

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**



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No. 754

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August 31, 1934.

## BUSY TIME AHEAD FOR BROADCASTERS AT CINCINNATI CONVENTION

The program for the National Association of Broadcasters' Convention at Cincinnati beginning Monday, September 17th and continuing through Tuesday and Wednesday, promises to keep everyone well occupied. A session devoted to a discussion of the Broadcasters' Code will follow Thursday.

Outstanding speakers include Hampson Gary of the Communications Commission; Senator C. C. Dill; Judge Ewin Davis, of the Federal Trade Commission; Sol A. Rosenblatt, of the NRA; H. J. Quilliam, Seattle, and Fred Willis, Columbia Broadcasting System, New York.

Monday morning's session includes an Address of Welcome by Hon. Russell E. Wilson, Mayor of Cincinnati; Address of Alfred J. McCosker, President of the National Association of Broadcasters; "News by Radio", Hon. C. C. Dill, U. S. Senator from Washington; "What is Ahead of the New Federal Communications Commission?", Hon. Hampson Gary, Chairman, Broadcast Division; "Radio and Human Liberty", William Hard, writer and radio commentator, Washington, D. C.; and Appointment of Committees.

Monday Afternoon: Report of the Managing Director, Philip G. Loucks, NAB, Washington, D. C.; Report of Legislative Committee, Henry A. Bellows, Chairman; Report of Engineering Committee, Joseph A. Chambers, Chairman, Crosley Radio Corporation, Cincinnati, Ohio.

Tuesday Morning: "The Advertiser Builds a Program", H. J. Quilliam, Fisher's Blend Station, Inc., Seattle, Wash.; Report of Commercial Committee, Arthur B. Church, Chairman, Midland Broadcasting Co., Kansas City, Mo.; Report of Committee on Cost Accounting, H. K. Carpenter, Chairman, Radio Air Service Corporation, Cleveland, Ohio; Report of Tax Committee, E. M. Elkin, Chairman, Westinghouse Electric & Manufacturing Co., Pittsburgh, Pa.

Tuesday Afternoon:- A Resume of Code Administration, John Shepard, 3rd, Chairman, Code Authority for the Radio Broadcasting Industry; "Radio Advertising and the Federal Trade Commission", Hon. Ewin L. Davis, Federal Trade Commission, Washington, D. C.; "Coordinating America's Amusement Industries", Sol A. Rosenblatt, Division Administrator of the National Recovery Administration, Washington, D. C.; Report of Nominating Committee and Election of Officers.

Tuesday Night:- Annual Banquet.

Wednesday Morning: "Widening Horizons - A Conception of the opportunities, responsibilities and problems of Education by Radio", Fred Willis, Executive Office, Columbia Broadcasting System, New York City; Report of Program Committee, Edgar L. Bill, Chairman, Peoria Broadcasting Co., Peoria, Ill.; Copyright Division, Report of Oswald F. Schuette, Copyright Advisor of the NAB, Washington; Report of I. D. Levy, Treasurer of NAB, Philadelphia, Pa.; Report of J. C. Hostetler, Copyright Council, Cleveland, Ohio.

Wednesday Afternoon: Report of Resolutions Committee; Installation of Officers and Adjournment.

The NAB Championship Golf Tournament will be held Sunday at Twin Oaks Country Club, Latonia, Ky.

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#### AMERICAN PORTUGAL RADIO DELEGATION SAILS SEPT. 12TH

The American delegation to the conference of the CCIR (Comite Consultatif International Radiocommunications), Technical Consulting Committee on radio communication, will sail from New York on the S.S. "Manhattan" Wednesday, Sept. 12th. It was originally planned to hold the conference at Lisbon, Portugal, beginning September 22nd, but it is now scheduled to take place at Estoril, fifteen miles away. The delegation as announced by the State Department follows:

Dr. J. H. Dellinger, Chairman, Bureau of Standards, Department of Commerce; Mr. G. C. Gross, Federal Communications Commission; Maj. Roger B. Colton, Signal Corps, U. S. Army; Capt. Stanford C. Hooper, U. S. Navy, and Mr. W. Vallie Whittington, Treaty Division, Department of State.

