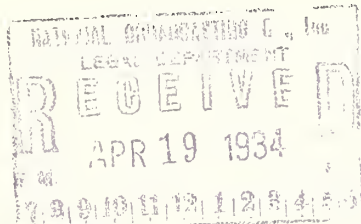


HEINL RADIO BUSINESS LETTER

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No. 716

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April 17, 1934.

WOULD BREAK DOWN CLEAR CHANNELS AND CENSOR PROGRAMS

There are now too many clear channels, Federal Radio Commissioner James H. Hanley, of Nebraska, declares.

"More people would be served and better service rendered, if we had more regional channels whereby several stations could be accommodated on the same frequency rather than preserve for the exclusive use of favored stations an entire channel when it is well known that the reliable service area of even high powered stations is less than 200 miles", Commissioner Hanley said at the conclusion of his first year on the Commission.

"The success of these experimentations will result in better, more diversified and more continuous programs to many sparsely settled communities which now have very inadequate radio programs.

"Since coming on the Commission I have received numerous complaints from all parts of the country, particularly from the Fourt, or Middle Western Zone, which I represent, objecting to the character of the programs broadcast, particularly to the qualifications and culture of the performers or so-called talent; also to the substance of programs broadcast both musical and otherwise, and too, much criticism of the language employed and excessive time occupied in advertising various products which millions of listeners do not use, but we Commissioners are powerless during the regular licensed period of a station to interfere with such broadcasts because of the section of the Radio Act which prevents censorship.

"The general public, on the other hand, says to us that we must see that the stations are operated in the public interest. There is nothing else to a radio station than its programs, except its inanimate and inexpressible equipment. The Commission of necessity must consider the programs of a station when called upon to decide if its license should be renewed or not."

Commissioner Hanley, who is a Democrat, said as a matter of fairness and equity that the Radio Commission should be clothed with enough authority to warn stations that certain classes of programs are undesirable and may lead to embarrassment if not actual punishment, if they are put on the air. In other words, it would seem to him unfair to stations for the Commission to be muzzled regarding the rendition of programs and at the same time be clothed with authority to arbitrarily and summarily put off the air a station which consciously or unconsciously has rendered

an objectionable program. It puts the Commission much in the attitude of a spider sitting in its web waiting for some prey on which to pounce, said Mr. Hanley.

The Commission had adopted press released in the past. One, with reference to broadcasting lotteries and recently, one with reference to advertising intoxicating liquor on the air. These releases were in the form of a warning that the Commission would take cognizance of the character of programs and might designate for hearing the renewal application for a station's license when the license for the current period expired.

"This, of course, is nothing more than a 'gun behind the door' policy, or a 'stop sign' warning on a highway, announcing the speed limit", Commissioner Hanley continued. "It seems to me that the Commission should be given some authority by an amendment to the effect that it could without being regarded as censorship, say that such and such a program broadcast by a duly licensed station is not being broadcast in the public interest, or is not supplying any public convenience, or is not meeting any public necessity.

"The air being the common property of all used as it is to convey radio communications, is comparable to any other public way.* * * * *

"Consequently this question of program content and extent, particularly in commercial advertising is one that the Commission has been considering and will sooner or later have to solve. Of course we are conscious of the fact that regulatory statutes such as the Federal Radio Act must await the decision of the courts to determine just to what extent we can regulate and control without violating the anti-censorship section of the statute, but the Commission has been and will continue to be, and I think rightly so, petitioned by listeners protesting lotteries and games of chance being broadcast over radio stations, as well as other programs. Eventually Congress will make provision for penalties and punishment against stations which permit flagrant misrepresentation of goods during sponsored programs. Many advertisements over the air are reeking with superlatives regarding certain mediocre if not harmful products. There is no doubt in my mind that the general public is being grossly deceived in many instances. You will recall that only recently an investment house used much time on the air sponsoring a program primarily to sell its securities which proved to be practically worthless. One of the greatest abuses of the radio today is the disposition of advertisers to take advantage of the general public and the law as it now stands affords little protection. We look for relief through the measure designated as the Tugwell Bill now pending in Congress and I sincerely hope it will be enacted into law.

