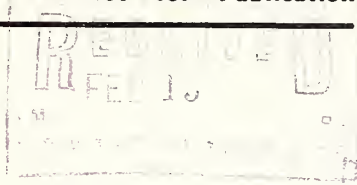


# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL—Not for Publication**



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No. 696

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## GOVERNMENT TO STRIKE BACK AT MEXICAN BORDER BROADCASTERS

Having failed at the North American Conference in Mexico City to put the kibosh on the objectionable broadcasting of American outlaws across the Mexican border, the Government is now moving through other channels to rectify the situation. To this end Senator Dill, Chairman of the Interstate Commerce Committee has introduced the following bill in the Senate amending the radio law, to prevent setting up of studios in the United States which are connected with radio stations in foreign countries that broadcast back into this country:

"No person, firm, company, or corporation shall be permitted to locate, use, or maintain a radio broadcast studio or other place or apparatus from which or whereby sound waves are converted into electrical energy, or mechanical or physical reproduction of sound waves produced, and caused to be transmitted or delivered to a radio station in a foreign country for the purpose of being broadcast from any radio station there having a power output of sufficient intensity and/or being so located geographically that its emissions may be received consistently in the United States, without first obtaining a permit from the Federal Radio Commission upon proper application therefor.

"Such application shall contain such information as the Commission may by regulation prescribe, and the granting or refusal thereof shall be subject to the requirements of Section 11 of the Radio Act of 1927 with respect to applications for station licenses or renewal or modification thereof, and the license or permission so granted shall be revocable for false statements in the application so required or when the Commission, after hearings, shall find its continuation no longer in the public interest."

Senator Dill in this amendment is obviously aiming at Dr. J. R. Brinkley, goat gland specialist, who is operating Station XER at Villa Acuna, Mexico, by remote control from across the border at Del Rio, Texas. Also at Norman T. Baker, who, if he is not already doing so, is reported soon to begin operating Station XENT at Neuva Laredo, Mexico, from Neuva Laredo, Texas. Brinkley and Baker, as is well known, formerly operated stations in Kansas and Iowa respectively which were both closed down because of objectionable medical broadcasts. For a time Brinkley operated his Mexican station from Milford, Kansas, where his old station was located, but later moved to Del Rio.

Brinkley's power at XER though listed at 500,000 watts is said to be 80,000 watts which would still make it almost twice as powerful as any station in the United States excepting WLW at Cincinnati, which is now experimenting with 500,000 watts. Baker's power is listed at 150,000.

Another governmental move in the direction of Brinkley and Baker was James W. Baldwin, executive officer of the Broadcasters' Code, requesting the Code Authority to consider whether or not a code provision could be enacted to operate against remote control studios in the United States of foreign stations broadcasting to this country.

In doing this Mr. Baldwin also aimed at Station CKLW at Windsor, Canada, across the border from Detroit. He explained because of the difference in the wage scales and other factors, CKLW was able to broadcast advertising, at a profit, at a considerably lower rate than the Detroit and other nearby stations. Baldwin said he proposed to confer with the American Association of Advertising Agencies with regard to withholding advertising contracts from these objectionable border stations.

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#### LUCERNE RADIO PLAN BLANKETS RUSSIA

Writing for the McClure Newspaper Syndicate, of New York, James McMullin adds the following confidential (not-for-publication) note to editors:

"New York learns that the Soviets are all het up over the Lucerne radio plan. The new wave lengths granted to Russia cut off most of the foreign reception of her propaganda broadcasts. The Reds - who have been sending their stuff out in eight languages - threaten to leave the International Radio Union and work out their own wavelengths as they please. Their Moscow transmitter of 1200 kilowatts is the most powerful in the world and they won't stand for a muzzle on it."

Dr. August Hund, American radio engineer and Russian by birth, returning from Russia about a year ago, reported the Russians were operating a 500 kilowatt station. If the Russians have stepped it up to 1200 kilowatts or erected a new station of that power, they have evidently done it since then.

