

HEINL RADIO BUSINESS LETTER

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No. 681

December 12, 1933.

CRITICS FORCE TUGWELL BILL CHANGES

So heavy were the attacks on the Tugwell Food and Drug Bill by James W. Baldwin representing the broadcasting industry and by representatives of other industries during the two days of the Senate Commerce sub-committee public hearings that the measure will be radically revised before the Committee reports to the full committee on or about December 20. It is expected that many of the features objected to will be eliminated. The full committee hopes to have its report completed when Congress convenes January 3.

Arthur Kallet, youthful author of "100,000,000 Guinea Pigs", enlivened the hearing just before its close with a demand that Senator Royal S. Copeland (Democrat) New York, who introduced the Tugwell bill in the Seventy-second Congress, be removed as Chairman of the Committee holding the hearing because of his radio broadcasting on behalf of a food product company.

The demand for Senator Copeland's removal as Chairman came as a surprise to the Committee and was received in silence.

Kallet, granted the floor to speak on behalf of Consumers' Research, Inc., of Washington, N. J., a service claiming 50,000 subscribers, began by saying he did not believe it was possible for the consuming public to receive a fair hearing at a meeting "packed with representatives of patent medicine manufacturers, when the Chairman of this Committee is receiving pay for broadcasting in behalf of a nationally advertised product, the claims for which will be adversely affected as being untrue and misleading under the terms of the pending legislation."

Senator Copeland, who had been growing increasingly red in the face through Kallet's opening remarks, interrupted to ask if the speaker thought he had been unfair.

"Yes", replied the young author, "and I'll come to that later."

Kallet continued his statement by declaring that even during the current hearings on the bill he sponsored Senator Copeland had been broadcasting for a food product supported by "statements which were gross exaggerations and which find no support among reputable American physicians."

"In view of this commercial activity for a concern which will be affected by the pending legislation", said Kallet, "we request that these hearings be reconvened under a new Committee and an unquestionably impartial Chairman."

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Senator Copeland defended his commercial broadcasting by offering a copy of a letter which he wrote to Thomas Lister of Cleveland who criticized the Senator for his radio food recommendations. The Senator replied, in part:

"You must bear in mind that it costs a lot of money to hire the privileges of a great broadcasting network. No poor man could possibly make use of their advantages.

"If I could afford to do it, I should be happy, indeed, to do this work without having a commercial sponsor. I am not so much interested in the giving of advice as to the cure of disease, as I am doing what I can for its prevention.

"I want you to know that I have never accepted an arrangement to make a broadcast except where I have been satisfied that the manufacturer was honest and his product worth while."

Senator Copeland broadcasts once a week on the Fleischmann's Yeast Company program. Someone ventured the opinion that he probably received about \$200 a broadcast (for about a minute or two talk) in which case his yearly remuneration from radio would be about \$10,000, the equivalent of his salary as a Senator.

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INDUSTRY LEADERS ENJOY GRIDIRON DINNER

Those from the radio industry, or in some way connected with it, who attended the Gridiron dinner in Washington last Saturday night were:

M. H. Aylesworth, President, National Broadcasting Company; Thad H. Brown, Vice-Chairman, Federal Radio Commission; Gene Buck, President American Society of Composers; Vincent F. Callahan, Assistant to Vice-President, National Broadcasting Co., Washington; James G. Harbord, Chairman, Radio Corporation of America; Frank E. Mason, Vice-President, National Broadcasting Company, New York City; and David Sarnoff, President, Radio Corporation of America, New York City.

The "Louis M. Howe Toilet Kit Hour" was put on the radio with its big weekly feature. Col. Howe, himself, and his interviewer, Walter Somebull. He then presented the greatest attraction of the hour, Col. Howe, the "highest priced crooner of Roosevelt bedtime stories."

Somebull - Mr. Howe, there is a question I have always wanted to ask you, but I haven't quite got the nerve.

Howe - Fire away, Walter, I am not so exalted that I cannot remember when I was one of you press boys.

Somebull - Well, if you don't mind, why are you called a Warwick?

Howe - That, Walter, is poetic license. The fact is, I am not a Warwick. Warwick, you remember, was a king maker. But Mr. Roosevelt is not a king - at least not yet.

Somebull - You certainly are in great form tonight, Col. Howe. Perhaps you wouldn't mind telling us what you consider the greatest single achievement of the administration up to date?

Howe - I was afraid you would ask me that, Walter. But since you have asked it, I will give you a candid answer. I think the balancing of the budget by the administration will take rank in history with the discovery of the North Pole by Dr. Cook.

Somebull - Thank you, Col. Howe, and here is your \$1,000.