"The listening public expects more in the way of proper, considerate, informative, tolerant and cultured broadcasts from a duly licensed radio station than from the 'soap box' unlicensed

broadcaster. The licensing authority should be given power by law to say to the licensee, whose broadcasts are grossly improper, 'Stop, your broadcasts are not in the public interest, convenience or necessity.'

"Programs should be of wide appeal so that they will foster good-will and cooperation among all classes of our people and not stir social, political or religious strife or antagonisms. They should avoid, particularly in the advertising field, what is commonly known as 'bad taste'.

"While I firmly believe that the American system of broadcasting is the best in the world, there has crept into our system certain practices and abuses which are very apparent and tend to discredit, if not disrupt, the whole institution. We must correct the present abuses and injustices in our system otherwise public opinion will demand that we recapture all the government radio franchises and work out a new allocation, using as a yardstick in the New Deal the welfare of all listeners.

"Under the present setup it is common knowledge that there is too much concentration of facilities in the hands of a few who have found it financially advantageous to use them in the congested areas, as a result we have an appalling duplication of programs in the congested areas while in the wide open spaces, in rural and agricultural districts, there is a dearth of facilities. Constantly, we are forced to deny applications for radio facilities to serve outlying districts, many of which have no communication with the outside world because in the generous treatment of the big fellows the system has nothing left for the little fellow.

"Again I believe we should set aside a liberal number of channels for the exclusive use of educators and educational institutions. It has been clearly demonstrated that radio can be used most advantageously as an aid to classroom work and as a means of conveying worth while information to the general public. Opponents of that proposal claim that only a limited number of people listen to educational programs, but I contend that it is more in the interest of the public welfare and well being that 10,000 people listen to a learned discussion or lecture on some important public question or scientific subject, than it is for 1,000,000 people to listen to a great many of the programs that are now being broadcast. As I said in one of my recent dissenting opinions involving the rights of an educational station:

"Many mature thinking people are not as much interested in jazz, grand opera, or any other music as they are in listening to addresses, sermons, convention proceedings, agricultural and home economic information, and various other matters of sectional or state interest.'

"Whether or not Congress has the power to legislate on the question of rates has long since ceased to be a debatable question. My native state of Nebraska is a pioneer in

legislation on this subject. The Democratic and Peoples Independent parties back in 1892 advocated the fixing of rates to be charged by railroads doing an intra-state business. The late William J. Bryan favored such legislation and in the 1893 session of the Nebraska legislature there was passed such a measure. Its constitutionality was immediately challenged by the railroads interested and suit was commenced in the Circuit Court of Appeals of the United States for the district of Nebraska against Constantine J. Smyth, the then Attorney General of Nebraska, to enjoin the enforcement of the law. The United States Court for Nebraska sustained the law as constitutional but an appeal was immediately taken to the Supreme Court of the United States. Mr. Bryan was one of the attorneys who appeared with the Attorney General of Nebraska in defense of the law, contending that it was within the police power of the State to legislate on the subject. The Supreme Court of the United States, however, held the law unconstitutional on the ground that it was repugnant to the Fourteenth Amendment to the Constitution of the United States, in that it deprived the railroads of their property without due process of law and of equal protection under the law.

"The Supreme Court did not challenge the right of Nebraska to pass legislation on the subject."

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RADIO NOTABLES ENJOY GRIDIRON DINNER

Numerous persons identified with the radio industry were favored with invitations to the Spring dinner of the Gridiron Club in Washington last Saturday night in Washington. It was the first public appearance of President Roosevelt after his return from the West Indian fishing trip. The only speech of the evening, besides that of the President, was made by Senator Reed, of Pennsylvania, who presented the Republican side.