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#### STANDARD OIL QUILTS BABE RUTH CONTEST

The Government quashed its suit for an injunction against the Standard Oil Company of New Jersey when the latter agreed to withdraw its "Babe" Ruth radio contests. Secretary Ickes, oil administrator, alleged that "Babe" Ruth promising boys a trip to the Spring training camp of the Yankees and offering other inducements violated provisions of the Oil Code prohibiting the giving of prizes and premiums.

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## WOR DISTILLERY BROADCASTS BRING NO COMPLAINTS TO DATE

Up to this writing, a week after the initial broadcasting of programs by Station WOR, Newark, advertising a gin distillery, it was said that no complaints had been received by the Federal Radio Commission. The station itself, which invited listeners in dry states to tune out, reported that "there were no repercussions" on the part of listeners.

The recent warning of the Federal Radio Commission that those stations which advertise liquor - presumably hard liquor, though their statement simply says "liquor" - may have to justify this action when their station license renewal comes up, hasn't set very well with the broadcasters.

"It is an implied threat which may mean anything or nothing", one of them said. "The Commission's warning is really worse than a regulation because if a regulation had been promulgated, the stations would at least know where they stand.

"To begin with, the Commission is vague in its use of the word 'liquor'. They probably mean 'hard liquor' but from their statement, it could be beer as well. There is no curb on newspaper liquor advertising, excepting in dry states. Why should the Commission crack down on the broadcasters?

"Insofar as children are concerned, radio is in a position to put on its hard liquor broadcasts after the children are in bed. The broadcasters are certainly not going to advertise pure rye in the morning with the corn flakes. Since the repeal of the 18th Amendment, leading hotels have begun to advertise over the radio and they mention that choice wines will be served with meals. Does that make the station violate the Commission's warning?

"A certain state recently issued a regulation against the advertising of beer and wine. However, such advertising came in through the network from outside brewers and wine growers and the state could not prevent it because it had no jurisdiction over what came in from outside the state. The state brewers made a protest that they were victims of discrimination with the result that the state regulation against beer and wine was rescinded."

Commenting upon the Radio Commission's liquor ukase, David Lawrence says:

"The problem of whether the Government in one division shall urge the collection of liquor taxes and in another shall refuse facilities to lawful industries or merchants is not really half as important as the question of whether Government bureaus can control discussion or the transmission of sales materials, whether by radio or by printed publications or by circular letters.

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"One of the difficulties in making a test of the new policy is that when a radio station is called on to defend its request for a renewal of a license, the Commission asks the station to show how its continued operation 'will serve the public interest, convenience and necessity.' Thus the Commission is not obligated to give its particular reason for withholding a license; but the announcement of policy just made unquestionably will furnish defending stations with a cause for court action if they are refused licenses because they permit over the air announcements which are accepted by the Post Office Department for circulation in the mails. It might furnish some day the first test of the principle of Federal censorship."

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B U L L E T I N

Richard Patterson, Vice-President of the National Broadcasting Company, said to have made a personal visit to Washington and to have sounded the Radio Commission out on the subject, is reported on excellent authority to have served notice on the Commission that NBC stations would carry liquor advertising. If this is true, it is the exact opposite of the policy of Columbia which sometime ago announced that it would not broadcast hard liquor advertising.

Station WMCA, New York, was reported as notifying the Radio Commission that it proposed to mention wine in connection with the advertising of a New York hotel. It was prophesied that as a result of the Commission not being more specific in its liquor advertising warning that rather than cause stations to hold off on hard liquor advertising, there would now be a general rush to get on the bandwagon and that soon stations all over the country would be advertising liquor the same as anything else.

R. D. H.

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## LOOK UPON HEARINGS AS ANTI-RADIO SOUNDING BOARD

There will be public hearings in connection with the survey of broadcasting to be made by Secretary of Commerce Roper's committee. The survey, which is expected to be in full swing by February 22nd, is being made at the request of President Roosevelt and the recommendations of the committee may be incorporated into legislation now being framed by Congress.

