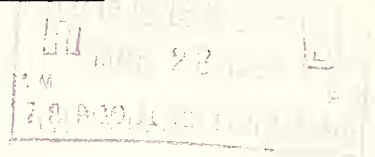
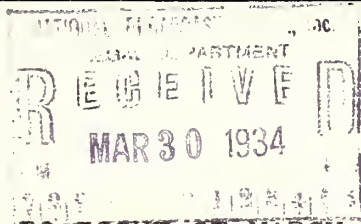


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication



INDEX TO ISSUE OF MARCH 27, 1934.

Squier Rites From Cathedral With Military Honors.....	2
NBC Furnishes Presidential Dinner Entertainment.....	3
Intense Interest At Capitol In Coughlin Broadcasts.....	4
Encouraging Outlook Seen For Radio Sets.....	5
Senator Intended To Omit Both Behn And Sarnoff Letters.....	6
Opposition Gets Laugh On Johnson When He Balks Mike.....	6
New Commission May Undertake A. T. & T. Investigation.....	7
Communications Opposition May Jeopardize Passage.....	8
Radio Station News Service Seeks Short Wave Facilities.....	8
Alec Should Observe The Gridiron Rule.....	9
Business Letter Notes.....	10
A. T. & T. Reported Buying Postal.....	11
Decisions Of The Federal Radio Commission.....	12

No. 710

Handwritten signatures and initials at the bottom left of the page.

March 27, 1934.

SQUIER RITES FROM CATHEDRAL WITH MILITARY HONORS

Funeral services of Maj. Gen. George O. Squier, inventor of "wired wireless", World War Chief of the Army Signal Corps will be held at the Washington Cathedral. Bishop Freeman will officiate at the service tomorrow (Wednesday) and burial will be in Arlington National Cemetery with full military honors.

General Squier who was 69 years old, although not as active as formerly, was about the city until a short time before his death. He died of a complication of pneumonia, kidney and bladder infections.

General Squier was very fond of the young people, participated actively in social events, loved to dance and only a short time ago acted as master of ceremonies at a great military ball. Although small in stature, the General had a military bearing. He was always immaculately dressed.

A bachelor, the General lived at the Metropolitan Club having quarters for years alongside those of General John J. Pershing. One of General Squier's last accomplishments was to see to it that an impostor received a penitentiary sentence for raising a large sum of money presumably to purchase a bust of General Pershing. Squier discovered that the impostor was using his (Squier's) name and lost no time prosecuting him to the limit.

General Squier's last publication was a little book, "Telling the World" published in May, 1933, by Williams and Wilkins Company in cooperation with the Century of Progress Exposition. It dealt with different forms of communication and a chapter was devoted to the history of radio. Glancing over an autographed copy of the book which General Squier gave to this writer, there was noticed for the first time the General's private book-mark which bore the inscription, "Erectus Non Elatus", which freely translated might be construed to mean "hold your head high but not haughtily."

The General was always kindly and courteous. He was a joy to newspaper men and one pretty generally had a good story after talking with him. He was so prolific in ideas and theories that it was next to impossible for anyone to put them all on paper. Probably no man had a more vivid imagination with regard to the realms of possibility of radio than General Squier. He was a master publicist.

Wired programs received through electric light sockets or over telephone receivers he regarded as a certainty - it was, in his opinion, only a question of time until we would have them.

3/27/34

General Squier described before the National Academy of Sciences in Cambridge, Mass., his plan for a combined sound and light distributor which, he said, would beautify homes cluttered with inartistic furnishing and would add to the pleasures of motoring.

His plan proposed establishment of "radiolites", or graceful tower-like devices of tremendous size at intervals along super-highways. The devices would both issue music and illuminate the countryside.

X X X X X X X X

NBC FURNISHES PRESIDENTIAL DINNER ENTERTAINMENT

If John F. Royal, Vice-President in Charge of Programs for NBC, and Frank Black, versatile NBC musical director are called upon to furnish much more entertainment for the President of the United States, they may find it more convenient to establish a Washington residence over the week-ends. Royal and Black brought down a company of stars several weeks ago for the White House Newspaper Correspondents' dinner at which President Roosevelt was a guest. The show they put on made such a hit with the Capital newspaper fraternity that the obliging broadcasting executives were called upon to play a return date last Saturday night when the National Press Club entertained the President.

