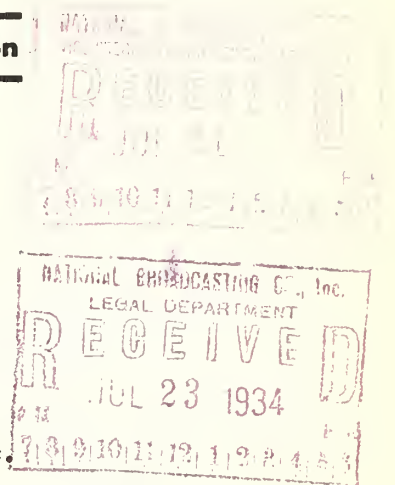


# HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

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No. 742

*[Handwritten signatures and initials in red and black ink at the bottom left corner.]*

July 20, 1934.

## COMMUNICATIONS CHAIRMAN DISAVOWS PRESS CENSORSHIP

Speaking at the first public gathering attended by members of the Federal Communications Commission, Chairman E. O. Sykes vigorously denied that there had ever been any intention of either the old Radio Commission or the new Communications Commission to exercise a censorship on the newspapers.

"There never has been any desire to do this", Judge Sykes continued, "and there never will be. There is nothing in the Communications Act to warrant the censorship accusation and if there were, I can assure you the Commission would have no idea of exercising it.

"It all seems very remote and I have never understood what the basis of the censorship charges were or why there should have been so much excitement about it."

The occasion for the gathering which Judge Sykes addressed was an "initiation dinner" at the Burning Tree Country Club in Washington last Tuesday given to the new Communications Commission and dedicated to "Ye Goode Olde Public Interest, Convenience And/Or Necessity."

The attendance was made up largely of newspapermen, lawyers who practice before the Commission, and Washington representatives of communications organizations. Martin Codel and Sol Taishoff, editors of Broadcasting, were Chairmen of the Arrangements Committee.

In addition to Judge Sykes, all the other Commissioners were present - Col. Thad Brown, of Ohio; Paul A. Walker, of Oklahoma; former Gov. Norman S. Case, of Rhode Island; Dr. Irvin Stewart, of Texas; George Henry Payne, of New York, and Hampson Gary, of Texas. Also former Radio Commissioners James H. Hanley, Harold A. Lafount and Judge Ira E. Robinson. Another guest was M. H. McIntyre, one of President Roosevelt's secretaries.

The menu (a la Kilocycle) was as follows:





Mr. Payne, who is a medium-sized chubby man, has the appearance and manner of speech of what is known as a typical "New Yorker" and wears a moustache and a goatee, seemed about as pleased at the introduction as if he had been dropped from the top of the Empire State Building. Payne, nevertheless, proved well able to take care of himself and lost no time going back at the toastmaster.

"I am only prevented from responding properly by the fact that I am limited to a tomato juice diet", Mr. Payne said, "while Bill Hard is drinking cocktails. However, I may have something to say when the tomato juice ban is lifted. I was surprised to be called upon to speak because when I heard that Hard was to be the toastmaster, I assumed that, as usual, he would do all the talking."

Mr. Payne became so realistic in what appeared to be sarcastic remarks about Mr. Hard that many began to believe that he had taken personal offense at Hard's remarks. What most of those present did not know was that the two men were old friends and their performance was only part of the show.

Hampson Gary, who has the polish which only the diplomatic service can give, and who would be rated a first class after dinner speaker in any company, fared considerably better than his colleague. Nevertheless he remarked, "I never had an introduction quite like that before and don't know yet whether you are serious or whether you are kidding me."

Introducing Commissioner Irvin Stewart, late of the Treaty Division of the State Department, Mr. Hard said, "Dr. Stewart has been a technical advisor at all of the recent international radio conference. A technical advisor at an international conference, I might explain, is a "man whose advice nobody takes."

Dr. Stewart, who is a finished product of the State Department, is soft-spoken and quite youthful in appearance, and was on his feet less than a minute. Commissioner Case, tall, with iron-gray moustache and easily the most distinguished in appearance of any of the new group deftly applied the subject of Communications to telling the diners what Margot Asquith, wife of the former British premier, told Jean Harlow in Hollywood. Whether the former Governor of Rhode Island picked this up by shortwave or permanent wave, he didn't say.

Mr. Hard, introducing Commissioner Walker, small in stature, rather pale and who appears to be regarded as the deep stuff man and the unknown quantity of the new crowd, said:

"As you well understand, there are no politics in connection with the Communications Commission, so since Mr. Walker is to be the head of a division - the telephone division - I need hardly tell you that he is a Democrat."