Others who will attend the Conference will be J. C. McNary, Technical Director, National Association of Broadcasters; Lloyd Briggs, of the RCA, London office; Lloyd Espenschied, A. T. & T. Co.; R. A. Heising, Bell Telephone Laboratories; K. B. Warner, and James J. Lamb, American Radio Relay League, and Paul Goldsborough, Aeronautical Radio, Inc.

Dr. Dellinger said that it had been decided to discuss the following subjects at the Portugal Conference:

Organization Regulations of the C.C.I.R.; Participation of international organizations in the C.C.I.R.; Working of a Mobile station accurately on the frequency of land station; Technical basis of allocation of bands of frequencies; Mitigation of harmonics in radio transmission; Reduction of electrical interference; Selectivity and frequency stability of radio receivers; High-frequency calling frequencies; Modulated telegraph transmission.



Also, Mitigation of key clicks in radio telegraph transmission; Standard frequency transmissions; Measurement of telephone noise and voice levels; Radio telephony between small ships and land stations; Telephony with moving trains; Coordination of fixed-station radio telephony and wire telephone system; Methods of measuring radio field intensity and noise; Synchronization of broadcast stations; Frequency separation between broadcast stations.

Also, Efficacy of directive antennas (150 to 1500 kc); Efficacy of "anti-fading" antennas; Broadcasting by single side-band; Study of wave-propagation curves; Measurement of transmitter spectra; Revision of earlier C.C.I.R. opinions; Characteristics of arc transmitters.

The International Radio Consulting Committee (C.C.I.R.) was established by the International Radio Conference of Washington, 1927, and reestablished by the International Telecommunications Conference of Madrid, 1932. Its function is to advise the radio administrations of the world on technical radio questions which are submitted to it. The general objective of its work is the reduction of radio interference. It is made up of representatives of the governments and of the radio operating companies.

The next International Radio Conference will be held in Cairo in 1937.

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#### MUSSOLINI DECORATES COMMUNICATIONS OFFICIALS

Among the Americans who were given high decorations by Premier Mussolini as the result of the assistance they gave to the flight last year of Gen. Italo Balbo, were a number of well-known communications officials. Sosthenes Behn and Ellery Stone of the International Telephone & Telegraph Co. were created grand officers of the Crown of Italy, the same decoration as conferred upon Secretary of the Navy Swanson, and Chief of Staff, Gen. Douglas MacArthur.

Among those named commanders of the Crown of Italy are H. H. Buttner, International Telephone & Telegraph Co. and Capt. Pilade Leoni, International Telephone & Telegraph Co.

The following were made chevaliers of the Crown of Italy:

T. E. Nivison, Mackay Radio; John A. Bossen, Mackay Radio; O. W. Lee, Mackay Radio; Edward Thorburg, International Telephone & Telegraph Co.; T. M. Powers, Postal Telegraph Co.; C. W. Oran, Postal Telegraph Co.; M. H. Aylesworth, President of the National Broadcasting Co.; Stanley E. Hubbard, Station KSTP, St. Paul, and Floyd Gibbons, radio commentator.

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## SAYS PUBLIC OPINION ONLY WILL END RADIO EXPLOITATION

Advocating that the American Bar Association seek action by the Communications Commission in securing more time on the air for discussing public questions, the Committee on American Citizenship, of which Representative James Beck, of Pennsylvania is Chairman, took the broadcasting companies severely to task for "wasting the benefits of the radio in giving too much time to trivial entertainments and more or less commercial advertisements." It is the opinion of Representative Beck and his Committeemen that this "commercial exploitation" will never change until required to do so by public opinion.

The reference to radio in the report follows:

"The first objective of your committee was to devise a plan to revive interest which, in the earlier days of the Republic, was taken by the American people in the Constitution. To this end it was decided to make an attempt to interest the press and the broadcasting companies in giving space and time to the education of the American people as to the merits of their form of government. The committee Chairman did take up this matter with several of the broadcasting companies, and was enabled on the occasion of the John Marshall celebration on February 4, to pay a tribute to him in a nation-wide broadcast. Some of the speeches of the various celebrations of John Marshall Day may have had a local broadcast.

"Your committee believes that this Association can render an effective service in impressing upon the national broadcasting companies that they should not only be a free and open forum for public discussion, but also that they ought not to waste the infinitely potential benefits of the radio in giving too much time to trivial entertainments and more or less commercial advertisements. The radio is possibly the greatest gift to mankind in its cultural possibilities. It is potentially a university of the people, and its results could be of immeasurable advantage, not merely in the education of the people but in the maintenance of democratic institutions. However, this potentially beneficent asset is largely used as a means of private profit through commercial exploitation, and this will never change until public opinion requires the owners of the broadcasting companies to give more attention to educating the people and less to amusing them or advertising merchandise.

