HEINL RADIO BUSINESS LETTER

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No. 663

TELLS CONVENTION RADIO ACT IS CONSTITUTIONAL

Opening the 11th Annual Convention of the National Association of Broadcasters last Monday (October 9) at White Sulphur Springs, W. Va., E. O. Sykes, Chairman of the Federal Radio Commission, declared the Radio Act constitutional.

"Before the passage of the 1927 Radio Law, prior laws had principally been passed with a view to point to point communication, more especially relating to radio communication for safety of life at sea", Judge Sykes told those assembled. "Broadcasting, in the meantime, had developed and the 1927 law deals extensively with this form of communication.

"Like all pioneering legislation, some people doubted the constitutionality of the entire Act while some others challenged the constitutionality of various sections thereof, and from time to time as the Commission promulgated rules and regulations, in some sources doubts were expressed as to their legality. This law gives the Court of Appeals of the District of Columbia appellate jurisdiction over the acts of the Commission. In that Court and also in a few other Federal Courts, the constitutionality of the Act, of certain parts thereof and of the rules and regulations of the Commission, have been challenged. The result of the decisions of these various courts upon these questions thus raised has been most clarifying. The constitutionality of this legislation has been upheld. The rules and regulations of the Commission have been sustained so that now these questions which were doubted by some have been set at rest. It should be most gratifying to all interested in radio to know that the courts have finally adjudicated these questions."

Judge Sykes, who is the only member of the original Commission still serving, told some of the difficulties the Commission encountered immediately after its creation.

"I don't believe that anyone fully appreciated the enormous task delegated to the Radio Commission to be performed in the first year", the Judge told the Convention attenders. "Most people merely assumed that it was a broadcasting matter, that there were no questions of difficulty arising in any of the other channels save that of broadcasting. While the Radio Act provided that the Radio Commission could employ lawyers, engineers, clerks, etc., the Deficiency Bill, carrying the major part of the appropriation for the Commission, failed of passage. Therefore, for the first year of its life, the Commission was forced to borrow from other Departments its professional help and was only able to emply a few clerks. During that year these Commissioners really acted not only as Commissioners but as lawyers, engineers and very often manually operated the typewriters."

Remarking that a few years ago a 5 KW was considered a very high powered station, Chairman Sykes continued:

"Now we have more than twenty 50 KW stations situated in different parts of the country and one station is building a 500 KW station for experimental purposes. These increases in power have been gradually made after a most careful study by the Commission.

"There have been great improvements in radio transmitters. In the early days of the Commission it was thought a deviation of 500 cycles from frequency was not bad, now we have the rule of not allowing over a 50 cycle deviation, plus or minus, and with present equipment all lately developed, frequency is maintained much closer than 50 cycles. Again the modulation of transmitters has been wonderfully improved. Great improvements have been made in the microphones that are now in use. Wonderful strides in directional antennae are taking place. Synchronization is making rapid progress and in time I think we may expect to have such perfect synchronization that we may make greater use of broadcasting channels.

"In 1927, the non-broadcasting frequencies above 1500 kilocycles were beginning to be of general use. The Washington International Conference of that year made the first general allocation to services in these frequencies. Full use is now being made of this band between 1500 and 23,000 kilocycles. Here again comes in the very efficient use of directional antennae both for transmitting and receiving stations. Development of very high speed radio telegraphy, the transmission of fac-simile or pictures over radio circuits is now in daily use. Pictures are transmitted by radio over thousands of miles. Research laboratories are now constantly working on uses for frequencies above 30,000 kilocycles.

"The principal development in radio telephony has been made since 1927. Now we have continuous telephone communication by radio between the United States and all other parts of the world. You can talk from your office to nearly every civilized nation."

Judge Sykes referred to the Madrid and Mexican Radio Conferences to which he was a delegate.

"A joint convention was agreed upon at Madrid and separate general regulations for radio, telegraph and telephone were adopted. The United States has never been a signatory to the telegraph or the telephone regulations but is merely a signatory to the radio telegraph regulations", the Judge explained. "By the articles of the joint convention, we are only bound as to the general regulations relating to radio. The documents of the Madrid Convention will probably be submitted to the Senate at its next session and if approved will thus crystalize into a treaty and supersede the Washington agreement.

Although no agreement was reached at Mexico City as to the allocations of frequencies among nations, agreements for exchanges of information among the countries were provided which will bring them into closer association and tend for each to more fully understand and appreciate the problems of the others, the speaker said.