Howe - Thank you, Walter - and here is one of my toilet kits.

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TURN DOWN BROOKLYN TRANSIT EMERGENCY STATION REQUEST

The application of the Brooklyn and Queens Transit Corporation to construct a short wave radio station to communicate with its emergency cars at times of unforeseen occurrences such as fires, parades, storms, accidents and various kinds of equipment failures has been denied by the Federal Radio Commission.

"It is believed that regular wire communication facilities should be sufficient for routine communications in connection with the applicant's transportation service and that the existing police radio system should be in a position to handle messages of an emergency nature in which public safety is involved", the Radio Commission commented.

On consideration of the Examiner's report, the evidence, and argument of counsel, the Commission is of the opinion: (1) that the applicant has not shown evidence of preliminary experimental work or a program of proposed experimental work that would warrant the allocation of the facilities requested; (2) that the proposed radio activities of the applicant do not afford reasonable promise of contributing substantially to the development of the radio art; (3) that the applicant has not shown that the public interest would be served by the operation of the proposed station.

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RADIO-PRESS PARLEY OPENS IN NEW YORK

Representatives of the newspaper publishing interests met in New York yesterday, December 11, with representatives of broadcasting companies for the purpose of ironing out, as far as possible the long-standing differences between the radio and the press. The meeting was held at the Hotel Biltmore, and was scheduled to start at 11 A.M., but did not open until 2 o'clock. The meeting is in session again this (Tuesday) morning.

Unofficial information reaching Washington today (Tuesday) is to the effect that nothing constructive was brought out, at least in a finished form. It is understood the discussion started off by taking up the question of the use of news by broadcast interests, and that whether or not stations should pay for printing of radio programs at advertising rates was not gone into.

Representing the publishing interests at the meeting will be E. H. Harris, Richmond (Ind.) Palladium-Item, Chairman of the A.N.P.A. Radio Committee; John W. Cowles, Des Moines Register and Tribune; James G. Stahlman, Nashville Banner; Edwin S. Friendly, New York Sun; Karl Bickel, United Press; J. V. Connolly, International News Service; and an executive of the Associated Press; also Roy Howard, of Scripps-Howard.

The broadcasters were represented by M. H. Aylesworth, President, National Broadcasting Company; Frank Mason, Vice-President, National Broadcasting Company; William Paley, President, Columbia Broadcasting System; Edwin Klauber, Vice-President, Columbia Broadcasting System.

The meeting was suggested in a telegram from Mr. Paley and Mr. Klauber, which follows:

"We believe it should be possible to end the long-standing dispute as to news broadcasting with fairness to both sides if the heads of the broadcasting networks and you as the representative of the publishers could sit down together and try to work out some plan whereby the broadcasters may have access to news without gathering it themselves and under arrangements which would be mutually satisfactory."

It is also understood the petition of the Columbia News Service that its reporters be admitted to the Congress press galleries will likewise be discussed at this meeting.

The suggestion of Henry A. Bellows, Vice-President of the Columbia Broadcasting System that there be a conference between the Standing Committee of Capitol Correspondents, Chairman Copeland of the Senate Rules Committee and Speaker Rainey on the question of admitting Columbia news representatives to the Press Galleries has been turned down by the Correspondents' Committee.

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Following a meeting of the correspondents, Samuel W. Bell, Chairman of the Correspondents, wrote to Mr. Bellows:

"In connection with the suggestions of your letter November 8 to the Standing Committee of Correspondents, the Committee has not been approached by the Speaker of the House or the Chairman of the Senate Committee on Rules on matters of the rules governing the press galleries of Congress.

"Under the circumstances the members are of the opinion that the Committee has discharged the responsibilities placed upon it by Congress."

Mr. Bellows is awaiting the outcome of the conference in New York between the radio and newspaper people before taking any further action in the matter.

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COMMUNICATIONS COMMITTEE READY TO REPORT

Although Secretary Roper's Communications Committee has completed its work and will soon report to the President, the recommendations have not been made public. Likewise, it is not known how many of these recommendations will be transmitted in his message to Congress.

It is believed that President Roosevelt will call upon Congress for additional legislation having to do with radio, telegraph, cables and telephones but the nature of this has not as yet been divulged.

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NAB TAX COMMITTEE MEETING MONDAY

A meeting will be held in Washington next Monday, December 18th, to draft a report for the Internal Revenue Bureau in connection with a schedule of depreciation rates for broadcasting station equipment.

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RADIO INDUSTRY NOW UNDER THE N.R.A.

The NRA Code became effective for all broadcasting stations Monday, December 11.

