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September 21, 1934.

TENNESSEAN IS BROADCASTERS' NEW PRESIDENT

In keeping with the New Deal, a new slate of officers was elected by the National Association of Broadcasters at Cincinnati. J. T. Ward, of Station WLAC, Nashville, Tenn., defeated H. K. Carpenter, of WHK, Cleveland, for the presidency by a vote of 96 to 55. Lambdin Kay, famous old announcer of WSB, Atlanta, was elected 1st Vice-President, and Charles S. Meyers of KOIN, Portland, Ore., 2nd Vice-President. Isaac D. Levy, of WCAU, Philadelphia, was chosen as Treasurer.

A. J. McCosker, whose record as President was highly praised, was urged by friends to run for a third term but declined in the following letter:

"Because of the demands on my time arising from the operation of the WOR 50 KW transmitter shortly to be completed, I request that my name not be reconsidered in renomination for the presidency. Having served two terms as President, I feel I have made the contribution to the Association which might be expected of me."

The name of Leo Fitzpatrick, of WJR, Detroit, was placed in nomination for President in opposition to the Administration slate but Mr. Fitzpatrick declined to run.

The following Directors were elected: Three years - A. J. McCosker, WOR, Newark; Leo Fitzpatrick, WJR, Detroit; Harry Butcher, WJSV, Washington; John Gillan, WOW, Omaha, and Gordan Persons, WSFA, Montgomery, Ala.; One year - Harold Wheelahan, WSMB, New Orleans; Stanley Hubbard, KSTP, St. Paul, and Powel Crosley, Jr., WLW, Cincinnati.

According to Miss Seibert in charge of the registration booth, 370 delegates registered which was about 100 more than last year and set a new record. The crowd taxed the capacity for the smoker at the Elks Club given by the Cincinnati Convention Committee, of which Powel Crosley, Jr. was Chairman, and the banquet Tuesday night was attended by almost 400, Edwin M. Spence, Chairman of the Convention, said.

Entertainment at the banquet was furnished by WLW and there was quite an ovation for Joseph A. Chambers, Chief Engineer of the station. The golf prize cup given by Broadcasting Magazine was presented to Lewis Allen Weiss, General Manager of WJR, Detroit.

Radio was not invented to bore the human race, William Hard, radio commentator and writer, observed; every broadcasting station must therefore amuse.

"Broadcasting is done on public property", Mr. Hard continued. "The true real estate upon which it operates is the ether. Bands of the ether are allocated to broadcasters everywhere by the public authorities. The broadcaster is a tenant of a public domain."

Speaking of the advertising situation Mr. Hard remarked:

"The power of advertisers in this country is today limited by the fact that they are so enormous in number and so disassociated in interest. They do not and cannot act as one. Let now the government, however, extend its domination of all business to the point of controlling all advertising through one agency in Washington and there will not be left one free newspaper or one free radio station in the United States."

Control of broadcasting can be either from within or without, Col. Thad H. Brown, of the Federal Communications Commission said.

"These are the only two possibilities", the Commissioner explained. "I submit to you sincerely and frankly that it is not the desire of the Commission to take from the broadcaster the right to control his activities. Instead, it is our steadfast desire to vest in the broadcaster all powers of control properly belonging to him. It is rightly your job and you are the ones properly qualified to do the job of directing broadcasting for the benefit^{of} and to protect the rights of the millions of American listeners."

Colonel Brown evidently tried to pour oil on the troubled waters of newspapers and radio stations by saying:

"Radio and its relations with the press should be given consideration also with mutual co-operation as the ultimate goal. Theirs is not a business of strict competition, properly viewed. Changes and adjustments between press and radio must be forthcoming. In the matter of supplying news, a definite understanding is also possible. If the press is faithful to its creed to seek to reach the greatest number of people with news in the least space of time, it cannot afford to overlook the radio. Nor can radio continue to prosper without the continued cooperation of the press."

Broadcasting is the most regulation of American industries, Alfred J. McCosker, President of the National Association of Broadcasters, said.

"We have had no quarrel about that. But we must be on the alert to prevent over-regulation", Mr. McCosker told the convention. "It is only a short step from proper regulation to

that character of Federal control which might impair, if not wreck, our freedom of operation."

The speaker predicted that any "class allocation by Congress" such as proposed in the October 1st religious and educational hearings, "would undermine our industry, and might lead eventually to nationalization of American broadcasting, after the fashion of continental systems."

