN GIVES RADIO SHOW

The Fifth Annual Radio Show to be held in Italy will be in that familiar centre of Italy's industrial life, Milan, and will be inaugurated in September.

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## MEXICO STANDING PAT FOR RADIO CHANNELS

The latest advice from Mexico City is that the Mexicans are clinging to their demand for numerous clear channels and that the North American Radio Conference will adjourn without an agreement on this.

One report reaching Washington is that the Mexicans held out for 12 clear channels and another that they demanded six for stations along the United States border. The Cuban, Nicaraguan and Costa Rican delegations are said to have supported Mexico in this demand.

The Canadians, it is understood, have taken no part in the channel controversy so it would seem that they must be satisfied with what they have. If no agreement is reached with regard to the assignment of Mexico's border stations, and there is no change of policy on the part of the Mexican Government in respect to these stations, the situation already there is likely to become worse.

Station XER, at Villa Acuna, operated by the well-known Dr. Brinkley, of Milford, Kans., is already causing serious interference to stations in this country with his 75,000 watts power. If through the representations of former Vice-President Curtis, who is in Mexico City acting as his unofficial observer, he is allowed to step his power up to 150,000 watts, even more etherial havoc may be created in this country. Our highest powered station is 50,000 watts.

However, stations in the United States are under the strictest scrutiny with regard to keeping on their assigned frequency. There is said to be none of this in Mexico, with the result that they "wobble" and are liable to be found most anywhere. Also, we have no agreement with Mexico as we have with Canada for a definite frequency assignment for these stations. Experiments are now being made prior to the opening of Norman T. Baker's station XENT, at Nueva Lauredo. Baker's old Station TNT was closed down in Muscatine, Ia. He expects to use 150,000 watts in Mexico.

Furthermore, the Mexican Government has authorized the construction of a 100,000 watt station at Pedras Negras, and still another of 500,000 watts, which would be one of the two largest in the world, at Matamoras. Russia has the other one. The Mexican government has indicated, however, that it may curb objectionable medical talks.

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## RADIO LEADERS PROMINENT IN NEW YORK RECOVERY DRIVE

One of the first things Grover Whalen, of John Wanamaker's, Chairman of President Roosevelt's Recovery Drive in New York City, did was to appoint a strong Radio Committee. Its members are as follows:

Merlin H. Aylesworth, President National Broadcasting Company; William S. Paley, President, Columbia Broadcasting System; Donald Flamm, President, WMCA; Alfred J. McCosker, President, National Association of Broadcasters, and Emil Gough, President, WINS.

Among those whom Mr. Whalen appointed to his Executive Committee were Gen. James G. Harbord, Chairman of the Board, Radio Corporation of America, and Owen D. Young, Chairman of the Board, General Electric Company.

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## WYNN SIGNS BISHOP OF CHINATOWN

Tom Noonan, beloved "bishop" of Chinatown, has signed a 52 week contract with the Amalgamated Broadcasting System, Ed Wynn's new network.

"The Cathedral of the Underworld", under which title the broadcasts will be heard, will include the regular services from the Bowery Mission House, Chinatown, New York City.

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## RKO FORECLOSURE MOVE EXPLAINED

The foreclosure action against the Radio-Keith-Orpheum Corporation brought last Saturday, Aug. 5 by the Chemical Bank and Trust Co., as trustee of the corporation's 6 per cent gold debentures, will not affect the operation of RKO by its present management, M. H. Aylesworth, its President, said yesterday (Monday).

The foreclosure, he said, was merely a legal step to bring the trustee and the interests of the debenture holders within the supervision of the court, which is administering the receivership.

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## NBC SPLASHES FORTH WITH NEW MERCHANDISING PUBLICATION

In the interests of effective selling by radio, the National Broadcasting Co. has issued the first number of a new periodical called "Broadcast Merchandising." The new publication, four pages in size, measures 9 by 12, will be issued from time to time.

In its initial issue, "Broadcast Merchandising" features an article by Lee Bristol, Vice-President of Bristol-Myers, Inc.

"How Etiquette is Merchandised to Sell Cellophane" is another leading article that tells of the example of aggressive radio merchandising the du Pont Company effected in connection with its Emily Post series.

A column entitled "Sparks" lists current sponsors' offers, tie-ins. Two more short subjects, "Selecting the Radio Offer" and "Phrasing the Radio Tie-In" complete the lineup of contents.