"Now if it is safe to judge the future by the past, I think we may expect many developments and improvements both technical and otherwise in radio in the next few years", Chairman Sykes concluded.

"Visual broadcasting is still in the experimental stage but is having the careful study of some of our greatest technical minds. Some day this will be perfected. Likewise I think we may expect a perfect synchronization which will permit of much greater use of the present broadcasting band.

"Directional antennae should play a most important part in reducing interference. I would not be surprised to hear of developments which may permit at some future time of a narrowing of the 10 kilocycle band. In fact, I shall decline to be surprised at any development or invention in this field."

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SUPREME COURT TO TEST FIRST RADIO LIBEL CASE

As a result of the Nebraska Supreme Court recalling its mandate dismissing the appeal of KFAB at Lincoln, Neb., in the libel suit brought by former Attorney General Sorensen, the way is now cleared for the case to go to the Supreme Court.

In a previous appeal, the Nebraska Supreme Court held that Station KFAB and Richard F. Wood, attorney who delivered a 1930 primary campaign address over the station attacking Sorensen, were equally liable and remanded the case to the Lancaster County District Court for retrial.

The defendant station challenges the legality of the Federal Radio Commission Act, which provides that radio stations must permit opposing political parties to use its facilities without being able to censor speeches.

Shortly after Sorensen had filed an action in State Court, effort was made to remove it to Federal Court, by Judge T. C. Munger, who ruled that the Federal Court was without jurisdiction.

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ELIMINATION OF "BELT STATIC"

The August Summary of Radio Log as submitted by the New London Radio Station, according to Coast Guard Communication Bulletin No. 45, contains the following interesting comment on the elimination of electrical interference resulting from belt driven machinery: "A considerable amount of interference has been experienced at this unit in the past and at times making reception very difficult. The greater part, it has been found, was caused by 'belt static', and coming from the machine shop in an adjoining building. It was found that by grounding the shafting at several places this could be effectively eliminated."

A.N.P.A. SEES THREAT IN COLUMBIA NEWS SERVICE

E. H. Harris, of the <u>Richmond</u> (Indiana) <u>Palladium</u>, Chairman of the Radio Committee of the American Newspaper Publishers' Association, has sent the following bulletin to members of the Association:

"The announcement of the Columbia Chain that it has established a news-gathering organization to compete with the national news-gathering organizations of the newspapers seems to demonstrate that a general attack has been launched by broadcasters against newspapers.

"The action taken by newspapers against broadcasters for the illegal use of news which belongs to press associations has prompted the broadcasters to form their own news-gathering organization. This step was anticipated by the newspapers following the threat which was issued by the broadcasters last April.

"Some of the broadcasting magazines are hinting at a general war on newspapers, and Radio Guide, published in Chicago, prints an article entitled 'Radio Prepares for War On the Press.'

"I am writing to each member of the Radio Committee in each State to be on the lookout for definite steps taken by broadcasters to launch this campaign against newspapers.

"The constant use of radio broadcasting by the Federal Government to get its message across to the people shows plainly that the broadcasters have succeeded in over-selling the administration on the advantages of radio broadcasting.

"The fact of the matter is that the newspapers corralled the audience for the broadcasts of the administration spokesmen, then published the message as news, and thereby gave to the broadcasters the opportunity of saying that broadcasting got the message across to the public."

The bulleting further quoted a news story appearing in the New York Times recently that called attention to the Federal censorship over radio and the new set-up in political broadcasting It closed with a request for information regarding the feelings of publishers in all States regarding radio and suggestions for further action by the Radio Committee.

Declaring that the "newspaper-radio war is progressing merrily", George Durno, writing in the "National Whirligig", a feature of the McClure Newspaper Syndicate, continues:

"The radio people are getting silent sympathy from General Johnson and his NRA forces. They have been resorting more and more to the broadcast to get their ideas over...

"Their complaint is that the newspaper headlines almost invariably tie up NRA in some kind of a fight. Newspaper banners pay more attention to 'Ford and Blue Eagle at Odds', etc. than

they do th NRA's accomplishments. What Johnson fails to gauge is the relative value of news. A fight is always more interesting than a peace conference. The radio lad probably had some such psychology in mind when he got a member of the posse to blast away in front of his mike while he talked a few aerial headlines.

"The 'war' isn't all between the newspapers and the radio. The latest skirmishes resulted in Columbia charging National Broadcasting with bad faith in that NBC had planned to set up a news service too but just at present was enjoying newspaper good will by letting CBS take the rap."