Despite the fact that the membership of the National Association of Broadcasters had increased its membership 100 over 1933, bringing the total to 370, income from dues failed to meet operating expenses during the first nine months of the year. The deficit was about \$5,000, Philip G. Loucks, Managing Director, revealed and was made up from the reserve funds of the Association which now has a bank balance amounting to \$4,000.

The annual income derived from dues amounted to \$35,139.81; operating expenses totaled \$39,598.13.

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U.S. SUIT AGAINST COMPOSERS SPEAKS FOR ITSELF, SAYS SCHUETTE

Everything which need be said is summed up in the Government anti-trust suit against the American Society of Composers, Oswald F. Schuette, copyright advisor, told the National Association of Broadcasters at Cincinnati.

"Everything which has transpired since the last meeting of the Association is in that suit", Mr. Schuette went on. "The Government means to take away, if possible, the extortionate power of ASCAP. I shouldn't be surprised if, for the time being, the Composers will behave. I don't believe they will pursue their arbitrary methods while the suit is pending."

Referring to the interview with E. C. Mills of the Composers, which appeared in the Heintz News Service, Mr. Schuette said:

"I am glad Mr. Mills said there is nothing to be gained by making faces and gnashing teeth at each other. He was unfortunate in saying that the Composers were threatened with the suit as an alternate to making a rate for the broadcasting license fee. The rate had nothing to do with it.

"Mr. Mills' statement that ASCAP is willing to cancel the contract of any dissatisfied station is as absurd as if a Milk Trust, in some city whose milk supply it controls, were to say that any householder who dislikes its prices can cancel his contract and go out in the country and buy his milk from the farmer."

Mr. Schuette said that if ASCAP is dissolved, a nucleus for a clearing house for broadcasters' music would be found in the NAB Radio Program Foundation. He said a lot of Federal Court actions are allowed to go to sleep and that this one shouldn't be allowed to slumber.

J. C. Hostetler, of Cleveland, partner of Newton D. Baker, copyright counsel, also referred to Mr. Mills' interview and said he hoped the latter was correct when he said that substantial progress had been made during the past few months in informal conferences between the Composers and the Broadcasters.

"I have no desire to be offensive", Mr. Hostetler said. "I expect to see Mr. Mills in New York for further conferences."

"We want to treat ASCAP fairly", said Isaac D. Levy, of Station WCAU, Philadelphia. "We want to treat the composers fairly. We want to pay them what the music is really worth and not what Mills thinks it's worth."

"We don't want ASCAP to be hammering our heads every time a new contract is made. We want longer time contracts. We don't want them to be demanding another increase before the ink on the contract we have just signed is dry."

"The ASCAP does some worthy things, such as taking care of composers who are in need and in distress. However, they should pay for this benevolence and not expect us to do it."

Mr. Levy said the Broadcasters shouldn't be worried about where they will get their music if ASCAP is dissolved.

"The Government always gives time to work these things out", the speaker continued. "However, let's stop calling them names. We mustn't have a chip on our shoulder. We must do everything we can to work out an amicable arrangement. If we finally have to fight, it must be to a knockout and don't worry what will happen after that."

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RAYBURN VIOLATES OWN RADIO LAW

Representative Sam Rayburn, (D.), Texas, has become a law breaker of his own law. He tangled with his own statute when, at the conclusion of a radio address over Station WJSV, in Washington, he said, "Good night, Miss Lou."

Miss Lou is his sister in Texas. The new communications law, which Representative Rayburn helped write, makes it illegal for radio orators to send wireless personal greetings.

Mr. Rayburn says he's sorry; says he forgot.

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MICROPHONIC NAB CONVENTION PICKUPS

Perhaps the first time the nation's Chief Executive ever took cognizance of radio advertising was when President Roosevelt, in the course of a message addressed to the broadcasters at Cincinnati, said:

"I am not unmindful of another benefit which radio gives all the people and to all classes of business. That is a stimulation of buying power and its assistance to commerce generally."

"The attitude of the Cincinnati newspapers towards the Broadcasters' Convention bore out pretty much what I said about the press omitting certain types of news", Senator Dill, of Washington said. "I didn't expect them to print my speech but I was amazed that they should ignore the presence in Cincinnati of the broadcasters of the nation."