An all-day meeting of the Code Authority which will administer the Code until the industry is in a position to regulate itself by broadening the membership of the NAB, was called to order by Philip G. Loucks, Managing Director of the National Association of Broadcasters, on Monday, December 11, who presided until John Shepard III, of Boston, was elected Chairman of the Code Authority.

Mr. Loucks' opening remarks were as follows:

"Before you proceed with your organization, I would like to make a few brief observations about the Code.

"The Code which you are to administer is not perfect. It is a compromise which has resulted from differing views. Defects undoubtedly will appear as administration proceeds. You should not hesitate to point out these defects.

"The Code, just like any other law, is as good or bad as its administration. In the name of the NAB I make this request - and I know it is unnecessary - that the provisions of the code be applied with equal fairness to large and small enterprises and members and non-members of the Association.

"No one who has had anything to do with the drafting of this Code - and most of you have had some participation in that work - can be impressed otherwise than with the fairness shown by all members of the Committee charged with the task.

"This Code Authority is temporary. Under the provisions of the Code you are under an injunction to recommend a permanent form of Code Authority. That permanent Code Authority eventually must be the National Association of Broadcasters. It is my sincere hope that within the next three months the membership of the Association will be increased to a point where you will be in a position to make such recommendation. The Administrator has already found that the Association is properly constituted for that purpose. And if the purpose of self regulation, the objective sought by the National Industrial Recovery Act is to be achieved, the Association must become the Code Authority. When I make this request I am mindful of the task which lies before me; that of building up the numerical strength of the Association to a point where all classes of stations and all parts of the United States can have equal representation in elections and in decisions on policies of the industry.

"After you have organized you will want to select a Director to carry on the detailed administrative work. That will be necessary, it seems to me, if the work of administration is to be expedited. Then you must find ways and means of financing your activities.

"You may expect from the NAB the closest cooperation consistent with the work of administration and possible within the limited facilities of the Association. I am certain that you will enjoy the support of the industry as a whole.

The broadcasters recognize this meeting as an important event in the history of broadcasting in the United States. They look upon it as an unprecedented step in the direction of self-regulation. They are cognizant of the opportunity for such regulation presented here and I am confident they intend to avail themselves of that opportunity. "

The Vice-Chairman and Director of the Code Authority were still not named during today's (Tuesday) meeting.

The Code Authority will issue its rulings in printed form and will consider the petitions for exceptions now on file.

Those present at the meetings were John Shepard III, WNAC, Boston; M. R. Runyan, of the Columbia Broadcasting Company, New York; Frank M. Ruseell, of the National Broadcasting Co., Washington, D. C.; James W. Baldwin, of Washington; I. G. Buckwalter, of WGAL, Lancaster, Pa.; John Elmer, WCBM, Baltimore, Md.; James Kiernan, of WLWL, New York City; Edward N. Nockels, of the Chicago Federation of Labor, and Mr. William Farnsworth, representing the N.R.A.

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KENTUCKY GOVERNOR APPOINTS "ETHER COLONEL"

Andrew G. Haley, of Tacoma, Wash., Assistant Counsel to the Federal Radio Commission, has been appointed by Gov. Ruby Laffoon, of Kentucky, as "Colonel of the Ether". Announcement of the appointment was made by Representative Wesley Lloyd, of Washington, who said:

"Gov. Ruby Laffoon has created military aides of the grade of Colonel to assist him in meeting the most unusual emergencies which might confront the Commonwealth of Kentucky. He has Colonels of the land, sea and air on his staff galore. But, sad to state, until now he has had no Colonel of the ether. To remedy this sorry condition, the Governor has just announced the appointment of Andrew G. Haley, of Tacoma, Wash., Assistant Counsel of the Federal Radio Commission, as his Colonel of the Ether, in charge of the Commonwealth's Signal Corps. Col. Haley's first general order will be to abolish static within the confines of the Commonwealth."

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EXAMINER RECOMMENDS NEW STATION AT WATERBURY, CONN.

Authority is sought by Harold Thomas, of North Providence, R. I., to construct a new broadcast station at Waterbury, Conn., to be operated daytime only, with power of 100 watts, on the frequency 1190 kilocycles.

There is no station located in Waterbury. Station WTIC, at Hartford, Conn., operating part time, renders a satisfactory service throughout the area, except in the business district where the noise level is high. Stations WEA, New York, and WICC, Bridgeport, Conn., do not have a sufficient signal strength to render excellent service in the business or residential districts, but are satisfactorily received in the surrounding territory. In the past Station WICC has broadcast a "Waterbury Hour" using talent from Waterbury, but civic and community enterprises have not made use of that station.