A copy of "Broadcast Merchandising" may be secured upon request from E. P. H. James, Sales Promotion Manager, NBC, 711 Fifth Avenue, New York City.

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## RADIO OUTPUT IS RECORD

According to LeRoi J. Williams, Vice-President and General Manager of Grigsby-Grunow Co., manufacturers of Majestic radios and refrigerators, they have had another banner month in radio and refrigerator production.

"In the month of July", said Mr. Williams, "29,777 radio receiving sets and refrigerators were shipped from our plants. These shipments were not equaled in any month this year except June."

Mr. Williams also pointed out "refrigerator shipments for July were more than seven times those of July of last year. While July of 1932 was the lowest radio month for the year, July radio shipments for this year have been exceeded only by June - our peak record for almost two years."

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## WRITER ASSAILS RADIO MANUFACTURING METHODS

Doubtless leaders in the radio manufacturing industry will reply to the following letter to the Editor of the New York Times, which appeared in that publication last Sunday signed by H. Graubard:

"For the past month or so there has been a great hue and cry in the New York newspapers about sweatshop conditions in many of the Pennsylvania factories. Reforms, like charities, should begin at home.

"During the past three weeks the writer, engaged in organizing a New York branch of the radio workers, affiliated with the American Federation of Labor, has seen almost unbelievable conditions in some factories manufacturing radio sets and parts. Long hours, low wages and bad working conditions have made these employees an exploited class, as witness the piece-work system. In one shop the workers remain in ignorance of the contents of their weekly pay envelopes until they receive them, because the employer cuts the scale without notifying them. The reason for this is obvious. Some of the employees, in trying to speed up production and thus augment their wages, became too efficient, and in this industrial age in which we live, profits invariably take precedence over principle.

"Undoubtedly some of these abuses will be remedied by the National Industrial Recovery Act - temporarily. In the excitement of the huge peacetime drive against poverty, many are apt to forget that the NRA is only a temporary emergency measure. From long experience in the labor field and with the inexplicable vagaries of human nature, I prophesy that the minute the temporary relief measures expire, human greed, in the face of rising prices and increased buying power, will force unorganized labor back to the same old standards. Not only the radio workers but all labor should remember that while at present all is sweetness and light - employers prefer profits!"

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"Skippy", the popular dramatization of Percy Crosby's well-known newspaper series and a juvenile favorite over the WABC-Columbia network for the past two years, is now being presented under the sponsorship of Sterling Products in the interests of Phillips Dental Magnesia.

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## STANDARD ORDER FOR RADIO ADOPTED

Adoption of a standard order blank for spot broadcasting, similar to the standard order blank for publications in use since 1920, was announced jointly by the National Association of Broadcasters and the American Association of Advertising Agencies last week.

So far as possible the conditions governing the placing of spot broadcasting conform to those governing contracts and orders for publications. Points of similarity include:

1. Terms of payment, reading in part: "The agency agrees to pay, and the broadcasting station agrees to hold the agency solely liable for payment." This is a clarification of the position taken by media owners and agencies and corresponds with a similar paragraph in the recently announced revised publication order blank.

2. Rates are guaranteed to be the lowest in effect and all shall be published.

3. A new clause in which the agency agrees that it will not rebate to its client any part of the commission allowed by the station, is identical with a new clause in the publication form.

Among the special broadcasting provisions are the following:

1. Contract may be terminated on two weeks' notice.

2. In case of substitution of sustaining program, with notice to agency less than two weeks in advance of broadcast, the station will reimburse the agency any non-cancellable cost of live talent. This is in accordance with current practice.

The purpose of the standard order blank is to facilitate placing of spot broadcast advertising and the handling of it by stations under uniform conditions. Both associations plan to promote widespread adoption of the new form which will be available to all bonafide advertising agencies whether members of the A.A.A.A. or not. A.A.A.A. members will use a white stock imprinted "Member A.A.A."; non-member agencies a colored stock without the designation aforesaid.

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## SPANISH PUBLISHERS BAR NEWS TO RADIO

The Newspaper Publishers' Association of Catalonia, in Spain, according to a dispatch to the Editor & Publisher from Barcelona, have adopted resolutions against the practice of disseminating news by radio.

