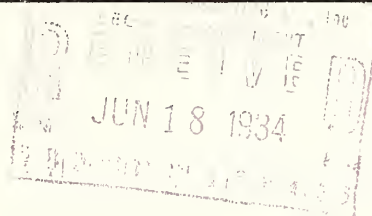


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication



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No. 732

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CONGRESSIONAL SESSION MARKED BY NUMEROUS RADIO BILLS

Including those creating a Communications Commission, no less than 18 bills were introduced in the second session of the Seventy-Third Congress. Little of the additional legislation materialized, but the fact that so many measures were proposed proved that radio is a live topic in the minds of the national lawmakers. The passage of a Communications Bill is really a result of several years' discussion, dating back to the Bill introduced by Senator Couzens, of Michigan, when he was Chairman of the Commission. The 1934 Communications Act is the first major piece of radio legislation passed by Congress since the Radio Act was passed in 1927.

Besides the 18 bills proposed, there were a half a dozen resolutions which in one way or another would have regulated radio.

The first radio Bill during the past session was introduced by Representative Huddleston, of Alabama, and it died in Committee. This would have caused radio stations licensed under the Radio Act and operated direct or indirectly for hire or compensation, to be classed as public utilities and they would have been obliged to serve, transmit and broadcast without discrimination for all who applied for same, for a just and reasonable charge and compensation to be fixed from time to time by the Federal Radio Commission, except those stations operated by the United States or any agency thereof.

A resolution was offered by Senator Robinson, of Indiana, early in January, authorizing the Senate to make an investigation of the control exercised by the Federal Radio Commission over persons broadcasting, and "the extent to which the freedom of speech of such persons has been restricted." This likewise slumbered peacefully in Committee.

More successful, but in which radio was only mentioned along with other means of communication, was a Bill making it a felony to extort money by telephone, telegraph or radio.

Also passed, later having been made part of the Communications Act, was a Bill prohibiting programs being sent across the border from the United States by remote control to be broadcast back into this country. The Bill was aimed at stations across the Rio Grande with objectionable matter fed to them from Texas and other States in that vicinity.

A Bill was introduced by Representative McFadden, of Pennsylvania, the second week in February, which would have required commercial radio stations to accept religious and other

programs without discrimination. This was said to have been inspired by followers of a religious sect headed by Judge Rutherford, which had been refused network facilities. The Bill never got out of Committee.

A Bill introduced February 14, by Representative Bland, of Virginia, to prohibit broadcasting any advertisements or information concerning a lottery, later was passed as part of the Communications Bill.

Representative Fulmer, of South Carolina, in March, introduced a resolution to have the House appoint a Committee to make a study of the broadcasting systems here and abroad in order to develop a system in the United States "that will most effectively promote the interests of listeners." This, likewise, didn't get anywhere.

Senator Capper, of Kansas, March 10, offered a Bill to prohibit the advertising of intoxicating liquors over the radio, but it was not reported out of Committee.

Radio was mentioned, along with other mediums of advertising in the Copeland Pure Food and Drug Bill.

A Bill was passed adding ten acres to the Constant Frequency Monitoring Radio Station, located at Grand Island, Nebr.

Several Bills were introduced both in the House and the Senate to allocate one-fourth of all radio frequencies to religious, educational, and other non-profit-making stations. An attempt was later made by Father Harney, of Station WLWL, with the assistance of Senators Wagner, of New York, and Hatfield, of West Virginia, to have this incorporated in the Communications Bill. The amendment was voted down in the Senate.

On April 16, Representative DeRouen introduced a Bill which was passed, to authorize the transfer of the Otter Cliffs Radio Station on Mount Desert Island in the State of Maine as an addition to the Acadia National Park.

Senator Dickinson, of Iowa, May 28, introduced a resolution to investigate the Federal Radio Commission with particular reference to the conduct of several members of the Commission, and with further reference to their fitness to exercise their judicial function as members of the Commission. Later Senator Dickinson made further charges against the Commission in the Senate, including the allegation that several Commissioners had switched their vote, at the instigation of the White House, in a case involving Station KWKH, of Shreveport, and WWL, at New Orleans. Subsequently, Senator Huey Long, of Louisiana, introduced a resolution to investigate the truth of the charges made by Senator Dickinson with regard to the Louisiana stations.