"These hearings will not bring any great joy to broadcasters", one of their representatives remarked. "They will simply serve as a sounding-board for everyone who wants to make a squawk against radio. It will bring out the Armstrong Perrys, antagonists in the educational group, of the present system of radio, members of women's economy clubs and all the other nuts and bugs.

"We are not afraid of the results but radio is apparently subject to that kind of criticism more than any other industry. The position of radio at this hearing is analagous to that of a man everybody knows to be honest but about which an invitation goes forth that anybody who has anything to say against him may be heard. This gives his enemies a chance to say he is dishonest and after they keep saying it for about six weeks, the friends of the man, despite his known honesty, begin to say maybe he is dishonest."

The Committee which will make the broadcasting survey for the President will be a small one according to present indications, maybe only 3 or 4 members. Herbert Pettey, Secretary of the Federal Radio Commission, will likely serve as the Committee's secretary. Because of the interest of the State Department in radio, Dr. Irvin Stuart of that department may also be a member. Because of the educational uses to which radio is being put someone also from the U. S. Office of Education will probably be asked to act in an advisory capacity to the Committee.

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## PRESIDENT ORDERS FOOD AND DRUG BILL PRESSED

In a conference at the White House with Senator Copeland of New York and Dr. Rex G. Tugwell, Assistant Secretary of Agriculture, President Roosevelt approved a revised Pure Food and Drug Bill, which under the President's orders will probably be pressed at once. It is expected that a Presidential message may be forthcoming on this.

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## BROADCAST ADVERTISING GAINS; INDIVIDUAL STATIONS DROP

The National Association of Broadcasters reports that broadcast advertising in December amounted to \$6,152,615.00 and marked a gain of 2.8% over the volume of the previous month. National network volume increased 7.5% over the previous month, while the revenue from the sale of time over regional networks rose 9.2%. Individual station advertising volume alone decreased, revenues in this field having declined 3.9% as against November,

The drop in individual station business is probably due to two factors: (1) The absorption of an increasing proportion of the profitable broadcasting hours by network programs on the larger stations, this trend having been in progress for several months; (2) What seems to be a slight seasonal decline on the part of radio advertising over the smaller stations. In the latter case, the trend in advertising volume seems to parallel that of the newspaper field. However, it is impossible to say whether the entire decline in small station revenue has been due to this factor or whether part of it has been caused by unsettled retail business in some sections of the country.

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## NEW YORK CATHOLIC STATION FAILS TO GET WPG'S CHANNEL

The Federal Radio Commission has denied the application of Station WLWL, Society of St. Paul the Apostle, New York, for unlimited time on 1100 kilocycles which channel it now shares with Station WPG at Atlantic City. Commissioners Starbuck and Hanley dissented.

If the application of WLWL had been granted, it would have forced WPG off the air unless other facilities could have been found for the Atlantic City station.

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## WIRELESS BY WIRE

The radio program probably makes the greater part of its journey over telephone wires. Over 35,000 miles of Bell System circuits are used in radio hook-ups.

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## PRESIDENT APPROVES COMMUNICATIONS BILL PLAN

Senator Dill and Representative Rayburn, who are drafting the Communications Commission Bill, conferred with President Roosevelt this (Friday) afternoon. When leaving the White House, Senator Dill said that the President approved the plan submitted to him but Dill did not reveal the details.

It was learned at the White House later that the President would next be shown a copy of the Bill and until then would probably not have any comment to make upon it.

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## NEW COMMISSION VOTE SYSTEM PROTESTS AGAINST POLITICIANS

Because politicians and lawyers frequenting the Federal Radio Commission kept themselves so well informed - through leaks - of what was going on, the Commission has been obliged to change its system of announcing decisions in important cases. Heretofore the Commission would act in a matter but before making their vote public, would wait until the Legal Division had prepared the opinion. This would sometimes take two or three days.