This time they brought with them the Revelers. The newspapermen put on a skit "Under Three Codes" based upon the influence of the NRA on the life of a city room. President Roosevelt enjoyed the show so much that he remained until 11 o'clock and said he would have stayed longer had he not had the automobile strike on his hands.

Dinner arrangements were in charge of Oswald F. Schuette, of the National Broadcasters' Association, who was a former president of the Press Club. There were no out-of-town guests because the attendance was limited to Club members, an exception being Frank Mason, chef de publicity of the National Broadcasting Company, who came to Washington with Messrs. Royal and Black to make doubly sure that nothing got into the newspapers about NBC's part in the performance.

Among those identified with the radio industry who attended the dinner were: Federal Radio Commissioner Harold A. Lafount, Harry C. Butcher, manager of Columbia's Washington station WJSV; Frank M. Russell, Vice President, NBC; Vincent F. Callahan, assistant to Mr. Russell; Kenneth H. Berkeley, manager of WRC and WMAL; Paul Siegal, formerly of the Radio Commission; Lynne M. Lamme, radio writer, and Martin Codel and Sol Taishoff, radio publishing magnates.

X X X X X X X X X X

INTENSE INTEREST AT CAPITOL IN COUGHLIN BROADCASTS

Next to the handling of political speeches, Senators and Congressmen seem to show more interest in the broadcasts of Father Coughlin, of Detroit, than anything else on the air. An example of this was when Rev. John B. Harney, of New York, Superior of the Paulist Fathers, who operate WLWL, testified at the Senate. He was interrogated as follows by Senator Couzens of Michigan, and Huey Long of Louisiana:

"In computing the fact, Father Harney, that educational institutions have only $2\frac{1}{2}$ percent of the total quota of all radio assignments in the United States, do you compute the hour that Father Coughlin has, for instance, Sunday afternoon, and all the stations?" Senator Couzens asked.

"No, sir", said Father Harney.

"He pays \$14,500 a week for it", Senator Long replied.

"I am not concerned about that; I am concerned with the fact that this is an educational hour distributed among all the educational stations which he is hooked up on", Senator Couzens replied.

"Yes, sir; and this computation has nothing to do with educational programs paid or donated on the commercial chain", Father Harney declared.

"That is what I wanted to find out", Senator Couzens answered.

"Known as commercial broadcast", Senator Long interjected.

"No; but he buys commercial broadcast stations for educational purposes, so the station is, so far as the public is concerned, used for educational purposes", Senator Couzens replied.

Newspapermen were so anxious to make a story out of what M. H. Aylesworth, President of the NBC said about Father Coughlin at the House radio hearing that they disregarded Mr. Aylesworth's prepared statement in their eagerness to put down what he said about Coughlin.

"Mr. Aylesworth was asked if the National Broadcasting Company had ever had Father Coughlin on the network. He replied, 'No.' Then a Congressman inquired if Father Coughlin had ever been refused. Mr. Aylesworth explained that several years ago Father Coughlin came to his office relative to broadcasting, and he was informed that the NBC does not sell time commercially to any religion.

"The National Council of Catholic Men submit the names of those who speak on the Catholic hour. They are solely responsible for the Catholic speakers on the NBC networks. They have never submitted the name of Father Coughlin."

3/27/34

"If Father Coughlin should come to you today and ask for time on the NBC what would you do?" a Congressman inquired.

"Send him to the Catholics", Mr. Aylesworth replied, referring to the National Council of Catholic Men.

Unfortunately for Aylesworth, when some of the newspaper men wrote the story, they made it appear that he had refused the NBC network facilities to Rev. Coughlin. In the afternoon Henry A. Bellows, vice-president of Columbia, was asked similar questions with regard to the cleric. He told, in detail, why Columbia had been obliged to cancel the Coughlin broadcasts because of Columbia's change in policy to accept no commercial religious time. However, no newspaper men happened to be present at this particular time and Mr. Bellows escaped unscathed.