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NO PROGRESS IN BROADCASTERS' CODE

There is nothing new in the situation of the Broad-casters' Code at the National Recovery Administration. Government officials are working on the Code but nothing definite can be accomplished until after the NAB Convention at White Sulphur Springs, W. Va. It is expected that immediately after the convention is over that negotiations will immediately be begun in an effort to straighten out the Code situation at the earliest possible moment.

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NEW ORLEANS STATION SEEKS APPEAL OF COMMISSION'S DECISION

No time was lost by Station WWL, of New Orleans, in appealing in the District of Columbia Court in the hopes of reversing a decision of the Radio Commission which refused to give WWL full time when "Old Man" Henderson went off the air at Shreveport, La., recently.

The New Orleans station shared time with Henderson and had expected that his facilities would be assigned to them. Instead, the Commission gave the Henderson frequency to the International Broadcasting Company.

As grounds for the appeal, Station WWL declared, among other things, that there had been no hearing granted to the station by the Commission.

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COLOR IN RADIO FACTORIES MEANS BETTER WORK

The stimulating quality of color in workshops and factories frequently proves to have a wholesome mental and psychological effect on employees, resulting in faster and better work, according to Bond Geddes, Executive Vice-President and General Manager of the Radio Manufacturers' Association.

"Persons working in slovenly surroundings", Mr. Geddes believes, "acquire the nature of these surroundings, and unconsciously turn out slovenly work."

Experiments carried out in many of the leading industrial plants of the country have proved that proper painting of workshops and factories benefits the worker morale and improves the quality of the product.

In all manufacturing plants, there are certain production assets whose merits are just beginning to receive due consideration by industrialists. Lighting, even though its values are obvious, is one. Air conditioning, temperature control, the possibilities of windowless buildings and sound control are others.

Paint experts believe that color must be added to this list - color for both plant machinery and equipment. With white walls to aid lighting and worker vision, colored machinery and equipment - in the lighter tints - fit perfectly into the modern conception of a production unit.

A large radio tube manufacturer found that the use of orange and pale blue on plant machinery reduced the number of tube rejections two-thirds in the first week. The orange afforded color contrast with the greens and blues in the gas flames of a stemming machine; the pale blue paint was used because it gave a cool effect in the hot industrial plant. Similarly good results have been obtained from experiments tried out in a wide variety of industrial units.

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COURT TOLD HIM HE MISSED HIS CHANCE

Pointing out to the petitioner that he had had a chance to intervene in a similar case and did not do so, the Federal Radio Commission in filing its answer in the Supreme Court of the District of Columbia, speedily passed the buck back to Gerald V. Moore, of Washington, who alleged the Commission had violated the law in granting a renewal of license to NBC stations, because that company is a subsidiary of the Radio Corporation of America. Moore complained that the RCA had been adjudged guilty of monopoly in the tube case at Wilmington.

The Federal Radio Commission likewise took acception to this denying that the Radio Corporation had been finally adjudged quilty in that particular field

guilty in that particular field.

AUTOMOBILE RADIOS ON DISPLAY AT LONDON AUTO SHOW

Despite a rumor which reached this country to the contrary, the British Ministry of Transport did not forbid the exhibition of automobiles equipped with radios at the Olympia automobile show. Instead, at this great exhibition where the motor car manufacturers of the world first display their new models, no less than seven of the leading makes of cars were on exhibition with Philco automobile radios already installed ready to tune in any program on the air. It would seem that the growth in popularity of automobile radios in the United States during the past few years is likely to be duplicated this coming season in Great Britain. There were 500,000 automobile radios sold in 1933.

The automobile show at Madison Square Garden, New York City, which corresponds to the Olympia Show in London, will probably exhibit an even larger proportion of radio-equipped cars.

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PHILCO TO LAUNCH EXTENSIVE NEWSPAPER CAMPAIGN

Mr. Sayre M. Ramsdell, Sales Promotion Manager of Philco Radio & Television Corporation, of Philadelphia, Pa., has just announced that the special Fall and Christmas advertising campaign - by far the heaviest in the company's history - will call for the addition of full page schedules in over 50 of the largest metropolitan newspapers to the extensive campaign already ordered in national magazines and radio. Six full pages will be used in each of 51 newspapers during November and December - a concentrated drive for Christmas radio sales in the largest cities from coast to coast. Full page advertising in magazines, and the five times a week radio broadcasts featuring Baoke Carter will continue on the regular basis.