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STORER QUIETLY FORMS NEW NETWORK

The formation of the American Broadcasting System, with WMCA, New York, as the key station in a group embracing seven cities along the Atlantic seaboard, was announced Wednesday by George B. Storer, President of WMCA, which has been operating as the Federal Broadcasting System.

The group was formed for the exchange of sustaining programs and did not constitute an attempt to set up a third chain with nation-wide coverage, Mr. Storer explained. The service will be continuous from 9 A.M. until 1 A.M., daily, and will begin at once. Mr. Storer, who is president of the Board of Directors of the new group, said that any possible extension of the chain would depend upon the desire of stations to participate in the program exchange service.

The other stations included in the network are WRPO, Providence, R. I.; WTNJ, Trenton, N. J.; WPEN, Philadelphia; WDEL, Wilmington; WCBM, Baltimore, and WOL, Washington, D. C.

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JAPAN PLANS POWERFUL STATIONS

The Japan Broadcasting Corporation is laying plans to increase the power of its various stations, according to a report to the Commerce Department from Assistant Trade Commissioner D. W. Smith, Tokyo.

Application has been made by the corporation to the Department of Communications for permission to increase the transmitting capacity of its Tokyo station from 10 kilowatts to 150 kilowatts. Just when the construction of the new station will be started is not yet known but inquiries have been sent to the leading Japanese electrical goods manufacturers for quotations on equipment. The corporation also plans to increase the capacity of its Osaka station from 10 to 100 kilowatts within the next two years. The present stations at Niigata and Nagasaki will also be enlarged during 1935-36, according to present plans.

New broadcasting stations, the report points out, are now under construction at Kagoshima, Toyama and Kogu which will be opened during the latter part of the present year.

The Japan Broadcasting Corporation, according to the report, has announced that the subscription fee for licenses will be reduced from 0.75 yen per month to 0.50 yen per month from April 1, 1935 (A yen is about 84 cents, U.S. money). At the end of April, 1934, there were 1,739,160 licenses in force, of which 27,529 were free subscribers and 1,711,631 paid subscribers.

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B.B.C. 24-HOUR CLOCK GETS LISTENERS' RISE

A lively controversy has been caused by the adoption by the British Broadcasting Corporation of the 24-hour system of time in its announcements.

Numerous letters have been received by the London Morning Post on the subject.

Sir Ambrose Fleming, inventor of the wireless valve, writes: * * * * "The 24-hour time has advantages for railway time-tables when distances are large, and it avoids the necessity of space for letters a.m. or p.m., and in other work. But there is no real necessity for it in broadcasting, which takes place chiefly within one revolution of the small hand of the usual clock, and it involves a tiresome mental effort for the ordinary listener to translate 24-hour into clocktime.

"In inflicting this trouble on the public", Sir Ambrose continues, "the B.B.C. is mistaking its functions, which are to provide the public with the music and speech the majority desire, and not to exasperate them by needless novelties in their publications or ways.

"The source of all the trouble with the B.B.C. is that it has not yet found any means of ascertaining the wishes of the real majority of its listeners and can only depend on the letters which a minority happen to write to them expressing approval or disapproval.

"By its present constitution and charter, it is an absolute autocracy and in contrast with all our other British public institutions, the persons who provide the income (now approximating to one and a half million sterling) have not the smallest voice in electing the people who expend this income, nor over the mode in which it is spent by the B.B.C.

"The remedy would seem to be the formation of a sufficiently strong Listeners' Association, able to bring pressure to bear on Parliament to grant some power of control to those who provide the income and pay the wireless piper, but have now no power whatever to call the radio-tune."

The following extracts from a series of letters express various points of view:

G. R. R. Taylor (Paddington) - "Summarised, the argument against the 24-hour clock consists in the difficulty of subtracting 12 from the figure. In a year or two, surely, this difficulty will have vanished."