The radio people present at the dinner were:

M. H. Aylesworth, President, NBC; H. A. Bellows, Vice-President, Columbia Broadcasting System; Capt. Taylor Branson, leader U. S. Marine Band; Gene Buck, President ASCAP; Harry C. Butcher, Manager of Station WJSV; Louis G. Caldwell, counsel for WGN, Chicago; Martin Codel, editor "Broadcasting Magazine"; Senator C. C. Dill, of Washington; Archer Gibson, New York City; William Randolph Hearst, Jr., New York American; Robert D. Heinl, Heinl News Service; A. H. Kirchhofer, Station WBEN, Buffalo; Harold A. Lafount, Federal Radio Commissioner; Frank E. Mason, Vice-President, NBC; Richard S. Patterson, Jr., Vice-President, NBC; Herbert Pettey, Secretary, Federal Radio Commission; David Sarnoff, President, RCA; Thomas R. Shipp, Washington, D.C.; Frank Wozencraft, Assistant General Counsel, RCA.

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TELEGRAPH CODE HEARING POSTPONED TWO WEEKS

Deputy Administrator H. L. Peebles has announced that when the continued public hearing on the proposed Code of Fair Competition for the Telegraph Communication Industry convenes in the Auditorium in the Commerce Building on Wednesday, April 18th, it will be forthwith recessed to reconvene at the same place at 10 A.M. on Wednesday, May 2, 1934.

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23 STATIONS GETTING RADIO BUREAU NEWS

Twenty-three Western radio stations are now receiving the service of the Press Radio Bureau, it was announced by W. R. Gordon, editor of the Bureau. Of these, six are independent stations, and the rest are affiliated with NBC, CBS and Southern California Network.

Although formerly known as the National Radio News Bureau, the name of the Western Bureau organized last month to give Pacific Coast newspapers and radio stations a more localized service, has been changed to harmonize with name of the eastern bureau and to avoid confusion, Gordon said.

NBC stations taking the report are KDYL, Salt Lake City; KEX, Portland, Ore.; KFSD, San Diego; KGA, Spokane; KGHL, Billings, Mont.; KGIR, Butte, Mont.; KGO, San Francisco; KOA, Denver; KTAR, Phoenix, Ariz.; KPO, San Francisco.

Columbia stations are KDB, Santa Barbara; KFRC, San Francisco; KGB, San Diego and KHJ, Los Angeles.

Southern California Network outlets are KFOX, Long Beach, KFWB, Hollywood and KFXM, San Bernardino.

The Independents are KFAC, Los Angeles; KGER, Long Beach; KLX, Oakland; KMPC, Beverly Hills; KMTR, Hollywood, and KRKD, Los Angeles.

KMPC, latest station to subscribe to the service, is installing a Bell System teletype to receive the report. Other local stations now pick up the report by messenger. Copy is delivered to out-of-town stations by Postal and Western Union. Gordon stated, however, that within a few weeks, service will be speeded with the installation of a Bell System No. 19 teletype, with 60-word speed.

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HOGAN FACSIMILE MACHINE IN REGULAR BROADCASTS NEXT JUNE

The equipment for John V. L. Hogan's facsimile transmission, recently demonstrated in New York, has been shipped back to Milwaukee and broadcasts will be begun there in June under the auspices of the Milwaukee Journal which is pioneering in this new broadcasting development for transmitting photographs, cartoons and printed material.

The facsimile receiver is small and compact. A roll of paper a little larger than adding machine width is concealed in the lower part. It threads upward under the radio pen and into the open. The pen, a combination well and pen point, rests on a horizontal bar. As reception begins a motor synchronizes movement of the pen back and forth across the paper with the upward roll of the paper. A glass panel placed over the pen allows the observer to watch the reception of the picture or story as the pen moves back and forth.

