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HEINL RADIO BUSINESS LETTER

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RADIO COMMISSION CHAIRMAN FELICITATES NBC

Congratulating the National Broadcasting System upon "the wonderful public service it has rendered", Eugene O. Sykes, Chairman of the Federal Radio Co mmission speaking in connection with the NBC Seventh Anniversary celebration likewise paid tribute to the Advisory Council.

"The National Broadcasting Company has an Advisory Council composed of fifteen or twenty of the ablest and most prominent citizens of the country who meet once a year to discuss the policies of this company. This Council has committees on agriculture, education, labor, religious activities and women's affairs. Most careful study and thought are given to the programs which are broadcast by this system", Judge Sykes said.

"The nature and character of the programs broadcast under the guidance of this committee have well justified the wisdom of its selection and the great service it has rendered this company and the people of the United States.

"Seven years ago, generally speaking, radio reception was not good, due for the most part to the indiscriminate use of these channels by broadcasting stations which, at that time, were not subject to governmental control. A radio receiving set, at that time, was considered a luxury, today it has become a necessity.

"During this time radio broadcasting has grown to be one of our greatest factors in molding the thoughts and opinions of our people. Due to our system of chain broadcasting, our people are kept informed by speeches and discussions of our prominent officials and citizens upon the problems of the hour.

"Programs, both of an educational nature, as well as those relating to agriculture and industry, are brought to them. It is their privilege to listen to programs of music and art. In short, it is their privilege to tune in on programs of a most diversified character.

"On the other hand, because of the fact that these programs are carried into millions of homes, a great responsibility rests on the broadcaster to see that their nature is such as to promote for right character building and good citizenship."

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CANADIAN OFFICIAL DENIES BREAKDOWN POSSIBILITY

Denial that there is a chance of the Canadian broadcasting dreaking down is made by E. C. Buchanan, Director of Public Relations, Canadian Radio Commission, in a letter from Ottawa to the National Committee on Education by Radio.

"Rumors traceable to commercialized radio interests in the United States had hinted that the Canadian radio system was in danger of breaking down because of the dissatisfaction of listeners over the payment of license fees", the Committee declares in making the contents of Mr. Buchanan's letter public. The National Committee on Education wrote to the Canadian Radio Broadcasting Commission asking for the facts in the case.

The Canadian radio official's letter follows:

"I am glad of the opportunity afforded by your letter this morning to let you know what the situation is in regard to the rumor in the United States about payment of receivers' license fees. I may tell you in general terms that there is no foundation for the rumor. Upon receiving your letter I communicated with the branch of the service responsible for collecting the fees. I learned that last year fees were collected from 98 percent of the people who, according to the census, owned receiving sets, and the collection officials anticipate that this year's results will not fall far short of last year's.

The collection year corresponds to our fiscal year which expires March 31st, so that there are still five months of the present year to run. Collections have been a little slow for the first seven months but there have been other causes than any dissatisfaction on the part of Canadian listeners with the Commission's broadcasting service. Hard times have supplied one cause and I may tell you that some people who just could not afford to pay have been treated leniently. Then at Windsor, Ontario, there have been a couple of test cases in the courts in which a contention that the owner of a receiving set need not pay the fee because it could not be proved that he operated the set has been upheld. These court decisions have had wide publicity and have encouraged a number of people to postpone payment. The decisions will be appealed and if that course fails, the Act, of course, can be amended.

"Some months ago there was considerable agitation in some districts, particularly in Totonto and in the West, against the Commission's service, largely against the broadcasting of French programs. This has pretty well died down and within the last few weeks the Commission's service has been coming in for a great deal of commendation and is quite clearly pleasing large numbers of people especially in the West and in the Maritimes where previously radio service had been anything but adequate. This improved sentiment, one would think, should assist in the collection of license fees.

"I can assure you that there is no question of our system breaking down from the cause you suggest or any other. My own observation is that national radio has been gaining in favor rapidly in recent weeks."

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BARRANQUILLA, COLOMBIA, TO HAVE RADIO TELEPHONE SERVICE

A radio telephone system is now being installed in Barranquilla, Colombia. Consul Erik W. Magnuson advises that the installation will be completed by the middle of next month.

The service will be routed via Bogota, the capital of Colombia, and extend to any part of the world connected up with radio telephone equipment. Upon the completion of the system in Barranquilla, radio telephone stations will also be installed at Cartagena, Santa Marta, and Medellin.