"The newly created Federal Communications Commission, with its supervisory power over the channels of the air, and the rightful use of them by its licensees, should consider this matter. It could profitably ask one or more of the larger broadcasting companies to give one hour, on two evenings of the week, for the discussion of public questions. As our nation

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largely functions through two great political parties, it might be well to give one hour each week to the proponents of governmental policies, and one hour to opponents. This would insure a balanced discussion, and the forum of the air might well become as significant as was the forum in the times of the Roman Republic. Cicero addressed thousands, but the radio has a nightly audience of millions. Such an opportunity to educate our electorate of many millions should not be wasted.

"Such weekly discussion of current problems, especially in their constitutional aspects, by opposing schools of political thought, would do much to educate the American people, and soon would take the form of a continuous debate which might well interest the American people far more than the debates in Congress.

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#### AMATEUR STATION LICENSES TAKE A JUMP

Evidencing the ever widening interest in amateur radio throughout the United States and its territories, records just compiled by the Federal Communications Commission disclose that there were 46,390 radio stations operated by amateurs in the fiscal year just ended.

During the year - 8,782 new station licenses were issued.

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#### WILL HAVE TO DO IT ALL OVER

Judge E. O. Sykes, Chairman of the Federal Communications Commission, and Paul D. P. Spearman, General Counsel, may have to make another trip to their native State of Mississippi, September 18th for the run-off contest for Democratic Senatorial nomination between Senator Stephens and former Governor Bilbo, as neither of the contestants received a majority.

Judge Sykes and Mr. Spearman strongly supported Senator Stephens who was largely responsible for their appointments to the Commission.

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## A. T. &amp; T. WILL COOPERATE WITHOUT QUIBBLE, HOSHOUR DECLARES

The attitude of the Bell System Companies toward the new Federal Communications Commission and any investigation it proposes to make, will be that of active cooperation, Harvey Hoshour, General Solicitor of the American Telephone & Telegraph Company, told the American Bar Association in session at Milwaukee.

Mr. Hoshour said:

"If ever there has been a corporation publicly owned by the American people, the American Telephone and Telegraph Company is that corporation, and I believe it a fair statement that no business corporation in this or any other country has ever been so widely and so generously entrusted with the funds of the people generally. The Bell System Companies have wanted the confidence of the American people. I believe they have deserved that confidence, and I believe by and large they have that confidence today to a degree that has been seldom, if ever, equalled under anything like similar circumstances."

"Regulation by public service commissions is not new to the Bell System Companies. The Bell System Companies have not opposed regulation, but on the other hand have been permitted to and have developed under regulation. We are not among those who believe that public regulation of utilities has broken down or failed. All in all we feel that regulation has been a success rather than a failure. When the Federal Communications Act was proposed, the Bell System did, it is true, strenuously object to certain of the provisions contained in the bills submitted, but we did not and have not at any time opposed Federal regulation of our companies as to those matters which are properly and appropriately subject to that regulation.

"We propose to give the Commission without quibble or cavil whatever information as to our business it may desire. Right now the Bell System Companies are engaged in preparing information that the new commission has asked be submitted to it on September 1st, and still other information which the Commission has asked be submitted on September 15th; and I might add that a very considerable portion of our personnel is being used to get this information together for the commission in time to be filed as requested."

"One of the orders issued by the new Commission on which our people are now gathering information has to do with matters involved in the complaint recently made to the National Recovery Administration by one of the telegraph companies that certain of the practices of this company and of other companies which furnish telegraph facilities or do a telegraph business were unfair", Mr. Hoshour continued. "While the Bell System Companies have voluntarily filed a code applicable to all of their employees under the Recovery Act and have cooperated in every way possible with the Recovery Administration's aims, we believe that matters



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of the kind referred to and objected to by the complaining telegraph company are not subject to the jurisdiction of the Recovery Administration, a position which was concurred in by the telegraph companies other than the complaining company. We stated to the Recovery Administration, however, that we should be very glad to have an investigation of the practices complained of made by a federal regulatory commission. The answer to this statement was that the Interstate Commerce Commission, which obviously had jurisdiction to investigate and pass on matters of this kind, did not have the staff, money or facilities to make a full investigation.