It draws a three-inch picture or three inches of printing in one minute and in an hour the observer will receive 180 inches of picture, cartoon or printed material. In the test the receiver operated at a speed of 40 words a minute, turning out comic pictures, a bridge problem, an outline drawing for children in color, and then used a children's story with sound.

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K. C. CHIEF OF POLICE SUES FOR LIBEL ON RADIO

A suit seeking \$250,000 from the Columbia Broadcasting System, Remington Rand, Inc., and the Midland Broadcasting Co., for alleged libel and slander was filed in Kansas City by Robert J. Coffey, Chief of Police, according to an Associated Press dispatch.

The suit was based on a recent radio broadcast depicting Kansas City's March 27 municipal election in which four men were slain. The action charges that the words "acting chief, ex-convict, served time in the penitentiary", were used in the broadcast and are false.

The Remington Rand Co., office equipment manufacturers, the suit charges, sponsored the broadcast ("March of Time"). The Midland Broadcasting Co. operates radio station KMBC in Kansas City.

James A. Reed, former Senator, is Chief Coffey's attorney.

The fact that former Senator Reed has been engaged to handle the case may mean that it will be bitterly fought. Senator Reed is noted for his vigorous prosecutions and not any too friendly to radio because one of his political broadcasts was cut off. Mr. Reed was also the attorney in the suit filed by the Grigsby-Grunow Co. against the so-called "Radio Trust."

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DOUBT COMMUNICATIONS COMMISSION BILL PASSAGE THIS SESSION

The conferences held by President Roosevelt with administration leaders in Congress, apparently haven't decided the fate of the Communications Commission Bills now pending in the House and Senate. According to one source of information, the Bills were definitely doomed but according to another, they were not even discussed with the President and will not be until the disposition of other bills, considered more important, have been determined.

The President was quoted as saying, upon returning from his Florida trip, that there were several major bills he desired considered and if, after these had been disposed of, there would be time to take up the Communications Bill without delaying adjournment, he hoped this could be done.

If Congress is to adjourn anywhere near May 15th, it would seem that only great pressure could bring about the passage of the Bills this session.

Senator Dill's Bill has been reported to the Senate but it may take sometime to pass it. House hearings, partially completed, have again been postponed, this time to Tuesday, April 24th. This is but three weeks before the tentative time for adjournment and even if the session were extended until June 1st, the House Bill would have to go some to be passed by that time.

It might then be considerably different from the Senate Bill with a result that time would be required for conference. Altogether the prospects for a Communications Bill at this session therefore do not look very bright.

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WOULD GIVE ONE-FOURTH TIME TO EDUCATION AND RELIGION

Apparently a follow-up of the proposal made by Rev. John B. Harney, of New York, Superior of the Paulist Fathers who operate Station WLWL, that such a redistribution be made, Representative William F. Brunner, Democrat, of Rockaway Park, New York, introduced a Bill in Congress which would give 25% of all radio facilities to religious and educational institutions.

The text of the Bill is as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That to eliminate monopoly and to insure equality of opportunity and consideration for educational, religious, agricultural, labor, cooperative, and similar non-profit-making associations, seeking the opportunity of adding to the cultural and scientific knowledge

of those who listen in on radio broadcasts, the Commission shall require that all radio broadcasting stations allocate not less than one-fourth of their operating time to educational, religious, agricultural, labor, cooperative, and similar non-profit-making associations. The facilities so allocated shall be equally desirable as those assigned to profit-making persons, firms, or corporations."

Numerous petitions urging similar legislation as this are beginning to be received by Senators and Representatives. In this connection the following letter from Mary Filser Lohr, President of the Catholic Women's Union of New York State, was presented to the Senate by Senator Robert Wagner, of New York:

"This is an appeal on behalf of Radio Station WLWL of New York City, the only Catholic broadcasting outlet in the entire Northeast section of the United States.

"For the past several years WLWL has courageously struggled against many of the obstacles and handicaps so that this station could continue, and that the work which is being done by the Catholic Church in one of the principal Catholic centers will not be jeopardized or completely wiped off the air.