The telephone rates between Barranquilla and the United States have not yet been fixed but Consul Magnuson believes that they will amount to approximately \$9 from Barranquilla to Miami, Florida; \$12 to New York, and \$16 to Chicago.

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WISCONSIN ORGANIZATION DEMANS ASCAP INVESTIGATION

Petitions demanding that Congress investigate the "discriminatory policy" of the American Society of Composers, Authors and Publishers are being circulated by the American Society for the Advancement of Public Music, a civic non-profit organization, of which Charles L. Mullen, Milwaukee, Wis., is general counsel, according to word received by the National Association of Broadcasters in Washington.

Mr. Mullen claims that the ASCAP has abused the copyright law; that the group collects excessive royalties from radio stations, hotels, theatres and dance halls where copyrighted music is played and that the organization completely controls popular music.

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TUGWELL BILL HEARING DECEMBER 7

There will probably be plenty of fireworks at the Senate hearings beginning Thursday, December 7, on the bill introduced by Senator Copeland, of New York, better known as the Tugwell Pure Food and Drugs bill. Who the speakers from the ranks of the broadcasters will be has as yet not been decided but it is expected that the radio industry will be well represented and will oppose certain provisions of the bill vigorously.

Commenting upon the Tugwell bill, James McMullin has this to say about it in the "National Whirligig" published by the McClure Newspaper Syndicate.

"The Tugwell purity-in-advertising bill (referred to previously) is stirring as much consternation among certain food and drug people as the Securities Act did among investment bankers.

"They admit no quarrel with the motive but insist it's a case of too many teeth again. One expert proclaims it will mean the hamstringing of 90 per cent of the familiar advertising claims. Even inferences which perfectly ethical advertisers like to believe sound are out unless they can be scientifically proved. And what fun it's going to be to write copy then!

"The opposition still hopes to get the bill modified before it is passed but are having trouble getting organized for the purpose. They don't want to stick their necks out too far. Those who have contacted Professor Tugwell recently say that the rumor he has been moved out of the administration's throne room is as wet as the Atlantic.

"Although the bill is as yet only a kite, the Tugwellian wishes are being observed by corporations anxious to avoid argument. One of them calls for a detailed analysis of contents on food and drug packages. The package of one branded product had to be enlarged to permit the printing of the formula in readable type. "

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WONPICK TO PICK 'EM

Sam Pickard, Vice-President of Columbia, and Tony Wons have organized the "Wonpick Corporation of Manhattan."

Sam says they plan to retail a certain product beginning January 1st.

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RKO BUILDING SUPPLIES RADIO TO 1200 OFFICES

In anticipation of a wider use of broadcasting facilities for the dissemination of business news, Rockefeller Center, Inc., in RadioCity, New York, has completed a central radio receiving system by which air programs will be made available to all offices in the thirty-one-story RKO Building at Sixth Avenue and Fifty-first Street.

The system provides antenna and ground connections for about 1,200 individual radio receivers operating on a single aerial of a new type.

The equipment is known as the Antenaplex system and is a recent development of the RCA Victor laboratories in Camden, N. J., provided through a distributing subsidiary, the Commercial Sound Radio Corporation. Although radio facilities have been made available in the past to hotel and apartment residents, the RKO Building system is said to be the first in which the reception of broadcasts has been made possible throughout a modern office building.

A central aerial atop the building eliminates the maze of lead-in and antenna wires disfiguring the roofs of many apartment buildings. Receiving sets of any standard type may be used in the office.

The system is expected to be of especial benefit to the many tenants associated with entertainment and broadcasting.

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BROADCASTERS' CODE EXPECTED TO BE SIGNED BY JOHNSON TODAY

The revised Broadcasters' Code was on General Johnson's desk today (Nov. 21) awaiting his signature and it was expected that he would surely sign it today, taking it with him when he leaves to fill a speaking engagement in the South on Thursday. It is understood that he is to take up the question of the code with President Roosevelt while in the South, seeking to receive the President's approval of it. The Code becomes effective about two weeks after the President signs it.

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As the outcome of a resolution submitted by Commissioner Harold A. Lafount on September 15, 1933, the Federal Radio Commission today (Nov. 21) adopted a recommendation made by the Engineering Division to expedite radio communication during catastrophies brought on by winds, floods, earthquakes, fires, etc.