Harry Webber (Plymouth) - "The few advantages of the 24-hour system cannot be gainsaid. Anyone who has had occasion to use a Continental railway time-table, or the misfortune to fight in a war knows them."

G. W. Jones (Yatesfield, Nailsworth) - "I have protested three times to the B.B.C. against monkeying with the clock. I have instructed my newsagent to stop delivery of the 'Radio Times' and that I shall not take it again until normal conditions prevail. If others do the same, these self-appointed reformers will soon see the error of their ridiculous effort to educate the public."

G.A. Brown, (Rosendale, South Croydon) - "The new plan is voted a nuisance by my family."

M. Mitchell (Park House, Solihull) - "I regret the decision of the B.B.C. to use the 24-hour clock. The whole affair savours of an absurdity - a stupid act of dictatorship."

V. Barton (Bath) - "I cannot be bothered with the silly nonsense of altering the clock."

C. A. Cumming (Tunbridge Wells) - "We are all rattled to the utmost by the B.B.C. time system."

Miss Muriel Robinson (Makepeacemansions) - "I object to the dictatorial methods employed in thrusting the 24-hour clock upon listeners. Has the B.B.C. turned Fascist?"

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BROADCASTING LABOR PROVISIONS UP FOR CODE DISCUSSION

The National Recovery Administration will open for consideration and public hearing the provisions contained in Articles III, IV and V of the Code of Fair Competition for the Radio Broadcasting Industry. The hearing will be held beginning at 10:00 A.M., Wednesday, June 20, 1934, in the Raleigh Hotel, Washington, and continue until completed.

The hearing will be held upon the basis of the reports made by the Code Authority for the Radio Broadcasting Industry, and information otherwise before the Administrator. Code Authority Bulletin No. 6 contains the recommendations of the Code Authority in this matter.

James W. Baldwin, the Executive Officer, will present for any member of the Industry any factual statements pertinent to the hearing. Such statements of fact should be received by the Executive Officer not later than Monday, June 18.

Generally speaking, Article III says that no employee shall be permitted to work in excess of forty hours a week. This doesn't apply to such employees as broadcast technicians (whose maximum hours shall not exceed forty-eight hours) and others.

In Article IV, it is specified that no employee shall be paid less than fifteen dollars a week in any city over 500,000

or in vicinity at less than \$14.50. Broadcast operators and control men are scaled at \$40 a week and less, according to size of station. Announcers are listed at not less than \$20 a week, excepting in some cases \$15.00.

Article V deals with general labor provisions, such as that stations will employ no one under sixteen years of age, except talent, etc.

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KEEP RADIO FREE, ROOSEVELT URGES RMA

President Roosevelt believes that radio broadcasting "should be maintained on an equality of freedom similar to that freedom which has been and is the keystone of the American press." His message to this effect, sent to Fred D. Williams, President of the Radio Manufacturers' Association, in convention in Chicago, was read and broadcast. It read:

"I take pleasure in extending greetings and best wishes to the radio industry as represented at your banquet given in celebration of the tenth anniversary of the founding of the Radio Manufacturers' Association.

"Your manufacturing ingenuity and your agencies of distribution have been so exercised that, I am glad to say, radio today is enjoyed in the humble as well as the palatial home and contributes greatly to the enrichment of life.

"Radio is a new and potent American industry. Reports of the United States Department of Labor show that employment in your factories has doubled since April, 1933. Unemployed have found work in your factories, and I am advised that as business has improved in your industry, your workers have received increased wage rates.

"You have had many evidences of my interest in radio. In cooperation with the government, radio has been conducted as a public agency. It has met the requirements of the letter and spirit of the law that it function for 'public convenience and necessity.'

"To permit radio to become a medium for selfish propaganda of any character would be shamefully and wrongfully to abuse a great agent of public service.

"Radio broadcasting should be maintained on an equality of freedom similar to that freedom which has been and is the keystone of the American press."