"Since 1927 WLWL has been discriminated against unjustly. Once a station with unlimited time, it is now reduced to 15½ hours a week. Columbia Broadcasting has profited by the curtailment of WLWL's time, contrary to the regulations of the Federal Radio Commission.

"The efforts to obtain WLWL's just rights from the Federal Radio Commission up to the present have been unsuccessful. Columbia Broadcasting holds the wave length on which WLWL has only 15½ hours and refuses to give it up; its attitude is clearly expressed in a letter received by WLWL from Mr. Edward Klauber dated March 7, 1934, in part as follows:

"Let me say once more, in order that our position may be entirely clear, that we do not feel that we can conscientiously or with due regard to our own interests or those of our audience surrender any of this wave length to you, nor do we know that the Commission would allow you to have it, even if we were willing."

"Educational and religious radio stations that are striving to render real service for educational and moral life of their listeners are given but a few hours and are thereby sacrificed for unnecessary and commercial programs.

"The Radio Commission has consistently discriminated against educational agencies in the allotment of broadcasting facilities, though the development and extension of education is a deep-rooted policy of our people.

"I would request that you carefully consider the amendments as follows: Section 301-A, 301-B, and 301-C, and use your best endeavors to support these bills. By so doing you will aid the cause of moral, educational, and religious progress in our country, whose proudest boast is its devotion to the cause of education."

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 :::BUSINESS LETTER NOTES:::
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Herbert L. Pettey, Secretary of the Federal Radio Commission, has been appointed to the Legion of Honor of DeMolay, it was announced by Grand Scribe Frank S. Land, of Kansas City, Mo.

An RCA Victor Public Address System, just installed in the Willard Hotel in Washington, D. C., was used for the first time the night of the Gridiron Dinner.

It worked so well and voices were reproduced so naturally that guests were hardly aware that mechanical devices were being used.

The banquet hall is a city block in length but the voice of President Roosevelt was heard perfectly in every part of the room.

Roger H. Eckersley, Director of Entertainment for the British Broadcasting Corporation, arrived in New York aboard the "Georgic" this week to begin four weeks study of American radio technique. Mr. Eckersley is the first of a group of BBC department heads sent to this country as a result of Sir John Reith's visit here for the opening of Radio City.

Mr. Eckersley made a brief inspection of the Radio City studios yesterday. He will remain in New York for three days, then visit NBC studios in Chicago and Washington.

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"MILESTONES OF RCA PROGRESS"

A 45-page booklet, pocket-size, has been issued entitled, "Milestones of RCA Progress."

The preface of the booklet reads:

"The Radio Corporation of America has held a position of leadership in laboratory research and in the development of radio services throughout the years in which the radio industry in the United States has risen swiftly from halting beginnings to its present place. So many of the important forward steps in radio have been initiated by the Radio Corporation, and in so many others has it been among the leaders, that the story of RCA

outlines the larger story of a radio era. In the following summary of important events in RCA history will be found many of the milestones of that era.

The milestones begin with the year 1919, the highlights of which are set forth as follows:

"First move to offset world communication dominance in foreign hands in letter written by Franklin D. Roosevelt, Acting Secretary of the Navy, requesting the General Electric Company to suspend negotiations for the sale of Alexanderson Alternator to the British Marconi Company until after a conference with the Navy Department - April 4.

"Conference at General Electric Company's offices relative to retention of Alexanderson Alternator in American hands, attended by Admiral Bullard and Commander Hooper of the Navy and the General Electric's representatives, including E. W. Rice, Jr., President of the Company; Owen D. Young, Vice-President; Albert G. Davis, Head of the Patent Department; E. P. Edwards and C. W. Stone, of General Electric - April 8.

"Radio Corporation of America organized - October 17.

"First effort to unlock United States patent deadlock by cross license agreement made between Radio Corporation and General Electric Company - November 20.