Contending with a problem that has vexed American publishers, the Newspaper Publishers' Association in Catalonia feel that with the wholesale importation of American, British, German and French radios into Spain at low prices, the stations in Barcelona and vicinity have during the last six months, given more time to news broadcasts as a means both of filling the dull morning and afternoon hours and reducing operating expenses.

Since the broadcasting companies are achieving both purposes by relying upon dispatches that are broadcast before appearing in the dailies, the publishers are determined to protect their interests by restricting to themselves all rights to the news services for which they are paying.

These services include those of the United Press Associations, Associated Press, Reuters, Fabra, Havas, and Wolff.

The following resolutions were adopted:

"1. Not to publish, except as paid advertisements, any notices previous to the celebration of any public act or spectacle the account of which might be transmitted to the public by radio.

"2. Not to authorize any editor or person associated with newspaper interests to make available, directly or indirectly, any information or to lend any aid to the radio broadcasting firms."

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## NBC NEW AND RENEWAL ACCOUNTS

NEW - Carleton & Hovey Co. (Father John's Cough Medicine), Lowell, Mass.; Agency - John W. Queen, 5 Park Square, Boston, Mass.; Starts October 18, 1933, Wednesdays, 7:15-7:30 P.M. EDST; Network - WJZ, WBAL WMAL WBZ WBZA WSYR WHAM KDKA WCKY WENR KWCR KSO KWK KOIL; Also Starting Sunday, October 15, 1933, 2:45-3:00 P.M.; WEAJ WTAG WEEI WJAR WCSH WFBR WRC WGY WBEN WCAE WTAM WWJ WSAI WMAQ WOC WHO WOW WDAH; Program - "Gems of Melody".

CHANGE - The Wander Co., Pacific Coast Daily except Sun. & Thurs 5:45-6:00 P.M. PST, starting 9/25/33. On Sept. 25 and thereafter KOA and KDYL will carry the "Little Orphan Annie" program from 4:45-5:00 P.M. PST. KGO KFI KGW KOMO KHQ KTAR continue to take the program at 5:45 PM PST.



NEW - Buick-Olds-Pontiac Co. (Buick Automobiles), General Motors Building, Detroit, Mich.; Agency - Campbell-Ewald Co., General Motors Building, Detroit, Mich.; Starts July 31, 1933; Mondays, 10:30-11:00 P.M. EDST; Network - WEAJ WTIC WTAG WEEI WJAR WCSH WLIT WFBR WRC WGY WBEN WCAE WTAM WWJ WLW WMAQ KFJR KSD WOC WHO WOW WDAF WTMJ KSTP WEBC WSB KVOO WKY WFAA KPRC WOAI KOA KDYL KGIR KGHL KGO KFI KGW KOMO KHQ; Program - "Gus Haenschen's Parade of Melody" - Gus Haenschen and musical combination.

NEW - Gordon & Gordon, Ltd. (Cosmetics), 2701 S. Wells St., Chicago, Ill.; Agency - Critchfield & Co., 8 S. Michigan Ave., Chicago, Ill.; Started July 31, 1933; Mondays 10:30-11:00 P.M. EDST Network - WENR WJR KDKA; Program - "Princess Pat Pageant" - romantic dramatic program;

NEW - Beech-Nut Packing Co. (Chewing Gum), Canajoharie, N. Y. Agency - McCann Erickson, Inc., 285 Madison Ave., New York City; Started August 7, 1933; Monday, Wednesday, Friday 7:15-7:30 P.M. EDST, WEAJ only; Program - "Red Davis" - dramatic sketch.

RENEWAL - Swift & Co. (Formay Shortening), Union Stock Yards, Chicago, Ill.; Agency - J. Walter Thompson Co., 410 N. Michigan Ave., Chicago, Ill.; Starts August 3, 1933; Time - Thurs. Fri. 10:30-10:45 A.M. EDST; Network - WEAJ WEEI (WTIC Thurs. only) WJAR WTAG WCSH; Program - "The Happy Ramblers", musical with Irving Kaufman and brief talk by Lucy Allen.