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PRESIDENT CONSIDERS COMMUNICATIONS COMMISSION APPOINTMENTS

A man who said he had talked with President Roosevelt yesterday (June 14) was authority for the statement that the President is now personally engaged in making a list of those he desires to appoint to the new Communications Commission. This informant said that Mr. Roosevelt had before him a great list of names and although he probably would not announce them before Congress adjourned, was nevertheless hard at work in the matter of their selection.

If the President holds to his announced determination of not appointing the Commissioners until after Congress adjourns, the impression in Washington is that he will dispose of the appointments before he leaves on his Summer cruise, which will be about Tuesday, June 26, especially so since the Communications Act will not go into effect until July 1st. In the opinion of many, the appointments may be made within a week after Congress adjourns.

Pretty much the same list of names continues to be discussed. Dr. W. M. R. Splawn is known to have told a Senator backing him that he would not be able to serve because he was having trouble with his eyes. It seems to be the impression that a place will be held for Representative Prall, of New York, who will not be eligible to serve until his Congressional term expires next January.

A name heard, which has heretofore not been mentioned in this column, is that of Lieut. Commander E. H. Loftin, U.S.N., retired. Commander Loftin is a patent attorney now engaged in private practice in New York City. He is said to be about 47 years old and served in the Bureau of Engineering and the Judge Advocate General's office. Commander Loftin was the Navy's patent expert and was the co-inventor of the Loftin-White radio receiving circuit.

Others not mentioned in this column recently, who are still spoken of, are William C. Green, of St. Paul, former Special Counsel of the House Interstate Commerce Committee; Mily R. Maltbie, Chairman of the New York Public Service Commission; J. H. Bickley, Chief Accountant, Wisconsin Public Service Commission; former Judge Orville Smith, of Cleveland; Walter Walker, Oklahoma Railroad Public Service Commission; and Homer Hoch, Chairman of the Kansas Public Service Commission. The name of Capt. S. C. Hooper is still much discussed. The only woman mentioned thus far is Miss Fanny Neyman, of Montana, now serving in the Legal Division of the Commission. Paul D. P. Spearman, former Assistant General Counsel, has been proposed for General Counsel.

Heads of bureaus and personnel at the Radio Commission are trembling in their boots. Although many of them are under Civil Service, the Communications Act is said to be so worded that anyone could be dropped. The impression is that the new Commission will be organized in three divisions instead of two, if for no other reason than to give as many jobs as possible to deserving Democrats.

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 ::::BUSINESS LETTER NOTES::::
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Over 400 stations have filled out and sent in the questionnaires distributed by the Code Authority with regard to broadcasts to which admission is charged. Although a formal report has not yet been made, it appears that few stations require admission fees.

The Vice-Chairman of the Federal Radio Commission, and Mrs. Thad H. Brown have returned to Washington after a few days spent in their home in Columbus, Ohio, where they attended the graduation of their son, Mr. Thad H. Brown, Jr., at the Columbus Academy for Boys. Mr. Brown was valedictorian of his class and gave the commencement address. He will attend Princeton University next Fall.

Kolster-Brandes, Ltd. - For 1933; Net loss after expenses, depreciation, directors' fees, reserve for doubtful accounts, and other charges, £150,057. The credit balance brought forward to Dec. 31, 1932, was £51,377, which with the above net loss, leaves a debit balance of £98,680 to be carried forward to next account.

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MACKAY OFFERS NEW RADIO-MAIL SERVICE

A new communication service for passengers on ships at sea, a radio-mail or S L T service is announced by the Mackay Radio and Telegraph Company. Messages sent from ships on both the Atlantic and Pacific Oceans will be received by Mackay Radio coastal stations and mailed to the addressees anywhere in the United States.

The rate for this service is \$2.50 for a 25 word message with a charge of 10¢ for each additional word. This rate is substantially lower than rates for the regular fast ship-to-shore service by which messages are transmitted from the coastal radio station to their destination by wire or radio.

In announcing this new service, Ellery W. Stone, Operating Vice-President of Mackay Radio, stated that he considered that such a service would be valuable to tourists and other passengers whose messages to shore might not require the utmost speed in giving them a deferred service at a substantial reduction.