Station WINS, with its transmitter at Carlstadt, N.J., 75 miles from Waterbury, operates on 1180 kilocycles as a limited time station with power of 500 watts, while Station WCAU, Philadelphia, Pa., 170 miles from Waterbury, operates on 1170 kilocycles with power of 50 kilowatts. Both of these stations are somewhat less than the separations recommended under average conditions to prevent objectionable interference. However, field intensity measurements disclose that a 100 watt station can be operated on 1190 kilocycles during daytime at Waterbury, Conn. as proposed by the applicant, without causing interference or being interfered with by either of these stations.

The First Zone, in which Connecticut is located, is entitled to 80.00 units of broadcast facilities as its equal share of the total facilities available and is now assigned 75.92 units. The State of Connecticut is due 4.48 units and is assigned 4.00 units. The granting of this application would increase the quota of the Zone and State by .1 unit.

by Examiner Ralph L. Walker
It is accordingly recommended that the application of Harold Thomas for a construction permit be granted.

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CHICAGO BROADCASTING FEUD CONTINUES

The complications of the feud of Chicago broadcasting stations and other stations in that vicinity was added to by Station WBBM, key outlet in Chicago, filing an appeal in the District of Columbia Court of Appeals against the decision of the Federal Radio Commission granting Station WGN, owned by the Chicago Tribune 50,000 watts power.

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Station WIBA, Madison, Wis., had filed a request for one-half time on the 720-kilocycle channel occupied by Station WGN, and Station WTMJ, Milwaukee, operated by the Milwaukee Journal, had filed an application for the choice 670-kilocycle clear channel occupied by Station WMAQ. They also sought the facilities of WHA and WLBL, in terms of quota value, seeking their elimination entirely.

The WHA application asks first that this station be consolidated with WLBL and that a new 5,000 watt station be erected near Stevens Point, with new studios on the university campus. Then, it is proposed, this station would operate half-time, sharing with WMAQ.

The Commission several weeks ago designated the original applications for hearing in Washington January 8. Presumably the WHA application will be set for hearing at the same time.

Another complication is the new application of Station WHA, Madison, operated by the University of Wisconsin, for half of the facilities now used by WMAQ, operated jointly by the Chicago Daily News and the National Broadcasting Co. WHA, together with Station WLBL, Stevens Point, Wis., operated by the State of Wisconsin, has just filed an application, apparently to offset the demands of Wisconsin commercial stations for their facilities.

There has been an intermittent battle between stations in Wisconsin and Chicago over clear channels. Wisconsin does not have a single clear channel station, whereas Chicago has five, in addition to several high power regional stations. Wisconsin is under-quota in radio facilities, whereas Illinois is over-quota.

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COURT APPROVES GRIGSBY-GRUNOW RECEIVERS

On December 5th, the United States District Court ordered the appointment of Le Roi J. Williams and Thomas L. Marshall as permanent receivers for the Grigsby-Grunow Company, manufacturers of Majestic Radios, Refrigerators and Tubes. Broad powers have been granted the receivers by the Court Order, and they have been authorized to carry on the business and properties as a going concern.

"This order", stated Mr. Williams, "places Majestic in a position where we can continue and consummate our manufacturing, merchandising and advertising plans for the coming refrigeration and radio seasons. This is definite recognition of the fact that Majestic has a splendid future and that nothing should be done to retard or handicap the company in any manner whatsoever. It is further proof that our operations will be carried on for the promotion and the sale of Majestic products on a sound

business basis, and that Majestic will continue to maintain its high position in the radio and refrigeration industries."

Figures released during the past several months show that sales of Majestic products, since Mr. Williams became General Manager last March, have not been equaled since 1930 for a like period. More than 300,000 Majestic Radios have been shipped in the current year, which far exceeds the previous two years. New styling of cabinets, along modernistic lines, together with a new standard of radio performance, have greatly contributed to the increases the company has been enjoying the past several months.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted (Dec. 12, 1933)

KRGV, KRGV, Inc., Harlingen; Texas, authority to operate unlimited time pending action on application requesting similar authority on a permanent basis (normally licensed to share time with KWWG, 1260 kc., 500 watts, KWWG has authority to remain silent to April 1, 1934; KLCN, Chas. Lel Lintzenich, Blytheville, Ark., modification of C.P. to extend completion date to 1/1/34; WSAJ, Grove City College, Grove City, Pa.; modification of license to reduce specified hours of operation; WNAX, The House of Gurney, Inc., Yankton, S. Dak., modification of license to use old transmitter as auxiliary transmitter; KG CX, E. E. Krebsbach, Wolf Point, Mont., authority to install automatic frequency control equipment; WKBB, Sanders Bros. Radio Station, Route 1, E. Dubuque, Ill., modification of license to change specified hours of operation; WE BR, Howell Broadcasting Co., Inc., Buffalo, N. Y., and KQW, Pacific Agr. Foundation, Ltd. San Jose, Cal., authority to remain silent December 25th, in order to give employees a holiday.