7/20/34

Just before Judge Sykes was introduced, Mr. Hard remarked that having introduced the newer members of the Commission, he would now present the older ones, Chairman Sykes and Colonel Brown. Whereupon former Commissioner Judge Robinson stopped the show by remarking in a stage whisper, "I've heard them", and then proceeded to walk out.

Commissioner Thad Brown was described by Hard as "a regular and irregular Ohio Republican, a Theodore Roosevelt 'Bull Mooser', originally appointed by Herbert Hoover and reappointed to serve on Frank Roosevelt's Democratic Commission."

"Teddy Roosevelt is my political idol", Colonel Brown replied. "He is the only one I ever had and if he were living today, he would still be my idol."

Paul Spearman, new General Counsel, like Judge Sykes, a native of Mississippi, brought forth the last shaft of the toastmaster who said:

"Two on the Commission are from Mississippi, two are from Texas, and one is from Oklahoma - anything west or north-west of a line drawn from Oklahoma to Ohio in communications doesn't seem to count in the New Deal."

The only one closely connected with the new regime not called upon to make a speech was Herbert Pettey, Secretary of the Communications Commission. Pettey, whose principal job seems to be dispensing political patronage for Farley, and who was described by one correspondent as a "facile denier", evidently isn't expected to make speeches.

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#### OHIO CORPORATION GETS PICKUP STATION PERMIT

A license for a construction permit for broadcast pickup station WNER, at Russells Point, Ohio, on a frequency of 2060 kilocycles with 100 watts power has been granted to E. S. Howlett, of the Associated Radiocasting Corporation.

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## RADIO WHOLESALE TRADE SUBMITS CODE BUDGET

The Divisional Code Authority for the Radio Wholesaling Trade, a division of the Wholesaling or Distributing Trade, has made application to the Administrator for approval of its budget for 1934, and of the basis of contribution by members of the trade, to the expenses of administering the Code for the period from May 1, 1934, to April 30, 1935.

The total amount of the budget for the period is \$79,994.

The Code Authority has likewise submitted an application for the termination of the exemption conferred whereby members of its trade whose principal line of business is embraced in a trade or industry subject to a Code other than the Code for the trade were exempted from obligation to contribute to the expense of Code administration for the trade.

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## WOULD PERMIT MASSACHUSETTS STATION TO MOVE

It has been recommended to the Federal Communications Commission by Examiner Ralph L. Walker that Albert S. Moffat be authorized to move Station WLEY from its present location at Lexington, Mass., to Lowell, Mass., without change of operating assignment.

Examiner Walker's conclusion in the case follows:

"Lexington, Massachusetts, the present location of Station WLEY, now receives consistently satisfactory service from several stations located elsewhere, while Lowell, Mass., and vicinity, does not receive consistently satisfactory service from any existing station. It appears, therefore, that there is a greater need for the services of WLEY in Lowell than in Lexington. From a commercial viewpoint, Lowell affords greater opportunity for the successful operation of Station WLEY. The applicant is qualified in all respects to construct and operate the station at the new location and to render the service needed in that area.

"While under average conditions it would be expected that the operation of WLEY at Lowell would result in objectionable interference with other stations, it appears from the evidence that actual conditions of propagation are less than average and that Station WLEY can be operated in the proposed location without causing objectionable interference to existing stations.

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## TO SEEK COMPLETE INFORMATION ON THE TELEGRAPH BUSINESS

At its first meeting last Thursday morning, the Telegraph Division of the Communications Commission composed of Commissioners Irvin Stewart, Chairman, George Henry Payne and Judge E. O. Sykes, canvassed the duties with which it is charged under the Act with a view to determining the order in which it will take up various matters assigned to it.

The Commissioners decided that under the Act, communication companies are required to file with the Commission schedules of charges and information relating to charges within a reasonable time to be designated by the Commission.

Paul Spearman, General Counsel, has been instructed to study the question of the type of information which the companies should file with the Commission in connection with the schedules of charges.

The Division will seek complete information on the telegraph business in all its phases, for use as a basis upon which to lay out its future course of action.

The following new shortwave applications were granted:

Aeronautical Radio, Inc., Los Angeles, Cal., construction permit, frequencies 2930, 6615 kc., 400 watts; Town of Harrison, N. Y., Harrison, N. Y., construction permit 30100, 33100, 37100, 40100, 86000-40000, 401000 kc., and above, 50 watts; Same, Portable-Mobile, 4 applications, same except 9 watts power; City of Atlantic City, N. J., construction permit, frequencies 30100, 33100, 37100, 40100, 86000-400000, 401000 kc. and above, 50 watts; Same - Portable-Mobile, 2 applications, same except 4.5 watts power; Durward J. Tucker, Dallas, Texas, construction permit 33100, 35600, 37600, 41000 kc., 40 watts.