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DILL SEES POSSIBILITIES IN SHORT WAVE NEWS SERVICE

Senator Dill, of Washington, Senate radio leader, said there was much more likelihood of his not running again for the Senate than there was of his organizing a national short-wave press association to furnish news to broadcasting. Nevertheless, one got the idea that it would not be beyond the realms of possibility if ultimately the Senator might not ultimately become associated with or promote such a service. He is enthusiastic over the idea, declares that someone eventually will organize a short wave news service to the stations, says that he would prefer to have the Associated Press, or the United Press organize it, and in case they do not, he may take a hand in it, providing, of course, that he does not run for the Senate again. Senator Dill has until July 1st to file his Senatorial intentions.

"If I went into it all, it would be as a matter of public service", Senator Dill said. "The fact is that listeners in outlying districts, such as farmers, those in the mountains, and so on, are more eager for news bulletins than anything else, they are simply hungry for news. However, the present arrangement with the press associations is unsatisfactory because they allow only five minute broadcasts and will not permit this time to be sponsored by an advertiser.

"I agree absolutely with them that their news is their property and that they have a right to handle it in their own way. I think, however, they are making a mistake by restricting it to too brief periods and not allowing the time to be sold. Stations want more news than that and if the press associations don't give it to them, they will get it some other way.

"A weakness of the present system is the high telegraph tolls and the cost of distribution. It could be done much more cheaply by the RCA after they have installed their wireless city-to-city stations. Such a company as that would be the proper concern to undertake the project and it wouldn't surprise me if some day they did it.

"I have talked to representatives of several of the large press associations trying to convince them that the opportunity is theirs and that if radio stations can't buy more news at a lower transmittal rate from them that it will surely result in a nation-wide short wave news service organized especially for the use of the stations.

"As it is now, many listeners are too remotely located to receive the late editions of evening newspapers and sometimes don't get their morning papers until noon. A short wave system would solve the question. I think some day it may go even farther and actually put a facsimile newspaper into the homes of listeners. It is a development the newspapers would do well to keep in step with."

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COMMISSION MODIFIES RULE 284-d

The Commission has modified Rule 284-d to read as follows:

"The licensee of a ship radio station on board a vessel of the United States licensed to carry, or carrying, fifty or more persons, including passengers or crew or both, shall maintain continuous hours of service in accordance with the rules governing first class ship radio stations at all times while the vessel is being navigated between ports or places more than two hundred miles apart, Provided, however, that vessels which are also licensed to carry less than 50 persons and/or play less than 200 miles between ports or places may be granted radio station licenses specifying more than one class."

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted
(June 15, 1934)

KMA, May Seed and Nursery Co., Shenandoah, Iowa, modification of license to increase day power to $2\frac{1}{2}$ KW-LW, application for increase in night power from 500 w. to 1 KW as designated for hearing; KMTR, KMTR Radio Corp., Los Angeles, Cal., modification of license to increase power from 500 watts to 1 KW; KVI, Puget Sound Broadcasting Co., Inc., Tacoma, Wash., modification of license to increase power from 500 w. to 1 KW day and night; WCBD, Wilbur Glenn Voliva, Zion, Ill., consent to voluntary assignment of license to WCBD, Inc.; WJDX, Lamar Life Insurance Co., Jackson, Miss., license covering increase in power and change in equipment 1270 kc., 1 KW night, $2\frac{1}{2}$ KW day; WJBK, Jas. F. Hopkins, Inc., Detroit, Mich., modification of license to increase power from 50 to 100 watts; WNOX, WNOX, Inc., Knoxville, Tenn., modification of license to change frequency from 560 to 1010 kc.; WIS, Station WIS, Inc., Columbia, S. C., C.P. to move transmitter to site to be determined, make changes in equipment, change frequency from 1010 kc. to 560 kc., and increase power from 500 w., night 1 KW-LS to 1 KW night, $2\frac{1}{2}$ KW-LS.