X X X X X X X X

ENCOURAGING OUTLOOK SEEN FOR RADIO SETS

The most encouraging outlook which the radio set business has presented for years, is again evident in the situation confronting the receiver manufacturers, according to Electronics in presenting statistics for the 1933 sales which follow:

Radio Receivers

Unit Sales, 1933	3,806,000
Midgets.	2,226,000
Consoles	856,000
Auto radio	724,000
Total value, retail (less tubes)	\$130,899,000

Radio Tubes

Tubes made, 1933.	63,295,000
Exported	7,690,000
Sales in U. S.	55,605,000
Total value sales in	
U. S. at retail\$56,599,000

X X X X X X X X X X

SENATOR INTENDED TO OMIT BOTH BEHN AND SARNOFF LETTERS

The mystery of why the Interstate Commerce Committee printed hearings on the Communications Commission Bill carried a letter which Sosthenes Behn, President of the International Telephone and Telegraph Corporation had written to Secretary of Commerce Roper but omitted a letter from David Sarnoff, President of the Radio Corporation of America to Secretary Roper presenting a different viewpoint was cleared up by Senator Dill, Chairman of the Committee.

"I intended to keep them both out", the Washington Senator said. "They were controversial, having to do with the proposed merger, one being an answer to the other. Mr. Behn advocated to Secretary Roper that the merger be a two company affair, one domestic and the other foreign. Mr. Sarnoff addressed the Secretary advocating a single unified communications system.

"I had made every effort during the hearings to keep anything controversial from getting into the record so that we could proceed as rapidly as possible and not have to call witnesses who would be entitled to be heard if disputed questions were raised.

"Mr. Behn's letter slipped into the record unknown to me and that is why it appeared and Sarnoff's didn't. I have written to Mr. Sarnoff explaining the situation and he understands it."

However, when Senator Lonergan, of Connecticut, discovered that the Senate Committee had failed to give Mr. Sarnoff's side of the case fully, he had printed in the Congressional Record not only Mr. Sarnoff's letter to Secretary Roper but the copy of an address which Mr. Sarnoff made at the Army Industrial College entitled "Communication's Control in War." Although printed in agate type, it filled seven pages of the Record and this probably attracted considerably more attention than if it had appeared in the Senate report which as a rule is only read by the Senators on the Committee, whereas the Congressional Record is seen by everyone in Congress.

X X X X X X X X

OPPOSITION GETS LAUGH ON JOHNSON WHEN HE BALKS MIKE

General Johnson can make industries respond to the crack of his whip but he ran into a snag when he tried to have microphones removed which enterprising representatives of the Columbia Broadcasting System had set up to broadcast the Code Administrator's testimony at the Senate hearing on the Wagner "labor disputes bill" last Monday.

General Johnson declared he didn't propose to have his testimony go on the air. The Columbia people told General Johnson they had the permission of Senator Walsh, of Massachusetts, Chairman of the Committee, to broadcast the proceedings and until he ordered them to they would not remove the microphones. Senator Walsh stood pat with a result that a message was received that General Johnson would not testify that day, the reason given to the public being "that his arduous labors in connection with the automobile strike had kept him at his hotel."

When General Johnson didn't appear to testify the next witness, James A. Emory, general counsel of the National Association of Manufacturers, was called. Emory launched a spirited attack on the bill. About this time Senator Wagner entered the room. He protested vigorously when he learned that Emory's testimony was being broadcast and remarked:

"I am sorry the broadcasting company was not as interested when those appearing in favor of the bill were here."

Senator Walsh said that he had tried to be fair in the matter and explained that the microphone had originally been set up for General Johnson, one of the Bill's strongest proponents. Representatives of Columbia confirmed this saying that they had intended not only broadcasting what General Johnson had to say in favor of the bill, but what Mr. Emory had to say against it and that General Johnson's balking had given a lucky break to Emory.