"The new Commission, however, has all of these things, and, as I have indicated, one of its questionnaires already promulgated goes into these matters in considerable detail. The Bell System Companies welcome this investigation in which all phases of these questions can and doubtless will be gone into and the questions and parties will be given that full and fair consideration which they are entitled to. This sort of thing, it seems to me, the new Commission is peculiarly qualified to look into, and I may say for the Bell System Companies that we are very glad that they have undertaken to do so with so much expedition and apparent thoroughness."

"In conclusion", Mr. Hoshour said, "I would reiterate what I have already said as to the attitude of the Bell System Companies toward regulation and toward the new Federal Commission. We believe in regulation and shall continue to believe in it. We will give to the Commission everything in our power to enable it to accomplish the purposes for which it was created, and we shall hope and expect from the Commission a full appreciation of the problems, difficulties, and, I think I may say, the almost unparalleled type of devotion that through the Bell System and its connecting companies has given to this country a telephone service that is the envy of all the world today."

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PEEBLES ACTING COMMUNICATIONS CODE ADMINISTRATOR

Leighton J. Peebles has been appointed Acting Administrator of the NRA Communications and Utility Codes.

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## BROADCASTERS BACK ATTORNEY GENERAL IN COMPOSERS SUIT

Declaring that the anti-trust suit filed by the Attorney General in the New York Federal District Court last Thursday against the American Society of Composers and the Music Publishers' Protective Association, strikes at the heart of the copyright controversy, the National Association of Broadcasters lost no time lining up behind the Government in what is expected to be one of the most hotly contested actions in the history of the entertainment industry. Philip G. Loucks, Managing Director of the Broadcasters' Association is acquainting all broadcasters with the details of the suit.

Mr. Loucks, calling it one of the most important suits to be filed by the Department of Justice in many years, points out that the Government is proceeding not only against the main organizations, their officers and directors, but also against their members individually. The list of defendants covers eleven pages.

To prevent a possible grant of immunity from prosecution under the anti-monopoly laws to the American Society of Composers, Authors and Publishers and the Music Publishers' Protective Association, Oswald F. Schuette, copyright adviser of the National Association of Broadcasters has asked Gen. Hugh S. Johnson, National Recovery Administrator, to order a suspension of further consideration of the Music Publishers' Code. This Code was presented by the Music Publishers' Protective Association and provides that the directors of this association - all of whom are named as defendants in the Government's anti-trust suit, - be empowered to name the Code Authority for the industry.

The text of Mr. Schuette's protest to General Johnson follows, in part:

"The Attorney General of the United States filed a suit yesterday in the Federal District Court for the Southern District of New York against the American Society of Composers, Authors and Publishers, the Music Publishers' Protective Association, and Music Dealers Service, Inc., charging them with violating the Sherman anti-trust law.

"This is the same Music Publishers' Protective Association which has presented to the National Recovery Administration a so-called Code of Fair Competition for the Music Publishing Industry under which it asks that its Board of Directors - all of whom are named individually as defendants in the Government's prosecution - be given the exclusive power to name the Code Authority for that industry!

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"To safeguard the Government's case, I offered an amendment at the public hearing on this Code to the proposed Code providing that 'the immunity from the operation of the anti-trust laws granted by Section 5 of the National Industrial Recovery Act shall not be applicable to any practices of the Music Publishers' Protective Association or the American Society of Composers, Authors and Publishers now under investigation by any governmental agency.'

"At that time the Government's suit had not been filed. Now that actual proceedings have been started and that there may be no danger of granting any such immunity, I respectfully request that further action upon the Music Publishers' Code be suspended until proper safeguards shall have been provided to prevent any possibility of interference with the orderly prosecution of the Government's case."

"While the Government brought the suit against the American Society of Composers on the eve of the date when percentage payments by the broadcasters jump from four to five percent, it will not prevent the increased rate from becoming effective. Until a decision is reached in the suit, existing contracts between broadcasters and the Society remain in full force and effect", Mr. Loucks declared.