In the meantime, word would get out that the Commission had voted and before the writing of the opinion could be completed, the politicians through their Senators, Representatives and others would bring such pressure upon the Commissioners that they frequently brought about a reconsideration, causing the Commissioners to reverse themselves.

Under the new system the Commission announces its decisions immediately and gives its reasons later. Another new stunt at the Radio Commission is voluntarily divulging how the Commissioners voted in important cases. Heretofore, it has sometimes taken a newspaper man with the ability of Sherlock Holmes to find out how the Commissioners voted.

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## BRITAIN USES 6-M. MICRO-RAY

A radio system in which the waves are concentrated into a narrow beam for reception by a station to which it is directed has been put into cross-channel service by the British Government, the Associated Press reports. Utilizing a wave length of only 17½ centimeters, the system is similar to the direct micro-ray system, developed and now being experimented with by Guglielmo Marconi. It is being used by the Air Ministry as a civil aircraft aid between Lympne airdrome, in County Kent, and St. Inglevert, France. The beam is only six inches wide when leaving the transmitter, but reaches a width of one mile on the other side.

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## IS AIR TALENT OR PRODUCT ON TOP?

Curious to test a hunch that many admittedly popular programs are not, because of faulty showmanship, sufficiently identifying the sponsor with the program, Variety has set out to gather some evidence on the subject through a questionnaire.

Questionnaires are personally distributed (not mailed) in all cities. Results will be tabulated and published in Variety weekly. The survey will take in 15 cities.

The first city to be tabulated is Hartford, Conn., from which 85 replies were received, as follows:

	Sponsor Correctly Named	Sponsor Not Known
Eddie Cantor	78	6
Amos 'n' Andy	77	7
Maxwell Show Boat	69	16
Rudy Vallee	66	18
Ed Wynn	63	18
Myrt & Marge	62	21
Burns & Allen	53	30
'Rise of Goldbergs'	45	38
March of Time	36	28
Jessica Dragonette	33	45
Jack Benny	29	55
Metropolitan Opera	24	50
Wayne King Orchestra	23	61
Harry Horlick	22	63
Bing Crosby	18	59
Will Rogers	16	62
Joe Penner	15	69
Casa Loma Orchestra	13	72
Olsen & Johnson	12	71
Paul Whiteman	10	73
Phil Baker	7	74

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## RADIO IN EDUCATION COUNCIL SEEKS TO REVIVE LOCAL GOVERNMENT

Governor Herbert H. Lehman, of New York, will open the new You and Your Government series, over a nation-wide network of the National Broadcasting Co., Tuesday evening, Feb. 13th. The new series, which is the seventh to be presented by the Committee on Civic Education by Radio of the National Advisory Council on Radio in Education and the American Political Science Association, is devoted to the general subject of Reviving Local Government.

The schedule of the new series follows, in part:

Feb. 20 - New York City Blazes the Trail, Mayor Fiorello H. LaGuardia, New York City; Feb. 27 - Financial Problems of New York City; March 6 - New York City's Business Activities;

March 20 - Ohio Forging Ahead, R. C. Atkinson, Director, The Ohio Institute; March 27 - Improving Local Government in New Jersey, Governor A. Harry Moore; April 3 - Progress in Pennsylvania; April 10 - State and Local Government in the Control of the Liquor Traffic; April 17 - From the Heart of the Depression, Mayor Frank Couzens, Detroit; April 24 - Local Government and the New Deal, Dr. William T. Foster, Consumers' Advisory Board; May 1 - Suburban Troubles; May 8 - Chicago Over the Hump; May 15 - Schools for Municipal Officials, Mayor J. Boyd Thacher, Albany, N. Y.; May 22 - News from the South, Mayor J. Fulmer Bright, Richmond, Va.; May 29 - The National Administration and Local Reorganization; - June 5 - The Schools in Local Revival, George F. Zook, United States Commissioner of Education; June 12 - The Voter and Local Government Revival; June 19 - What are the Prospects?