Also, Borough of Kenilworth, Police Dept., Mobile, construction permit 30100, 33100, 37100, 40100 kc., power .5 watts; Westinghouse Electric & Manufacturing Co., Portable-Mobile, license to use transmitter now in operation under W10XAV, 62000 kc., 500 w.; Same - Portable-Mobile, license to use transmitter, now in operation under W10XAT, 62000 kc., 500 watts; Bell Telephone Laboratories, Inc., Portable-Mobile, principally in State of New Jersey, license 51400, 75000 kc., 1 KW; City of Fairmont, W. Va., construction permit 2490 kc., 30 watts; City of Pomona, Calif., construction permit 1712 kc., 50 watts;

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## NEW COMMISSION ACTS UPON MIDDLE WESTERN APPLICATIONS

Transacting its first regular business, the Communications Commission disposed of the applications of several Middle Western stations. The application of WHBY, Green Bay, Wis., 100 watt station to change operating assignment to 1360 kilocycles and increase power to 1,000 watts, unlimited time, was denied. Also the application of Station WBOW, Terre Haute, Ind., asking for 1000 watts daytime and 500 watts nighttime was denied. These stations asked for the facilities of Station WGES, Oak Leaves, Chicago, together with those formerly used by Station WJKS (now WIND, of Gary), as did WSBT, South Bend, Ind., which also asked for a renewal of license. The South Bend applications were granted with modifications.

Station WFBM, of Indianapolis, which heretofore had been operating on specified hours, was granted unlimited time. The application of Station WGES, Chicago, to continue operation upon its present assignment, three-sevenths time, was granted. The applications of John L. Hopkins, to construct a new station at Hammond, Ind., and WSBC, Chicago, for authority to move their station to Hannond, were dismissed.

Grounds for the Commission's decisions was set forth as follows:

That WHBY, Inc., provides a meritorious local broadcast service in the operation of Station WHBY, Green Bay, Wis., but that this applicant has not made as effective use from a technical standpoint of the present frequency and power assignment of WHBY as might be made; that the proposed change in the operating assignment of Station WHBY would cause increased and objectionable interference in the reception of other broadcast stations, particularly Station WFBL, Syracuse, N. Y.

That no such need for the additional facilities applied for has been shown as would warrant the deletion of Station WGES.

That Banks of Wabash, Inc., (WBOW), Terre Haute, Ind., provides a good local type of broadcast service but that it does not appear that this applicant has adequate financial ability to make proper use of the additional facilities applied for and that no such showing has been made in support of this application as would warrant the deletion of Station WGES.

That the Oak Leaves Broadcasting Station, Inc., (WGES), Chicago, Ill., provides a broadcast service which serves the interests of the public of its service area and that this applicant is able and qualified to continue the service of Station WGES in an acceptable manner.

That the South Bend Tribune (WSBT) and the Indianapolis Power & Light Co. (WFBM) render meritorious regional broadcast service in the South Bend and Indianapolis areas, respectively,

and that each of these applicants is well qualified to continue the service of its station upon either the present or proposed operating assignment in a proper and efficient manner; that the operation of Station WSBT upon the frequency of 1360 kilocycles, hours not assigned Station WGES, as proposed herein, would serve to substantially increase the service area and materially improve the service of the station to the convenience and interest of the population of the second largest metropolitan area of the State of Indiana.

That the granting of a license for the full time operation of Station WRBM, Indianapolis, would enable the licensee thereof to render a more complete service and to render a greater public service generally than it has heretofore been able to render on account of the limitation upon the station's hours of operation; that the full time operation of Station WFBM would serve the interests of residents of the largest community and most populous area of the State of Indiana.

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#### BROADCASTING DIVISION ORGANIZES

The Broadcasting Division of the Communications Commission did little more than to organize at its first meeting last Wednesday (July 18). It is composed of Hampson Gary, Chairman, who is understood simply to be filling the position until Representative Prall is appointed to the place when his Congressional term expires January 1st, Col. Thad Brown, Vice-Chairman, and Judge E. O. Sykes. No light was thrown on who was to be selected as Director of Broadcasting.

"I believe Farley is still out of town", one man remarked when the question was brought up.

With regard to announcing additional personnel of the Commission itself, it was said that there would be no blanket or sweeping changes but that the appointments would be announced as decisions were reached from time to time.

Paul Spearman, General Counsel, said the names of none of his assistants had as yet been decided upon.

There appears to be some question as to whether or not Dr. C. B. Jolliffe will be reappointed as Chief Engineer of the Commission. His friends confidently predict that he will pull through but the Commissioners in whose hands his fate rests are silent with regard to the matter. There seems to be a feeling that Dr. Jolliffe, because of his outstanding technical qualifications, will be taken care of, but exactly how, no one appears to be certain.