"Far reaching in its effects, the suit involves millions of dollars in license fees and more than a million of copyrighted musical compositions. It calls for a showdown in a long and bitter fight which has had its ramifications in the Congress, the courts and in various Government departments over a period of many years. Not only would it end for all time the arbitrary licensing practices of the Society, but it would materially change conditions under which music is used by every user of performing rights.

"The theory of the suit is similar to that followed in the Broadcasters' Association suit filed in the same court on behalf of Station WIP, of Philadelphia, against the Society. As does the NAB suit, the Government suit seeks to establish a system of copyright fees based upon actual use made of public performance rights and to substitute competition among copyright proprietors for the present alleged monopoly.

"The Board of Directors of the NAB at its meeting in February, 1933, and again last May, adopted resolutions urging as a solution to the copyright problem a theory similar to that adopted in the two suits now pending against the Society. It is likely that the WIP suit will be postponed until after the Government suit is heard."

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## TELEPHONE AND TELEGRAPH DIVISION MEETINGS CANCELLED

Because so few Commissioners were in town, no meetings were held of the Telegraph and Telephone Divisions of the Federal Communications Commission Wednesday and Thursday (August 29 and 30), all business going over until after Labor Day.

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## FARNSWORTH TELEVISION DEMONSTRATED IN PHILADELPHIA

A new television instrument, said to be capable of broadcasting not only close-ups but entire football and baseball games and tennis matches, as well as news shots, was demonstrated last week at the Franklin Institute in Philadelphia. Some of the scientists who watched, declared it the most sensitive apparatus yet developed.

The principle of the new system was discovered by Philo T. Farnsworth, 28-year-old head of Television Laboratories, Ltd. Mr. Farnsworth, Mayor Moore, Nathan Hayward, President of the Franklin Institute, Dr. James Barnes, head of its Physics section, and several tennis stars, taking part in the national doubles tournament at Manheim, talked or performed before the "eye" of the television camera in one room, while 200 persons in a nearby auditorium saw and heard the speakers or athletes on a greenish fluorescent screen about a foot square, to which the images were brought by wire from the camera. Images may also be carried by radio, it is said.

Cloudy weather prevented the program originally scheduled calling for an outside pick-up by the camera with the audience inside the building. Sunlight produces better images, it was explained, than artificial lighting.

Frank X. Shields, of New York, and Lester Stoefen, of Los Angeles, tennis players, talked, swung rackets and demonstrated their favorite grips before the camera, all being clearly seen by the audience in the other room.

As part of the current demonstration, the moon was televeyed on clear evenings. The moon is rich in infra-red rays and subjecting it to television by the new machine will further demonstrate its sensitivity.

With the exception of a large amplifier, the television transmitting mechanism is enclosed in a camera-like box scarcely larger than an ordinary news camera. A photographic lens focuses the image of the subject on a photo-sensitive surface at the front end of the Farnsworth cathode tube. At this point the visual image is transformed into an electron image. At the rear of the tube is a small nickel sleeve or tube, a photoelectric cell, the opening of which is only twelve-thousandths of an inch in diameter. This picks up the electron image.

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## GERMAN POST OFFICE SPEEDS UP TELEVISION

The German Post Office announced yesterday (Aug. 30), a spectacular plan to introduce "television telephony" in the near future, the Associated Press reports from Berlin.

Trials between Berlin and Munich were reported to have resulted favorably. Postal authorities plan to install a television-telephone net linking the larger cities, further extension of the system depending on public reaction to "the still high cost of apparatus."

The announcement was made while German radio fans still thrilled at what technicians called "satisfactory" sound film broadcasts, which were demonstrated at the eleventh German radio show by means of a "television car."

Daily transmission of tone films taken from a television car stationed near Berlin's radio tower captivated thousands at the radio show, which closed yesterday with a record attendance.

Scenes were filmed with an ordinary sound-picture camera from the top of the car and were developed, ready for reproduction, within seventy-five seconds. The car was equipped with developing and transmission apparatus.

The technical side of the procedure reveals that each picture is broken into dots by means of a perforated disk. The dots are converted into electrical impulses, which are broadcast simultaneously over an ordinary radio wave. Special appliances permit the transmission of twenty pictures a second.

The receiving set is equipped with a large tube that produces a short stream of invisible electrons, which are thrown on a fluorescent screen. The pictures appear clearly.

Television experts said they were confident of overcoming "infant diseases" of the industry soon, after which they would take up production of television receivers on a large scale.

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