With the addition of newspaper space to the other media at present in use, Philco will spend over \$600,000 in advertising in the period of eleven weeks preceding Christmas - an outstanding demonstration of the faith one of America's largest manufacturers has in the ultimate success of the N.R.A. program.

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PASSING OF HERNAND BEHN REGRETTED BY RADIO INDUSTRY

That Hernand Behn, President of the International Telephone and Telegraph Company, who died in France, should be called at the early age of 53, was deplored by the radio industry. Behn, who with his brother Sosthenes, bought a broken down telephone system with 250 disgruntled subscribers, turned it into a negwork extending over two continents.

Mr. Behn was born in the Virgin Islands. As President of the International Telephone & Telegraph Co. his operations extended into 42 countries.

Educated in Corsica, France, and the United States, the brothers became bankers in Puerto Rico. Their first telephone system was unloaded on them by a debtor, who himself had obtained it for a debt.

The brothers established a telephone system in Havana. From Cuba, they spun a wire to the American mainland and hooked it up with the Bell system. Then the International Telephone & Telegraph Co. was born in 1920.

The Radio Corporation in Cuba was the next step. Then they took over the telephone systems in Madrid and Barcelona, gradually spreading throughout Spain. France and Mexico followed.

The All-American Cable Co. was their next acquisition. Finally they acquired the Mackay companies, including the United States network of the Postal Telegraph System.

The International Telephone & Telegraph Company presented the telephone system to the Vatican and later Mr. Behn was one of the principal donors of the Vatican wireless system. For these gifts several high honors were conferred upon him by the Pope.

Mr. Behn is survived by his widow and four children.

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SPECIAL VARIETY RADIO CITY NUMBER

A special radio edition will be issued by <u>Variety</u> on or about November 15th when the National Broadcasting Company celebrates its 7th anniversary by opening up in Radio City. It will be profusely illustrated and on the order of the special issues <u>Variety</u> gets out in connection with moving pictures and theatrical events.

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DOC MOVES THE GLAND BUSINESS TO TEXAS

Said to be hard hit financially but evidently satisfied that everything is O.K. in Mexico, as a result of representations made for him in Mexico City by former Vice-President Curtis, Dr. John R. Brinkley has pulled up stakes in Kansas and moved to the Texas border, where, however, he will still continue to be a thorn in the side of the Radio Commission.

"Dr. Brinkley, of goat gland fame, has deserted the Kansas village that his disputed rejuvenation operation put on the map", a Kansas dispatch reports.

"Gloom hung over Milford's 300 souls tonight. More than half of them faced unemployment or dimunition of income. The colorful practitioner-politician who rocked medical circles and Kansas politics was gone.

"Dr. Brinkley blamed the depression for forcing him to move to Del Rio, Tex., just across the Rio Grande from his powerful 'outlaw' radio station XER. The Federal Radio Commission barred it more than two years ago.

"An overland caravan moved toward the border town. It carried equipment and personnel of his hospitals, business enterprises and household goods. Rolling along was the 'bally-hoo' train of expensive, loud-speaker equipped automobiles with which he vainly sought the governorship of Kansas."

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MAJESTIC RADIO SHIPMENTS STILL INCREASE

September represented the fourth consecutive monthly increase for Majestic radios and the best month since 1931, according to Le Roi J. Williams, Vice-President of the Grigsby-Grunow Company.

"We shipped over 51,000 sets in the month of September", said Mr. Williams, "and our daily shipments last week reached a total of over 4,000 sets per day. At present we are producing at the rate of about 3,500 a day.

"Our unfilled orders total over 64,000 radios, and we now have 5,800 employees working night and day shifts. Volume of distributors' orders approximate three times that of last year and there is a great sustained demand for both radios and tubes."

The October production schedule for Majestic radios represents a thirty percent increase over that of September.

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BUSINESS LETTER NOTES

President Franklin D. Roosevelt and Ex-Secretary of War Newton D. Baker will open the Nation's annual drive for human relief in special messages to be broadcast over the combined CBS and NBC networks on Sunday, October 15, between 10:00 and 10:30 P.M. EST.

H. M. Pauley, formerly Radio Service Manager, has been advanced to the position of General Service Manager of the Grigsby-Grunow Company, manufacturers of Majestic radios, refrigerators and tubes. In his new position, Mr. Pauley will have complete charge of both refrigeration and radio service.

Charles J. V. Murphy, newspaperman, author and radio announcer, was chosen last week as production manager and announcer of the weekly programs to be broadcast from the base of the Byrd Antarctic Expedition in Little America over the Columbia Broadcasting System's nationwide network. John N. Dyer has been chosen technical director of the Little America broadcasting station.