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#### SEES COMMUNICATIONS COMPANIES RECONCILED TO GOVERNMENT CONTROL

The New York Times predicts that the telegraph, telephone and radio companies, the Army and Navy will probably endorse the report which has been submitted by the President's Interdepartmental Committee and which recommends unification of communications under the control but not under the ownership of the Government.

"Although the report is not likely to be acted upon at once, it supplies new evidence of a trend toward the Government regulation of public necessities", the Times concludes.

"In the much-discussed unification of railroads the technical factor is the rise of the automobile and motor truck. In the case of the telephone, the telegraph, radio and broadcasting, each worthy of development on its own account, we have confusion, waste of effort and an unwieldiness which would weigh heavily on the Army and Navy in time of war. In the light of Mr. Sarnoff's lecture - and Mr. Sarnoff, as President of the Radio Corporation, presumably reflects the views of others in his field - it looks as if the companies, having vainly sought to overcome the evils of duplication by modification of the Anti-Trust Laws, are now reconciled to Government control, provided they are given a free hand in management and research and an opportunity for profitable expansion."

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A 10-page printed booklet has been issued by H. W. Forster, Information Manager of the Western Electric Company entitled, "Synchronization System for Common Frequency Broadcasting", covering the proposed synchronization of Stations WBBM and KFAB.

It is a development of Bell Telephone Laboratories, the Research Laboratories of the American Telephone and Telegraph Company and the Western Electric Company.

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## DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted  
(Feb. 9, 1934)

WIBM, WIBM, Inc., Jackson, Mich., C.P. to move station locally and make changes in equipment; WCAE, WCAE, Inc., Pittsburgh, Pa., C.P. to move auxiliary transmitter from Pittsburgh to Baldwin Twnp, Pa; WMAS, WMAS, Inc., Springfield, Mass., license covering increase in day power and changes in equipment, 1420 kc., 100 watts night, 250 watts day, unlimited time; WFAM, The South Bend Tribune, South Bend, Ind., license covering changes in equipment, 1200 kc., 100 watts, shares with WWAE; KARK, Arkansas Radio & Equipment Co., Little Rock, Ark., modification of C.P. to move transmitter locally, extend commencement date immediately after this date, and completion date to March 11, 1934; WAVE, WFIW, Inc., Louisville, Ky., modification of license to change name to WAVE, Inc.; WORC, Alfred Frank Kleindienst, Worcester, Mass., extension of special experimental authority to operate unlimited time on 1280 kc. with 500 watts, until June 1, 1934 (normally licensed 1200 kc., 100 watts, unlimited); WSAI, The Crosley Radio Corp., Cincinnati, Ohio, extension of special experimental authority to May 1, 1934, to operate with 1 KW power nighttime, 2½ KW daytime, using special directional antenna array (normally licensed 1330 kc., 500 w. night 1 KW day, unlimited); WHEB, Granite State Broadcasting Corp., Portsmouth, N. H., authority to operate from 3 to 4 A.M., EST, Feb. 15, in order to broadcast DX program; WLBC, Donald A. Burton, Muncie, Ind., modification of C.P. to extend completion date of C.P. from Feb. 10 to March 10, 1934.

Also, City of Hutchinson, Kans., C.P. for police service, frequency 2450 kc., 50 watts; W6XBK, Daily News Co., Ltd., San Francisco, Cal., C.P. for general experimental purposes, frequencies 37600 and 40600 kc., 15 watts; W8XM, City of Detroit, Police Dept., Belle Isle, Detroit, Mich., license, frequencies 30100, 33100, 37100, 40100 kc., 250 watts; W9XAS, City of Ashland, Ky., Police Dept., license, frequencies 20100, 33100, 37100, 40100 kc., 15 watts; W9XBF, City of Piedmont, Cal., Piedmont, Cal., license, frequencies 30100, 33100, 37100, 40100 kc., 15 watts; W6XBG, W6SBH, W6XBI, W6XBJ, Same, Portable & Mobile, same except 2 watts power; W5XF, City of Amarillo, Texas, license, frequency 33100 kc., 15 watts, gen. experimental service; W9XB, Village of River Forest, Ill., Police Dept., license, frequency 41000 kc., 11 watts; general experimental service; KGHS, City of Spokane, Wash., Police Dept., license, frequency 2414 kc., 100 watts, police service; KGPE, City of Santa Fe., Santa Fe., N. Mexico, license for police service, 2414 kc., 25 watts.