The plan, as approved by the Commission, provides that local emergency committees be encouraged to organize and coordinate all forms of existing communication agencies to provide emergency communication and make full use of the provision of new Rule 23 which provides:

"The licensee of any radio transmitting station may, during a period of emergency in which the normal communication facilities are disrupted as a result of hurricane, flood, earthquake, or similar disaster, utilize such station for emergency communication service in communicating with points other than those specified in the station license, provided (1) that at the beginning of such emergency use immediate notice be sent to the Federal Radio Commission and the inspector in charge of the district in which the station is located, stating the nature of the emergency and the use to which the station is being put; and (2) that the emergency use of the station shall be discontinued as soon as substantially normal communication facilities are again available, and the Commission and inspector in charge be notified immediately when such special use of the station is terminated. The Commission may at any time order the discontinuance of such service."

Where it is shown that a local emergency communica - tion network is needed, the agency desiring to operate the network may request facilities in accordance with Rules 325 and 339 to 342 inclusive.

Rule 340 was amended to read as follows:

"Special emergency stations may be used only in an emergency when all forms of wire communication fail; except, however, they may also be used for testing purposes not to exceed two hours per week provided that, before the station is used for testing, it shall be ascertained that the frequency is clear and that no interference will result to other services."

Action by the Commission followed a conference of Government communication agencies and other interested organizations, during which the matter was fully discussed and a divergence of opinion was crystalized, although the conference made no recommendations.

The conference was called by Dr. C. B. Jolliffe, Chief Engineer of the Federal Radio Commission. Attending the conference were representatives of the War and Navy Departments,

American Red Cross, Aeronautical Radio, Inc., National Association of Broadcasters, Treasury Department, Mackay Radio & Telegraph Company, American Telephone and Telegraph Company, RCA Communications, Inc., Airways Division, Department of Commerce, American Radio Relay League, and the U.S. Coast Guard.

At the conference Captain S. C. Hooper, Director of Naval Communications, in a memorandum declared that "From a broad standpoint, it appears desirable to develop an emergency plan which will (a) be placed in operation by the particular agency nearest the scene of disaster; (b) provide definite known channels for handling emergency traffic; (c) utilize existing communication systems to the fullest extent practicable; (d) avoid duplication of effort; (e) provide a coordinating agency."

Dr. Jolliffe, in his recommendations to the Commission, pointed out that existing radio agencies cover practically every part of the United States and that the greatest need in preparing for an emergency in a community is to organize and coordinate existing facilities.

The proposal of Commissioner Lafount to allocate one or more frequencies for a national emergency service was rejected on the ground that the plan would require setting up a new organization which would parallel existing organizations.

Mr. Lafount's proposal was the result of an inspection trip this past summer to the Pacific Coast, where he saw the damage caused by the California earthquake last Spring. The suggestion for a national radio emergency service came originally from the Los Angeles relief organization, which has outlined a comprehensive project for communication in case of future disasters.

Commissioner Lafount supported enthusiastically the recommendations of the engineers, declaring his plan was merely a suggestion "from which has emerged a system whereby all communities are assured quick outside communication by radio in event of disasters which cripple or destroy the regular communication channels. Thus radio will add much to its service to the public."

K. B. Warner, Secretary of the American Radio Relay League, representing the 40,000 radio amateurs, opposed the Lafount resolution, pointing out that the amateurs have established emergency radio networks during every disaster since 1919. He said the proposal would limit amateur operation and argued their success in past catastrophies has been the extreme flexibility of their operations. The plan, as adopted, will not restrict the amateurs in any manner or form, but will give them complete freedom of action.

: BUSINESS LETTER NOTES :

A shipment of 50 wooden antenna poles for Rocky Point and Riverhead RCA stations, the longest ever to enter the port of New York, is due next Monday with the arrival of the SS "San Lucas" from Everett, Washington. All of Douglas fir, one is 130 feet long and weighs $4\frac{1}{2}$ tons. The others are 120 feet long and weigh somewhat over 3 tons each.

It was necessary to ship the poles on the deck of the steamship. Each "bundle" of poles will require three flat cars.

Sir John Reith, Director of Radio in England, getting ideas at the opening of Radio City was quoted at length by Orrin Dunlap, Jr., in last Sunday's New York Times.