NEW - Continental Auto Co., Detroit, Mich.; Agency - Grace & Holliday, Detroit, Mich.; Starts August 7, 1933; Time - Mondays, 1:15-1:30 PM EDST WJZ WBAL WMAL WSYR KDKA WGAR WJR WPTF WJAX; 2:30-2:45 P.M. EDST WMAQ WLW WOC WHO WOW WDAF WTMJ KSTP WSM WMC WSB Effective Sept. 25 and thereafter this program will be changed to 12:15-12:30 P.M. on the Blue and 1:30-1:45 P.M. on the Red; Program "March of Transportation", dramatic program.

NEW - Fisher Body Corp. (Automobile Bodies), General Motors Bldg., Detroit, Mich.; Agency - Campbell Ewald Co., General Motors Building, Detroit, Mich.; Starts Wednesday, August 16 only; Time - Wednesday 9:45-10:00 P.M. EDST; Network - WEAJ WTAG WJAR WCSH WLIT WFBR WRC WBEN WCAE WTAM WWJ WLW WMAQ KSD WOW WDAF CRCT CFCE WTMJ WIBA WEBC WDAY KFJR WRVA WPTF WWNC WIS WJAX WIOD WFLA WSM WMC WSB WJDX WSMB KVOO WKY WFAA KTBS KPRC WOAI KOA KDYL KGIR KGHL KGO KFI KGW KOMO KHQ KFSD KTAR; Program - "Fisher Craftsmen's Guild Program" 1st Infantry Armory, Chicago, 15 minute address by Edwin C. Hill.

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#### DECISIONS OF THE FEDERAL RADIO COMMISSION

The Commission granted renewal of licenses for the regular period to the following:

WAAF, Chicago; WBSO, Needham, Mass.; WCAO, Baltimore and auxiliary; WDAF, Kansas City, Mo.; WDBO, Orlando, Fla.; WOSU, Columbus, Ohio; WEEI, Boston; WGBI, Scranton, Pa.; WGR, Buffalo;

WGST, Atlanta, Ga.; WICC, Bridgeport, Conn.; WIP, Philadelphia, Pa.; WJAR, Cleveland; WKY, Oklahoma City; WKZO, Kalamazoo, Mich.; WMAL, Washington, D. C.; WMAL, auxiliary; WMC, Memphis, Tenn.; WMMN, Fairmont, W. Va.; WMT, Waterloo, Ia.; WNAX, Yankton, S. Dak.; WNOX, Knoxville, Tenn.; WQAM and auxiliary, Miami, Fla.; WQAN, Scranton, Pa.; WREC, Memphis, Tenn.; WSUI, Iowa City; WTAG, Worcester, Mass.; WTMJ, Milwaukee; WWJ, Detroit; KFDM, Beaumont, Tex.; KFDY, Brookings, S. Dak.; KFRC, San Francisco; KFUD, Clayton, Mo.; KGW, Portland, Ore.; KHJ, Los Angeles; KLX, Oakland, Cal.; KLZ, Denver; KMJ, Fresno, Cal.; KOMO, Seattle, Wash.; KSD, St. Louis, Mo.

#### Set For Hearing

Wyoming Broadcasting Co., Cheyenne, Wyo., C.P. for new station to operate on 780 kc., 500 watts night, 1 KW day, unlimited time; KGIZ, Grant City Park Corp., Springfield, Mo., consent to voluntary assignment of C.P. to KGBX, Inc.; WLCI, Lutheran Association of Ithaca, Ithaca, N. Y., renewal of license, 1210 kc., 50 watts, specified hours; WSBC, WSBC, Inc., Chicago, Ill., C.P. to move transmitter and studio from Chicago to Hammond, Ind.; install new equipment, change frequency from 1210 to 1360 kc., increase power from 100 watts to 1 KW night, 1.25 KW day; change specified hours to sharing with WGES 4/7ths time (facilities formerly assigned WJKS).

#### Miscellaneous

KFOR, Howard Shuman, Lincoln, Neb., application to assign license to Cornbelt Broadcasting Corp., granted on May 9 was retired to closed files for want of prosecution; KWLC, Luther College, Decorah, Ia., application for voluntary assignment of license to Telg. Herald, dismissed at request of applicant; KWLC, Telegraph Herald, Dubuque, Ia., C.P. to transfer KWLC from Decorah to Dubuque, dismissed at request of applicant.

#### Amateur Licenses

The Commission also granted 412 amateur station licenses, consisting of 316 new licenses; 2 renewals and 94 modifications.

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