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## COMMISSION GIRDS ITSELF FOR TELEPHONE INVESTIGATION

The Telephone Division, composed of Commissioners Walker, Chairman, Case and Sykes, held its first meeting today (Friday) and took the following action:

Order No. 1

Pursuant to section 203(a) of the Communications Act of 1934 (approved June 19, 1934), IT IS ORDERED that every telephone carrier subject to this Act, shall, on or before September 1, 1934, file with the Commission, schedules showing:

- (a) all charges for itself and its connecting carriers for interstate and foreign telephone communication
  - (1) between different points on its own system, or
  - (2) between points on its own system and points on the system of its connecting carriers, or
  - (3) between points on its own system and points on the system of any other carrier subject to this Act, when a through route has been established, whether such charges are joint or separate.

and showing the

- (b) classifications
- (c) practices, and
- (d) regulations affecting such charges.

Order No. 2

Pursuant to section 211(a) of the Communications Act of 1934 (approved June 19, 1934), IT IS ORDERED that every telephone carrier subject to this Act shall, on or before September 1, 1934, file with the Commission verified copies in duplicate of

- 1. contracts
- 2. agreements, or
- 3. arrangements

with other carriers, or with common carriers not subject to the provisions of this Act, in relation to any traffic affected by the provisions of this Act, to which it may be a party.

Order No. 3

Pursuant to Section 215 of the Communications Act of 1934, (approved June 19, 1934), IT IS ORDERED that every telephone carrier subject to this Act, shall on or before September 1, 1934, file with the Commission a verified statement in duplicate showing

- (1) the names of all persons or corporations in which such carrier may own stock or in which such carrier has any interest whatsoever because of common or interlocking directorates, officers, or otherwise;



- (2) names and addresses of all officers and directors of said telephone carrier and of any person corporation in which such carrier may have any interest whatsoever as defined in paragraph (1) of this order;
- (3) the outstanding capital stock of all other corporations in which such carrier may be interested through stock ownership, common officers or interlocking directorates, or otherwise, or over which such carrier may have or exercise any control whatsoever so far as said corporation or corporations (in which such carrier may be interested) may be engaged in the manufacture or furnishing of apparatus, equipment or supplies used or useful in the operation, maintenance or improvement of telephone systems or any experimental research or investigation work looking to or contemplating the development or improvement of equipment or apparatus used or useful in the operation, maintenance or improvement of any telephone system which may be subject to the provisions of the Communications Act of 1934.

The Telephone Division granted the following applications:

KQH, RCA Communications, Inc., Kahuku, T. H., modification of license to change frequency from 15985 to 14920 kc.; W2XAC, New York Telephone Co., New York City, general experimental license, frequencies 31600, 35600, 38600, 41000 kc., 50 watts power, for period ending June 1, 1935; W1XH, New England Tel. & Tel. Co., Boston, Mass., construction permit to change transmitter locally in Boston.

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STARBECK SUIT FILED

William D. L. Starbeck filed suit for divorce in Reno, according to an Associated Press Dispatch, against Mrs. Frances Sayre Starbeck, New York social registerite, charging separation for more than five years.

The Starbecks married August 28, 1926, in New York City, the papers said. Mrs. Starbeck now makes her home in New Canaan, Conn.

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The name William D. L. Starbeck is not known in Washington, but W. D. L. Starbuck, was a former Radio Commissioner from New York, who failed of reappointment.

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 ::::BUSINESS LETTER NOTES::::  
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To the line of Arcturus tubes have been added the special Majestic spray-shield types. These tubes come equipped with a glove-fitting metal shield, soldered in place with proper ground connection, and are identical in characteristics and interchangeable with the spray-shield tubes.

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Canadian Marconi Company (Controlled by Canmar Investment Co., Ltd.) - For 1933: Net loss \$173,524, against \$188,086 loss last year.

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An application of Station WJEJ, of Hagerstown, Md. to increase its daytime power to 250 watts and to give the station unlimited hours of operation with a nighttime power of 50 watts has been turned down.

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The resignation of Eugene V. R. Thayer as a Director of the American Telephone and Telegraph Co., an office he has held since 1910, was accepted at the regular meeting of the Board in New York on Wednesday. Mr. Thayer, who recently became a partner in Herrick, Berg & Co., resigned because of the company's policy not to include members of Stock Exchange firms on its Board.

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James H. Hanley, Federal Radio Commissioner, who it had been expected would be appointed to the Federal Communications Commission, has decided to remain in Washington. He will practice law with the firm of Mason, Spalding and McAtee and will specialize in radio, telephone and telegraph.

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Apparently an effort will be made to revive the National Radio Editors' Association at the Cincinnati meeting of the National Broadcasters' Association September 17. E. L. Bragdon, Radio Editor of the New York Sun is President, and Darrell V. Martin, of Pittsburgh, is Secretary.

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