At that Columbia broadcast a spirited imprompty debate between Emory and Senator Wagner which gave pretty much both sides of the question.

X X X X X X X

NEW COMMISSION MAY UNDERTAKE A. T. & T. INVESTIGATION

There seems to be a possibility that the investigation of the American Telephone and Telegraph Company, which Senator Dill proposed, if finally made, may be undertaken by the new Federal Communications Commission rather than by the Senate, as the Senator from Washington originally intended.

Senator Dill said that no decision had been reached as to this but that one of the things the Senate Committee would consider would be the possibility of conferring upon the Committee power to make such an investigation as he had proposed of the American Telephone and Telegraph Company.

Senator Dill said that he was completely occupied with the Communications Commission Bill at this time and that if the A. T. & T. investigation was not disposed of in the Bill, it would have to go over until a later date before he would have time to give it further consideration.

X X X X X X X X

COMMUNICATIONS OPPOSITION MAY JEOPARDIZE PASSAGE

Although Tuesday, April 3, has now been definitely set for the beginning of the hearings on the Communications Commission Bill introduced into the House by Representative Sam Rayburn, of Texas, the belief is growing that unless things are speeded up and opposition to the House and Senate Bills is lessened, the legislation may fail of passage at this session.

There will not be as much opposition to the Rayburn Bill as there was to the Dill Bill because the broadcasters will not oppose it but there promises to be considerable resistance on the part of the commercial communications companies. This may cause delay in the hearings and doubtless a prolonged fight on the floor of the House. The same may prove true in the Senate and if that is the case, there may not be time enough before the session ends, now tentatively set for the middle of May, to get the Bill passed.

Senator Dill has appointed his sub-committee to consider the Communications Commission Bill in the Senate. Besides himself, it is composed of Senator Hatch, Democrat, of New Mexico, Senator Thompson, Democrat, of Nebraska; Senator White, Republican, of Maine, and Senator Hatfield, Republican, of West Virginia. All sessions will be executive and it will probably be a week or ten days before the sub-Committee reports back to the main Committee and then probably another week or ten days until the latter Committee reaches its conclusions. Assuming the House Committee to work on about the same schedule, that would give the House and Senate about a month to pass the Bills, which is very little time at the end of a crowded session.

X X X X X X X X

RADIO STATION NEWS SERVICE SEEKS SHORT WAVE FACILITIES

The Radio News Service of America, of 260 East 161st Street, New York City, organized for the purpose of furnishing news to radio stations, has made a formal request of the Federal Radio Commission, that it be allowed to send news to stations throughout the country by means of short-wave. This would necessitate a modification of a rule of the Commission which provides short wave facilities exclusively for the transmission of news for "publication by press associations and newspapers". As the rule stands today, it would prevent the use of these facilities for the purpose of transmitting news to stations for them to rebroadcast.

The Radio Commission has Wednesday, April 11th for a hearing of the case. At that time it will consider whether the present rule applying to short-wave transmission to newspapers should be amended to read "and for broadcasting to the public over any regularly licensed broadcasting station." In other words, the proposition is whether the rule should be amended so news could be sold to broadcasting stations.

"Public interest cannot be served when the press services are prevented from transmitting news traffic intended for broadcasting", Ivan Johnson, President of the Radio News Service of America, said addressing the Commission. "In the belief that these facilities would be available for the transmission of news matter intended for broadcasting, this press association has made considerable investment in establishing news gathering bureaus and is now suffering heavy losses through the refusal of the fixed public press stations to handle our traffic. It would appear that the rule of the Commission in its present form encourages a restraint of trade, sets up unfair competition and discriminates between newspaper press associations and radio press associations when there should be no such discrimination whatsoever."

Determined to fight West Coast independent radio stations which are broadcasting news in opposition to the A. N. P. A. 10-point agreement, publishers of Pacific Coast newspapers have launched their own radio news bureau, operating along lines of the national Press Radio Bureau.