Also, KGGE, Powell & Platz, Coffeyville, Kans., modification of license to increase power from 500 watts night, 1 KW day, to 1 KW day and night; WHA, University of Wisconsin, Madison, Wis., C.P. to make changes in equipment and increase power from 1 KW day to $2\frac{1}{2}$ KW day; KXL, KXL Broadcasters, Portland, Ore., C.P. to make changes in equipment increase daytime power from 100 w. to 250 watts; WOKO, WOKO, Inc., Albany, N. Y., modification of license to increase day power from 500 w. to 1 KW; KSD, The Pulitzer Publishing Co., St. Louis, Mo., modification of license to increase daytime power from 500 w. to 1 KW; WDBJ, Times World Corp., Roanoke, Va., C.P. to increase daytime power from 500 watts to 1 KW and install new equipment.

Also, KIDO, Boise Broadcast Station, Boise, Idaho, C.P. to increase daytime power from 1 KW to $2\frac{1}{2}$ KW, make changes in equipment; KQW, Pacific Agr. Foundation Ltd., San Jose, Cal., C.P. to increase day power from 500 watts to 1 KW up to 7 P.M. (no change in power after 7 PM (500 w)); WEBQ, Harrisburg Broadcasting Co., Harrisburg, Ill., C.P. for increase in daytime power from 100 to 250 watts, and make changes in equipment; WOL, American Broadcasting Co., Washington, D. C., C.P. to increase daytime power from 100 watts to 250 watts and make changes in equipment; WISN, American Radio News Corp., Milwaukee, Wis., modification of license to increase daytime power from 500 w. to 1 KW; KECA, Earle C. Anthony, Inc., Los Angeles, Cal., authority to increase day power to $2\frac{1}{2}$ KW and use old equipment of KFI.

Applications Reconsidered And Granted

WNAC, Shepard Broadcasting Service, Inc., Boston, Mass. C.P. to increase daytime power from 1 KW to $2\frac{1}{2}$ KW, and make changes in equipment; WIND, Johnson-Kennedy Radio Corp., Gary, Ind., C.P. to increase daytime power from 1 KW to $2\frac{1}{2}$ KW and install new equipment; KOL, Seattle Broadcasting Co., Seattle, Wash., C.P. to increase daytime power from 1 KW to $2\frac{1}{2}$ KW and make changes in equipment; also move transmitter locally; WCNW, Arthur Faske, Brooklyn, N. Y., modification of C.P. to increase day power from 100 w. to 250 watts, and make changes in equipment; WDAE, Tampa Times Co., Tampa, Fla., special experimental authority to increase daytime power from 1 KW to $2\frac{1}{2}$ KW for period ending October 1, 1934 and make changes in equipment; KGW, Oregonian Publishing Co., Portland, Ore., C.P. to move studio locally in Portland, install new equipment and increase daytime power from 1 KW to $2\frac{1}{2}$ KW; KQV, KQV Broadcasting Co., Pittsburgh, Pa., renewal of license application reconsidered and granted.

Action On Examiners' Reports

WJJD, WJJD, Chicago, Ill., granted modification of license to move studio from Mooseheart to Chicago, Ill, sustaining Examiner Geo. H. Hill; KVI, Puget Sound Broadcasting Co., Inc., Tacoma, Wash., modification of license granted to increase power from 500 watts to 1 KW day and night, reversing Examiner R. L. Walker; KGW, Oregonian Publishing Co., Portland, Ore., Granted C.P. to change maximum rated carrier output power, increase power from 1 KW to 1 KW night, $2\frac{1}{2}$ KW day, and make changes in equipment; also change studio location. Examiner R. L. Walker reversed.

Miscellaneous

WOR, Bamberger Broadcasting Service, Inc., Newark, N.J., granted petition to have Commission en banc hear application for experimental permit. Date to be decided later; KSO, Iowa Broadcasting Co., Des Moines, Ia., granted authority to operate on 1320 kc. with 250 watts from 12:01 to 6 A.M. daily, from now until date of hearing - June 25; grant to use this frequency and power suspended because of protest of WADC.

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