There was enthusiastic praise for Phil Loucks, of the NAB, and his hardworking assistants at the convention, Miss Bert Seibert and E. V. "Gene" Coagley. Through their conscientious efforts, they unquestionably made many friends for the Association.

L. B. Wilson, of WCKY, Covington, Ky., was quoted as saying, "I've seen people writing shorthand, but Stanley Hubbard of KSTP, St. Paul, is the only one I ever heard talk it."

Darrell V. Martin, Radio Editor of the Pittsburgh Post-Gazette, said that as the result of the ballots which he had sent out recently, he (Martin) had been elected President of the National Radio Editors' Association; Charles Gilchrest, of the Chicago Daily News, and Norman Siegel, Cleveland Press, Vice-Presidents; Robert Stephan, Cleveland Plain Dealer, Secretary and Treasurer, and Yank Taylor, of the Chicago Times, Chairman of the Board.

Mr. Martin said that 46 radio editors had responded to his circular by paying \$1 a year's dues in advance.

Mayor Russell E. Wilson, of Cincinnati, said: "Powel Crosley, Jr., is the real Radio Mayor of Cincinnati."

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"INTERFERENCE CONFERENCE" PLANNED BY RMA

A comprehensive plan to reduce radio interference was launched by the Radio Manufacturers' Association at a recent meeting in New York City of the Association's Board of Directors. In the public interest as well as that of the radio industry, a broad centralized movement to reduce electrical interference with radio reception was recommended by the RMA Engineering Division of which Dr. W. R. G. Baker, of Camden, N. J., is Chairman.

An "Interference Conference" of leading radio engineers will be held by the RMA next November in Rochester coincident with the Fall meeting of the Institute of Radio Engineers and detailed plans made for institution of many efforts to reduce radio interference.

The RMA program on radio interference, as detailed by Dr. Baker, is as follows, according to Bond Geddes, Executive Vice-President of the RMA:

"The problems of electrical interference with radio broadcast reception have never been considered as a matter for a concentrated program headed up and directed by one organization. Instead there have been fragmentary bits of this important work done by various groups in a completely unorganized manner. While these bits were in many cases well done, the attack on the whole problem has never been really effective due to lack of a carefully planned and adequately directed program.

"This subject is one of greatest importance to the members of the Radio Manufacturers' Association. As makers of broadcast receiving equipment, they stand to benefit greatly in a financial way from improvement in interference conditions as representing the removal of sales resistance and increase in user satisfaction.

"The Radio Manufacturers' Association, as the prime beneficiary of a successful program along these lines, should, through its Engineering Division, take the active lead in initiating, directing, and working on this project. This Association can, by means of such a program, establish itself as an organization interested in securing for the customers of its members better radio reception conditions.

"The sources of interference are very numerous, and the causes are scattered through many other industries. For that reason a well organized and directed program is the only hope of securing results. The use of the short waves for broadcasting has tremendously broadened the scope of interference elimination work, and any public use of ultra-short waves will still further do so. As a specific instance, motor car interference is not a factor in the standard broadcast range, but it is in many locations the limiting factor on short-wave reception.

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"The RMA Engineering Division has under formulation a plan of action which it will head. The aid of various organizations who can help in this work will be enlisted. It is certain that many organizations now dabbling in the subject will welcome a definite program. Naturally a program of this sort is not spectacular in action, and it will be difficult to trace its results directly as the benefits will be gradual but sure. The publicity value of the embarkation of the manufacturers on such a program should be of considerable value. Interesting public news stories could follow the various phases of the organization of the program.

"The tentative program of the Engineering Divisions calls for an "Interference Conference" to be held in Rochester at the time of the Fall meeting of I.R.E.

"Depending upon the results obtained at the first conference, it may be desirable to have a second conference, possibly six months from now. The fundamental idea back of the entire plan is that we feel that interference work should be centralized, and that RMA is the organization that should be effective in centralizing all interference activities."

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WHEELER, NEW SCC POSSIBILITY, FAVORS RADIO GOVT. OWNERSHIP

The possibility that Senator Burton Wheeler, Progressive Democrat, of Montana, if reelected next November, may succeed Senator Dill as Chairman of the Senate Interstate Commerce Committee, which has jurisdiction over Communications matters, recalled the fact that Senator Wheeler went on record at the Senate Communications Bill hearings as being in favor of Government ownership of radio. This was brought out by a question from Senator Capper when Judge Sykes was on the stand, as follows:

Senator Capper - I would like to ask Judge Sykes if this system of unified government regulation of wire and radio communication is in use in any other country?