Norman Chandler, Vice-President of the Los Angeles Times and secretary of the publishers' committee said that this new move has the approval of the A. N. P. A. and the Publishers' National Radio Committee as a necessary step to cope with local problems.

The West Coast organization is known as National Radio News Bureau, and will service newspapers, the NBC, the Don Lee Columbia chain, and independent radio stations west of Denver and from border to border. It will put its first report on the wires this week.

Mr. Chandler declared that all the Los Angeles papers and all the San Francisco and Oakland papers have agreed to take the new service, but there are no indications as to just how many members of the National Radio News Bureau might actually start operations with.

X X X X X X X

ALEX SHOULD OBSERVE THE GRIDIRON RULE

Apparently Alexander Woollcott got away with the off-colored stories he told to the New York Advertising Club which, unknown to him, were being broadcast. Hollywood McCosker of WOR says they didn't receive any complaints.

Hereafter Woollcott should bear in mind the rule of the Gridiron Club banquets in Washington - "Ladies Are Always Present." As a matter of fact no woman ever attended a Gridiron dinner but the rule is so well observed with regard to off-colored references that the wife of any member could be present without being offended.

X X X X X X X

: BUSINESS LETTER NOTES :
: :
: :
: :

The Milwaukee Journal, owner of radio station WTMJ, is co-defendant with Joseph D. Beck, Commissioner of Agriculture and Markets, in a slander suit brought by Walter M. Singler, leader of Wisconsin milk strikes and president of the Wisconsin Co-operative Milk Pool. The suit is based on a radio talk over WTMJ by Beck on May 15, 1933, criticizing Singler. Following a hearing of the case at Milwaukee depositions will be taken, after which the case will go on the calendar for trial this Spring at LaCrosse.

A new 500,000-watt transmitter has been ordered for the United States Naval Station at Annapolis, Md. It will rank with WLW, Cincinnati, as the most powerful radio station in the United States. The call letter is NSS. The equipment will be built by the General Electric Company.

"Some Aspects of Police Radio Communication" is the topic of an article in the March issue of Electronics by Harry E. Thomas, of the United American Bosch Corporation, of Springfield, Mass.

The Cooperative Analysis of Broadcasting is to be expanded, and will be carried on by a committee composed of D. P. Smelser, Proctor & Gamble Co.; Chester E. Haring, Batten, Barton, Durstine & Osborne, Inc.; A. W. Lehman, Association of National Advertisers; George Gallup, Young & Rubicam; C. H. Lang, General Electric Co.; George W. Vos, Texas Company.

Rear Admiral Richard E. Byrd, whose second expedition to the Antarctic has revealed a new page in the history of communications, has been designated as recipient of the Columbia Broadcasting System Medal for Distinguished Contribution to Radio. Presentation will be made during the expedition's broadcast to the United States over the Columbia network on March 31st.

Presentation of the medal will be made by Henry Adams Bellows, Vice-President of CBS, before an invited audience in the Radio Playhouse, New York. Both Bellows' address and Admiral Byrd's acceptance speech, coming from Station KFZ, Little America, will be carried over the CBS network between 10:00 and 10:30 P.M. EST.

WGN, the Chicago Tribune station, will take the news stuff sent out by the Press-Radio news bureau. This decision was reached last week when Col. R. R. McCormick, publisher of the paper, was consulted, Variety reports. Col. McCormick is on the

the Board of Directors of the Associated Press and decided that his station should go along with the policies of that press organization.

With night testing of its new 500,000-watt transmitter now virtually complete, the Crosley Radio Corporation has just been granted authority by the Federal Radio Commission to embark on a series of day-time tests. At the conclusion of these final tests application will be made with the Commission for permission to operate this Gargantuan transmitter on WLW's regular day and night schedule.

Exhaustive tests conducted almost nightly between 1:00 and 6:00 A.M. during the past two months have found the new transmitter equipment meeting all the extremely rigorous requirements originally set forth as to its performance.

X X X X X X X X X

A. T. & T. REPORTED BUYING POSTAL

A special dispatch to the Washington Evening Star from New York read:

"One of the biggest deals in the history of Wall Street is under negotiation. It is learned that the capital stock and bonds of the International Telephone and Telegraph Co., have been under quiet accumulation for several months in anticipation of the consummation of the deal.