"We have a unique way of producing a radio drama. The players are not confined to a single studio, as in America", Sir John said. "Oddly enough, the English producer never sees the cast during the broadcast. The actors may be scattered in ten different studios. Nevertheless, they are all in the same performance. The producer sits at a control panel. By lights he gives the cues. It is an incredible feature, but it works. The producer knits the program and blends the various parts. He can fade in a band supposedly marching up the street and then adjust the controls so that it vanishes in the distance. We have one studio devoted solely to sound effects. We call it the noise room."

Sir John was surprised to learn that Americans believed a ban existed on political broadcasts in England. He pointed out that the present political series is based in a general way on the number of votes cast in the last general election. Each party is on a ratio. For example, the government is entitled to five broadcasts, the Opposition party to three, and the Liberals to one talk, over a nine-week period.

The John Scott medal for scientific achievement was awarded by the city of Philadelphia to Dr. Frank Conrad, Assistant Chief Engineer of the Westinghouse Electric and Manufacturing Co., Pittsburgh, for his work in radio development.

All three Cincinnati dailies, the <u>Enquirer</u>, the <u>Post</u> and the Times-Star, have ceased printing radio programs.

This was due to the action of Cincinnati Publishers' Association which placed a ban on the further publication of radio programs as news matter. No official statement was issued by the Publishers' Association, but it is understood that the matter of eliminating radio programs has been under discussion by the publishers for more than a year. It is understood that the reason was the constant encroachment of the radio upon the business of the newspapers both in the matter of news dessimination and advertising.

Sunday sections devoted to radio were dropped about 4 years ago and newspapers carried radio programs along with daily news matter. About two years ago the newspapers curtailed their radio announcements, eliminating all advertising features. It is understood that the stations will arrange for independent circulation of their programs to meet demands of radio fans.

"Ed Wynn has decided not to pay out of his own funds the \$4,900 in salary claimed by the employees of the bankrupt Amalgamated Broadcasting System", says Variety. "Comic was on the verge of clearing up this end of the ABS' obligations when his lawyer advised him against the move on the ground that if he assumed this debt, pressure would be brought upon him to pay off on others. Irving Trust, as receiver for the ABS, was amenable to taking care of the salary claims if Wynn signed a note for the amount.

The defunct web's employees have been shifting their claims from one law firm to another. Several brought their plaints last week to the attention of a New York City magistrate and tried to prevail upon him to issue summonses against ABS officers in connection with salary checks that bounced back."

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RUDY VALLEE LEADS FALL POPULARITY

Noting that Ed Wynn and Eddie Cantor, 1st and 3rd in the last poll were off the air during that period and that only one woman is mentioned, Gracie Allen, <u>Variety</u> lists the following as the 12 best radio features of the Fall:

l. Rudy Vallee Varieties; 2. Amos 'n' Andy; 3. Burns and Allen - Guy Lombardo Orchestra; 4. Maxwell House Show Boat; 5. Whiteman-Jolson Revue; 6. Jack Benny; 7. Will Rogers; 8. Ben Bernie; 9. Fred Allen; 10. Jack Pearl; 11. Phil Baker; 12. Bing Crosby.

MUSICIANS WOULD TAG RECORDS

The American Federation of Musicians has filed with the Federal Radio Commission a petition protesting against any change in the regulation requiring stations to announce an electrical transcription as such over the air. Appended to the petition was a request that the union be advised as to the hearing date on the issue so that it could appear to give oral argument.

The action was prompted by a resolution passed by the National Association of Broadcasters in convention last month urging the Federal Radio Commission to eliminate the transcription reference from air announcement and instead permit the stations to describe the disks as a production of the recording company involved.

The argument advanced by the A.F. of M. is that the lifting of the regulation as it now stands would tend not only to deceive the public but induce advertisers accustomed to employing live entertainment to resort to disk version. Substitutions of this sort would bring about an increase in unemployment, which situation would be contrary to the purposes of the NRA.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted (Nov. 21, 1933)

<u>KBTM</u>, W. J. Beard, Paragould, Ark., C.P. to move transmitter to near Jonesboro, Ark., and studio to Jonesboro, also granted authority to install automatic frequency control at new location; <u>KVOO</u>, Southwestern Sales Corp., Tulsa, Okla., license covering increase in power from 5 KW to 25 KW, installing new equipment changing hours from sharing equally with WAPI, to simultaneous day and sharing night with WAPI, 1140 kc.; <u>WSAI</u>, The Crosley Radio Corp., Cincinnati, Ohio, extension of special authority for 90 days to use 1 KW night, $2\frac{1}{2}$ KW day, using directional antennae, experimentally; <u>WORC</u>, Alfred Frank Kleindienst, Worcester, Mass., extension to March 1, 1934, of special experimental authority to operate on 1280 kc., with 500 watts unlimited (normally licensed 1200 kc., 100 w. unlimited).