Mr. Sykes - Most countries, Senator, most all of the principal countries in the world, have one head of the department. The government operates those things in a great many countries. It is practically unified in all of the great nations over the world.

Senator Wheeler - Most of the nations control them and own them, do they not?

Mr. Sykes. - Yes, sir.

Senator Wheeler - That is what we should have in this country.

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TELEGRAPH DIVISION OF FCC ISSUES NEW ORDER

In a regular meeting of the Telegraph Division of the Federal Communications Commission, attended by Messrs. Stewart, Chairman and Payne, September 19, 1934, the following order No. 8 was promulgated:

"The Telegraph Division, having under consideration its prior orders, requiring the filing of copies of certain contracts, agreements and arrangements as described in said above-mentioned orders,

"IT IS ORDERED that each telegraph carrier subject to the Communications Act of 1934 shall, on or before October 20, 1934, file with the Commission verified copies in duplicate of all such contracts, agreements, and arrangements which have heretofore been entered into, but have not been filed with the Commission;

"IT IS FURTHER ORDERED that each such telegraph carrier shall on or before October 20, 1934, file with the Commission, verified copies in duplicate, of any modifications of, or amendments to, any such contracts, agreements, and arrangements which have heretofore been filed with the Commission, and verified copies in duplicate of statements showing the cancellation of any such contracts, agreements, and arrangements which have heretofore been filed with the Commission;

"IT IS FURTHER ORDERED that each such telegraph carrier which hereafter enters into, modifies, amends, or cancels any such contracts, agreements, and arrangements, shall, within thirty days thereafter, furnish the Commission with verified copies in duplicate of all such new, modified, or amended contracts, agreements, and arrangements, and verified statements in duplicate of such cancellations."

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ABS ESTABLISHES NEW PRODUCTION DEPARTMENT

A new production department has been established in the New York studios of the American Broadcasting System by Burt McMurtrie, Director of Program Operations of the ABS-WMCA network. Paul A. Greene, formerly night manager for another network, has been appointed ABS Production Manager. Jud Houston has been named Assistant Manager. He was previously in the production department of a leading transcription concern. The ABS Production Division will have charge of studios, announcers and all program production.

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POSTAL AND I.T. & T. ANNOUNCE OPERATING EXPENSES

The Postal Telegraph and Cable Corporation announced after the meeting of its Board of Directors yesterday (Sept. 20), that operations for the six months ended June 30, 1934, which include non-recurrent income of \$266,363.12, resulted in a loss, after all interest charges, of \$255,296.37.

Gross earnings as per details in company's statement for the six months ended June 30, 1934, were \$14,762,962.83, as compared with \$13,516,188.69 for the corresponding period in 1933. Operating expenses were \$13,602,636.98 as compared with \$12,771,686.76 resulting in net earnings of \$1,160,275.85 as compared with \$744,501.93 for the first six months of 1933. After providing for charges of Associated Companies, general interest and interest on Collateral Trust 5% Dollar Bonds and Sterling Debenture Stock, there was a loss of \$255,296.37 for the six months ended June 30, 1934, as compared with a loss of \$708,505.68 for the corresponding period in 1933. Depreciation has been provided for the six months ended June 30, 1934, on substantially the same basis as was provided for the year 1933.

The International Telephone and Telegraph Corporation announced after the meeting of its Board of Directors also yesterday that consolidated net income for the six months ended June 30, 1934, amounted to \$1,697,932.72, as compared with a loss of \$642,310.66 for the same period of 1933.

Gross earnings as per details in company's statement for the six months ended June 30, 1934, were \$38,480,879.49 as compared with \$33,059,189.42 for the first six months of 1933. Operating expenses were \$30,539,816.96 as compared with \$27,973,691.41 for the same period of 1933, resulting in net earnings of \$7,941,062.53 as compared with \$5,085,498.01. Charges of Associated Companies for interest, dividends and minority common stockholders' equity in net income, together with general interest and interest on International Telephone and Telegraph Corporation bonds outstanding amounted to \$6,243,129.81 as compared with \$5,727,808.67 for the first six months of last year. Consolidated net income for the six months ended June 30, 1934, was \$1,697,932.72 as compared with consolidated loss of \$642,310.66 for the corresponding period of 1933.