"It involves the acquisition by the American Telephone and Telegraph Company of the Postal Telegraph and Cable Co., now held by the International Telephone, which means that the latter company will retire from the domestic field and confine its activities abroad.

"The I.T. & T. already has a profit of about \$10,000,000 on foreign exchange transactions as a result of the depreciation of the American dollar.

"With the proceeds of the sale of the Postal, the company will be in a position to pay off its bank loans and retire its 4½ percent convertible bonds due in 1939 and at the same time put its capital stock on a substantial dividend paying basis. It is reported that for every \$1,000 Postal Telegraph bond the holder will receive \$600 in cash and \$400 in a preferred stock of the new company, to be formed by American Telephone which will also handle the teletype business of the Bell System."

X X X X X X X X

DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted

March 23 - WCFL (Aux.) Chicago Federation of Labor, Chicago, Ill., C.P. for 250 watt composite auxiliary transmitter; KGHI, Loyd Judd Co., Little Rock, Ark., license covering local move of transmitter and studio; 1200 kc., 100 w. night, 250 watts day, unlimited time; WSOC, WSOC, Inc., Charlotte, N. C., license covering new equipment and increase in daytime power, 1210 kc., 100 w. night, 250 watts daytime, unlimited time; KTUL, J. T. Griffin, Tulsa, Okla., consent to voluntary assignment of license to Tulsa Broadcasting Co., Inc.; WWVA, W. Va. Broadcasting Corp., Wheeling, W. Va., license covering auxiliary transmitter 1160 kc. 250 watts, for emergency purposes only; KLRA, Arkansas Broadcasting Co., Little Rock, Ark., modification of license to use auxiliary tube in conjunction with interlocking switch. Auxiliary tube and regular licensed output tube not to be used at same time; WMBD, Peoria Broadcasting Co., Peoria, Ill., authority to install automatic frequency control; WCFL, Chicago Federation of Labor, Chicago, Ill., modification of C.P. extending completion date to Sept. 1, 1934; KMBC, (Aux.) Midland Broadcasting Co., Kansas City, Mo., modification of C.P. to extend completion date from April 5 to May 5, 1934.

March 27 - KMLB, Liner's Broadcasting Station, Inc., Monroe, La., C.P. to make changes in equipment; WBBZ, James F. Kyler, Ponca City, Okla., extension of temporary authority to operate station on 1200 kc., 100 watts unlimited time, from April 1 to June 1, 1934, pending action by Commission on application for consent to involuntary assignment of license; KUMA, Albert H. Schermann, Yuma, Ariz., special temporary authority to operate from 2 to 4 P.M. MST, April 3; KFIZ, The Reporter Printing Co., Fond du Lac, Wis., special temporary authority to operate from 1 to 2:30 P.M. CST, March 28th; WDAH, Tri-State Broadcasting Co., Inc., El Paso, Texas, special temporary authority to use transmitter of KTSM for period of 30 days while transmitter of WDAH is being moved locally; WSVS, Seneca Vocational High School Buffalo, N. Y., granted special temporary authority to operate from 8:15 to 9 P.M. EST, April 9 and 16.

Action On Examiner's Reports

New, Herman Radner, Lansing, Mich., denied application for new station at Lansing, Mich., to operate on 1210 kc., unlimited time, sustaining former Examiner Elmer W. Pratt. Order effective March 30, 1934; New, d/b as Capital City Broadcasting Co., granted application for new station at Lansing Mich., to operate on 1210 kc., unlimited time, sustaining former Examiner Elmer W. Pratt. Order effective March 30, 1934; KGIR, KGIR, Inc., Butte, Mont., granted application for modification of license changing frequency from 1360 kc. to 1340 kc., sustaining Examiner R. L. Walker, Order effective April 20, 1934; New, Herbert H. Fette, Meriden, Minn., denied application for C.P. for new station at Meridian, Minn.

X X X X X X X X