Little America's first radio star will be Mike, a sandy-haired husky from Manitoba, and his bark will be the signal to the American radio audience that Little America is on the air.

DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted (October 10, 1933)

WCOD, Keystone Broadcasting Corp., Harrisburg, Pa., C.P. to move transmitter and studio locally in Harrisburg; WBAX, John H. Stenger, Jr., Wilkes-Barre, Pa., C.P. to make changes in equipment; WKFI, J. Pat Scully, Greenville, Miss., C.P. to move station from Greenville to Greenwood, Miss.; WLBC, Donald A. Burton, Muncie, Ind. C.P. to make changes in equipment and increase power from 50 to 100 watts; WAMC, Raymond C. Hammet, Anniston, Ala., modification of C.P. extending commencement date to Nov. 15 and completion date to Feb. 15; KFNF, Henry Field Co., Shenandoah, Ia., authority to operate simultaneously Oct. 14 from 1:45 to 4:45 P.M.; same for WILL, University of Illinois, Urbana, Ill.; KGFL, KGFL, Inc., Roswell, N. M., permission to operate transmitter without approved monitor so that it may be sent to manufacturer to be recalibrated, for 30 days; KFDY, South Dakota State College, Brookings, S. Dak., special temp. authority to operate from 8 to 8:45 P.M. CST, Oct. 18,

provided KFYR remains silent; <u>WMBH</u>, W. M. Robertson, Joplin. Mo., special temporary authority to operate from 2:30 to 6 P.M. CST on Oct. 13 and 27, and Nov. 4 and 24, 1933, and from 3 to 6 P.M. CST, Oct. 19; <u>WSAJ</u>, Grove City College, Grove City, Pa., special temporary authority to operate from 2 to 4:30 P.M. EST, Oct. 14 and Nov. 25th.

Also, Penna. Airlines, Inc., Pittsburgh, Pa., authority to use existing aircraft station as broadcast pickup station on Oct. 13, in connection with the "Back to Cleveland celebration"; KSW, City of Berkeley, Berkeley, Cal., modification of license to change frequency from 2422 to 1658 kc., also police license 2422 kc., 400 watts; Delbert E. Replogle, Portable & Mobile in Ridgewood, N.J.: general experimental C.P. frequencies 30100, 31100, 31600, 33100, 34600, 35600, 37100, 37600, 38600, 40100, 40600 and 41000 kc., 25 watts; W2XAE, Ridgewood, N. J., renewal of license in accordance with existing license; also modification of license for same, frequencies 17310, 23100, 25700, 26000, 27100, 30100, 31100, 31600, 34600, 35600, 37100, 37600, 38600, 40100 and 41000 kc., 1 KW; Grigg Radio Laboratory, Phcenix, Ariz., general experimental C.P. frequencies 2398, 3492.5, 4797.5, 6425, 12862.5 17310 kc., 1 KW;

Also, D. Reginald Tibbetts, Portable & Mobile, general experimental C.P.'s for 7 new stations, frequencies 41000, 51400, 61000, 63000 kc., 25 watts; City of San Bernardino, San Bernardino, Cal., C.P. for police service, 1712 kc., 50 watts; KIFS, KFJI Broadcasters, Inc., Portable, C.P. for temporary broadcast pickup service 1518 kc., 50 watts; WIXAZ, Westinghouse Electric & Manufacturing Co., Millis, Mass., modification of C.P. to extend completion date to Nov. 1, 1933; WPFT, City of Lakeland, Lakeland, Fla., modification of C.P. extending completion date to Dec. 18, 1933; WLEZ, The Norfolk Daily News, Norfolk, Neb., modification of license, 2342 kc., 5 watts.

Ratifications

Action taken October 4: KJTY, Richard E. Byrd, "Jacob Ruppert", Boston, Mass., granted 2 third class private ship licenses; Action taken October 5: WMEF, Radio Corporation of America, Washington, D. C., authority to use station for period of 30 days for purpose of testing equipment, frequencies 1566 and 2390 kc., 150 watts.

Applications Denied

KLUF, George Roy Clough, Galveston, Texas, denied authority to reduce unlimited hours of operation to specified for period of 6 months ending May 1, 1934, and suspension of Rule 151 for that period; KUOA, KUOA, Inc., Fayettesville, Ark., denied authority to operate until 6:30 P.M. pending filing of application.

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