Also, W8XO, The Crosley Radio Corp., near Mason, Ohio, license (Spec. Exp.), 700 kc., 1 A.M. to 6 A.M. daily, with power of from 100 KW to 500 KW; W2XES, City of Englewood, N. J., modification of license to change frequencies from 34600 to 30100 kc.; WCFZ, Irving H. Buck & Howard Folsom d/b as Boys World Cruises aboard vessel "Buccaneer", modification of license to include communication with amateurs; Aeronautical Radio, Inc., Iowa City, Ia., C.P. for special experimental service 278 kc., 150 watts.

### Action On Examiners' Reports

Philip J. Wiseman, Lewiston, Maine, denied application for a new station to operate on frequency 640, 500 watts, limited time, sustaining Examiner George H. Hill; Harold Thomas, Waterbury, Conn., granted C.P. for a new station to operate on 1190 kc., 100 watts, daytime hours, sustaining Examiner Ralph L. Walker; Willard G. Demuth, denied C.P. for new station to operate on 1370 kc., 100 watts power, daytime hours, sustaining Examiner George H. Hill; Thomas R. McTammany and William H. Bates, Jr., Modesto, Cal., granted C.P. for new station to operate on 740 kc., 250 watts, power, daytime hours, reversing Examiner R. L. Walker; WMBG, Havens & Martin, Inc., Richmond, Va., denied C.P. to increase power from 100 watts to 100 watts night, 250 watts, LS, sustaining Examiner George H. Hill; WPHR, WLBG, Inc., Petersburg, Va., granted renewal of license to operate on 1200 kc., 100 watts night, 250 watts LS, unlimited time, sustaining Examiner Hill.

### Applications Denied

The following cases, heretofore designated for hearing were denied because applicants failed to enter their appearances within time allowed:

John E. McGoff, Julius Schaeffer and Francis Thurston, Newport, R. I., C.P. 1500 kc., 100 w. 9 hours per day; Henry Clay Allison, Fort Worth, Tex., C.P. 1370 kc., 100 watts, share with KFJZ (Fac. of KFJZ); WDEL, WDEL, Inc., Wilmington, Del., modification license 1120 kc., 500 watts, unlimited time; Richland Sound Systems, Mansfield, Ohio, 1310 kc., 50 watts, specified hours (Fac. of WHBD); KUOA, KUOA, Inc., Fayetteville, Ark., modification of license 1260 kc., 1 KW specified hours.

### Ratification of Acts Of Commissioners

Mackay Radio & Telegraph Co., New York City: KLKR, granted 60 day authority to operate 100 watt transmitter aboard vessel "Uvira", frequency range 375 to 500 kc.; KJBI, Granted 60 day authority to operate 100 watt transmitter aboard vessel "American Star", frequencies 375 to 500 kc.; KJJM, Same except vessel "Nelson Traveler", KWWE, cancelled authority, granted to "American Star" and granted temporary authority not exceeding 60 days to operate 100 watt transmitter aboard vessel "Sacramento"; WGDN, granted 60 day authority to operate 100 watt transmitter aboard vessel "Memory III", frequency range 375 to 500 kc., and 5510 to 16600 kc.; WBDA, Radiomarine Corp. of America, "American Banker", Washington, D. C., granted 1st class public service ship license for additional transmitter aboard "American Banker"; KIIS, Harris County Broadcast Co., Houston, Tex., authorized to use broadcast pickup station KIIS, 2150 kc., 15 watts, Feb. 9 in connection with welcome of steamship "Houston City".

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