"Marconi Wireless Telegraph Company of America assets and business taken over by RCA - November 20."

Then follow other "milestones" up to and including Christmas Day, 1933.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted (April 17, 1934)

WLW, The Crosley Radio Corp., Cincinnati, Ohio, special exp. auth. to operate with 500 KW power using transmitter of W8XO for period ending August 1, 1934; WSFA, Montgomery Broadcasting Co., Inc., Montgomery, Ala., special temp. auth. to operate simultaneously with station WALA from 6:15 P.M. to 12 midnight, CST, April 23, 24, 25, 26, 27, 28, 29 and 30, 1934, with 250 watts power; KFPY, Symons Broadcasting Co., Spokane, Wash., special temp. auth. to operate station without an approved frequency monitor for period of not more than 2 weeks from April 20.

Also, New City of Stockton, Cal., Police Dept., C.P. frequencies 30100, 33100, 37100, 40100 kc., 15 watts; New, Sun Oil Co., Portable #1, Recording Station and Portable #2 and 3, C.P.s (Geophysical) 1652 kc., 5 watts; WNEE, Superior Pine

Products Co., Fargo, Ga., C.P. to install new equipment and increase power from 50 to 100 watts; WSDM, Albany, N. Y., and WSDD, Boston, Aeronautical Radio, Inc., license, 2612, 2636, 3467.5, 4740 kc., unlimited, 6540, 6550, 6560 and 8015 kc. day only, 250 watts power; WSDK, Memphis, Tenn., same except licensed operator at control point only.

Miscellaneous

WGBI, Scranton Broadcasters, Inc., Scranton, Pa., C.P. 880 kc., 1 KW, to share with WQAN, heretofore set for hearing, was dismissed at request of applicant; New, Victor Beverly Pitts, Raton, New Mexico, C.P. 1500 kc., 100 watts, daytime, heretofore set for hearing, was dismissed at request of applicant; Lloyd Goodstorf, Marion, Wis., barred from examination for radio operator privileges, for a period of 6 months from this date, because he unlawfully operated an amateur station without having first obtained a license from the Commission; Milton Davis, Marion, Wis., same.

Ratifications

New, Monty Glennwood Mason, 527-E, granted license to operate aircraft station as broadcast pickup station, frequency 2102, during period of blind flying endurance flight; Same, at Alhambra, Cal., C.P. to communicate on experimental basis granted in the aviation service, frequencies 31600, 35600, 38600, 41000 kc., 10 watts; Action taken April 13: KQV, KQV Broadcasting Co., Pittsburgh, Pa., granted extension of special temporary authority to operate simultaneously with WSMK from 7:15 P.M. to 12 midnight, for period beginning April 15, and ending not later than May 1, 1934; WSMK, Stanley M. Krohn, Jr., Dayton, Ohio, granted extension of special temporary authority to operate simultaneously with KQV from 7:15 P.M. to 12 midnight, for period beginning April 15 and ending at not later than May 1, 1934.

Also, WPGU, Town of Cohasset, Mass., Police Department, granted license to cover C.P., 1712 kc., 24 watts; KIFS, KFJI Broadcasters, Inc., Klamath Falls, Ore., granted authority to use broadcast pickup station on April 21, Lakeview, Ore., frequency 1622 and/or 2150 kc., 50 watts; KIKX, American Hawaiian SS Co., San Francisco, granted 3rd class public service ship license.

Set For Hearing

New, Joseph Pappalardo, Methuen, Mass., C.P. for new station, 1120 kc., 500 watts, daytime; New, D. J. Burton & L. C. Davis, Temple, Texas, C.P. for new station, 990 kc., 250 watts, daytime; WDGY, Dr. George W. Young, Minneapolis, Minn., C.P. to make changes in equipment, increase day power from 1 KW to 2½ KW (1 KW night) and change hours of operation from limited to unlimited to be heard before the Commission en banc on June 6.

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