Also, Town of Darien, Conn., Police Dept., C.P. (Gen. Exp.); frequencies 30100, 33100, 37100, 40100, 86000-400000, 401000 kc. and above, 25 watts; also same as above, except 4.5 watts power, and portable and mobile; Commissioner of Lower Marion Twp., Ardmore, Pa., general experimental C.P., frequencies 30100, 33100, and 37100 kc., 15 watts; WKY Radiophone Co., Portable, general experimental C.P. 31100, 34600, 37600, 40600 kc., 1 watt; also granted license covering same, for period ending June 1, 1934; W3XC, WGAL, Inc., Portable & Mobile, Christian St., Lancaster, Pa., general experimental license, 41000, 51400, 60000-100000 kc., 5 watts, for period ending June 1, 1934; W2XQ, City of Elizabeth, Police Dept., Elizabeth, N.J., modification of C.P. to extend completion date to Feb. 18, 1934; KGZV, City of Aberdeen, Aberdeen, Wash., modification of C.P. to extend completion date to 1/28/34.

Also, Aeronautical Radio, Inc.: W9XR, Kansas City, Mo., W9XW and W9XN, special experimental licenses 3088 and 3072.5 kc., 30 watts power; KITF, Dept. of Water & Power, City of Los Angeles, Jean, Nev., modification of C.P. to extend commencement date to 11/27/33 and completion date to 1/2/34; KIIG, Same, Silver Lake Camp, Cal., modification of C.P. to extend commencement date to 12/2/33 and completion date to 1/2/34; American Tel. and Tel. Co. Hialeah, Fla., special experimental license, frequency 4097.5 kc., 400 watts; W9XAN, Elgin National Watch Co., Elgin, Ill., renewal of special experimental license in accordance with existing license; same for W6XK, Don Lee Broadcasting System, Los Angeles, Cal.; Radiomarine Corporation of America, Washington, D. C., assignment of call letters WDFT to RCA to designate any or all ship radio stations aboard vessels operated or managed by Lykes Bros., Lykes Bros. Steamship Co., and Tampa Inter-Ocean Steamship Co.

Ratifications

Action taken December 6: WXOI, Mackay Radio & Telg. Co. Inc., "IDA MAY ATWATER", New York, granted third class public service license; Action taken December 7: Aeronautical Radio, Inc., Portable-Mobile, Granted C.P. 2930 and 3615 kc., 5 watts, portable & Mobile, for communication with lighter-than-aircraft and aeronautical stations; Action taken December 8: KORX, Radiomarine Corp. of America, Washington, D. C., granted temporary authority not exceeding 60 days, to operate 500 watt transmitter, frequency range 375 to 500 kc., aboard "Cliffwood".

Action On Examiners' Reports

WMBR, F. J. Reynolds, Tampa, Fla., granted consent to voluntary assignment of license to F. J. Reynolds, Inc., and granted C.P. to move transmitter and studio from Tampa to Jacksonville, Fla., sustaining Examiner R. L. Walker.

Set For Hearing

New - Virgil V. Evans, Rock Hill, S. C., C.P. 1370 kc., 100 watts, daytime (Facilities of WBHS); New - Metro Broadcasting Co., E. Los Angeles, Cal., C.P. for new station, 820 kc., 250 watts, limited time, sharing with WHAS (Facilities KGEF now assigned KFAC); KGDY, Voice of South Dakota, Huron, S. Dak., license covering new equipment, change in frequency, power and hours of operation (1340 kc., 250 watts, daytime); WBHS, Radio Station WBHS, Inc., Huntsville, Ala., consent to voluntary assignment of license to Virgil V. Evans; WRAW, Reading Broadcasting Co., Reading, Pa., modification of license to change hours of operation from sharing with WGAL to Unlimited (Req. time of WGAL, if and when WGAL vacates 1310 kc); WTRC, Truth Publishing Co., Inc., Elkhart, Ind., modification of license to change hours of operation from simultaneous day with WLBC and sharing night with WLBC to simultaneous operation with WLBC day and night; WBAA, Purdue University, W. Lafayette, Ind., modification of license to increase hours of operation from specified to other hours, day power to be 1 KW, night to remain same, 500 watts (Facilities WKBF).

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