Also, WEBR, Howell Broadcasting Co., Inc., Buffalo, N.Y. authority to remain silent on Thanksgiving Day, Nov. 30, to give employees a holiday; WMBH, W. M. Robertson, Joplin, Mo, modification of special temporary authority to operate from 3 to 6 P.M. CST on Nov. 23, instead of same hours on Nov. 24 as granted on Oct. 10th; also granted temp. authority to operateom from 9:30 to 10:30 P.M. CST on Dec. 8, and to operate from 2:30 to 3:30 P.M. CST on Dec. 3, 10, 17, 24 and 31, 1933; WGCM, Great Southern Land Co., Mississippi City, Miss., special temporary authority to

operate from 2 to 4:30 P.M. CST, on Nov. 30, 1933, and from 9:30 to 9:45 A.M. CST on Dec. 31, 1933.

Also, City of Lake Forest, Ill., Police Dept., C.P. for General experimental service, 30100, 33100, 37100 and 40100 kc., 15 watts; State of Michigan, Dept. of Conservation, Portable, two general experimental C.P.s 2398, 3492.5, 4797.5, 26000, 27100, 31600, 35600, 38600, 41000, 86000-400000 kc., 50 watts; Hershel Talbot Walton, E. Liverpool, Ohio, authority to take examination for Class C amateur privileges, waiving Rule 404, due to physical disability.

Also, Aeronautical Radio, Inc.; New, Elkins, W. Va., C.P. for aviation service 3127.5, 3232.5, 3242.5, 3257.5, 3447.5, 3457.5, 3467.5, 3485, 4917.5, 5602.5, 5612.5 and 5632.5 kc., unlimited 322.5 kc., day only, 50 watts; KSI, Burbank, Cal., aviation license 2729, 2732, 4110 kc., unlimited 6510, 6520, 6530 and 8015 kc. day only, 500 watts; KGSU, Eugene, Ore., airport license, 278 kc., 15 watts; Mackay Radio & Telegraph Co., Inc.; WSE, Montauk, N.Y., modification of license to change location to Amagansett, N.Y.; WSL, Sayville, N.Y., modification of license to add transmitter type AM-5901-C; WAG, Rockland, Me., modification of license to change description of location to Thomaston, Me.; WLS, Sayville, N.Y., modification of license (marine relay) for additional transmitter; WAG, Rockland, Me., and WSE, Montauk, N.Y. modification of licenses (Marine relay) to change description of location to Thomaston, Me., and Amagansett, N.Y. respectively.

Ratifications

Action taken Nov. 15: WDDA, Mackay Radio & Telg. Co., San Francisco, granted 60 day authority to operate 1 KW spark transmitter aboard vessel "San Pedro", pending receipt and action on formal application; Action taken November 17: WPTF, WPTF Radio Co., Raleigh, N. C., granted special temporary authority to operate without approved frequency monitor Nov. 22 and Dec. 5, also granted modification of C.P. to extend completion date from Nov. 19 to Feb. 19, 1934; WIEK, and WIEL, Atlantic Broadcasting Corp., New York, authority to use broadcast pickup stations Nov. 20 to 27, frequency 1542 and 2478 kc., 50 watts; KIFS, KFJI Broadcasters, Inc., Klamath Falls, Ore., granted authority to use broadcast pickup station KIFS, 1518 kc., 15 watts, Nov. 21, at Keno, Ore., in connection with Community Charity program; WIEX, National Broadcasting Co., Inc., Washington, D. C., authority granted to operate broadcast pickup station, 1566 and 2390 kc., Nov. 17 to Dec. 17 inclusive, in connection stratosphere balloon flight; WSOC, WSOC, Inc., Gastonia, N. C., granted extension of program test period for period of 30 days, pending action on application for license.

Miscellaneous

WHDL, Tupper Lake Broadcasting Co., Inc., Tupper Lake, N. Y., granted C.P. to move station from Iroquois Hotel to Altamont Hotel, Tupper Lake.