The consolidated net income for the first six months of 1934 was equivalent to 27 cents per share on the 6,399,002 shares of capital stock (without par value) outstanding in the hands of the public at June 30, 1934.

In Argentina, Brazil and Chile modifications have recently been made in the existing exchange control regulations to permit transactions in foreign exchange through a free market at rates substantially below official exchange rates. The Corporation announced that the lower free market rates have been used for converting into U.S. dollars the income accounts for the six months ended June 30, 1934, of Associated Companies operating in those countries rather than the official rates previously used.

BAYER BOWS TO AD ORDER

The Federal Trade Commission announced on Wednesday that Bayer Company, Inc., of New York City, had consented to the issuance of a cease and desist order issued against certain alleged unfair competitive practices in the sale of the company's aspirin.

"Unfair competitive practices prohibited in the order", the commission said, "pertain to misrepresentations concerning the name 'aspirin' the benefits to be derived from use of this product and statements to the effect that it is the only genuine aspirin on the market.

"Specifically the Bayer company is directed to cease and desist from using in its printed advertising matter and radio broadcasting, language stating or importing that the word 'aspirin' is a trade-mark of the Bayer company. Provision is made, however, that where the word 'aspirin' has been held in certain foreign countries to be Bayer company's own valid trade-mark, the Commission's order shall not apply to advertising or packages to be sold in those countries."

The Commission, the announcement said, "makes it clear that its order is not to be construed as preventing the Bayer company from making proper therapeutic claims or recommendations based on reputable medical opinion or recognized medical or pharmaceutical literature."

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DEMONSTRATION PERIOD FOR RADIO SETS IN SOUTH AFRICA REDUCED

South African radio dealers are expected to benefit from a recent regulation issued by the Post Office Department to the effect that receiving sets may be demonstrated in the houses of prospective purchasers only fourteen days without a license being obtained by the prospect, according to a report to the Commerce Department.

Demonstration is an important feature of the merchandising of radio equipment in South Africa, the report points out. However, the keen competition experienced in the trade has brought with it certain abuses and heavier financial burdens to the competing dealers. It has not been unusual for prospective buyers of radios to have two or three models from different dealers on demonstration at the same time and for extended periods. Sometimes demonstration sets have been retained by customers for as long as three months. The dealers, already carrying large stocks of sets needed to meet wide demonstration demands, and investing sizable sums in stocks on order from factories thousands of miles

away, have found the cost of selling mounting and the investment in stocks abnormally high.

It is expected, the report states, that the restriction of the demonstration period to fourteen days will greatly relieve the dealers and bring a more rapid turnover of stocks of radio receiving sets.

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APPLICATIONS GRANTED BY TELEGRAPH DIVISION, FCC

September 19 - NEW; WM. Keith Scott, NC 585-K, license, 3105 kc., 50 watts power; City of Atlanta, Dept. of Police, Mobile, modification of C.P. (Exp. Gen. Exp.), frequency 37100 kc., 5 watts; D. Reginald Tibbetts, Portable-Mobile, license to cover C.P. (Exp. Gen. Exp.), 31600, 35600, 38600, 41000 kc., 200 watts; Mackay Radio & Telg. Co. (Calif.), Hillsboro, Ore., KEK, modification of license, to change description of transmitters; WSL, Sayville, N. Y., modification of license, to change description of transmitters and delete one transmitter; KFS, Palo Alto, Cal., modification of license to change description of transmitter; KJA, Palo Alto, Cal., modification of license to change equipment and power from 20 KW to 5 KW; KJG, modification of license to change equipment and point of communication; KJJ, Palo Alto, Cal., modification of license, change equipment, change power from 20 KW to 5 KW and change points of communication; KNX, same except change power from 20 KW to 50 KW; KNK, modification of license to change equip. and power from 20 KW to 5 KW; KNW, modification of lic. to change equipt. change power from 20 KW to 5 KW and change pts. of communication; KQI, Kailua, T.H., mod. of lic. to change points of communication; KWA, Palo Alto, Cal., mod. of lic. to change equipt. change power from 5 KW to 50 KW and change points of communication; Also granted requests for KWB, KWC, KWD, KWF, KWI, KWJ, KWP, KWS, KWZ, KGH, Hillsboro, Ore. WJF, Sayville, N.Y., KIWA, near Seattle, Wash., KQI, Kailua, T.H., KQE, WJD, Brentwood, N.Y., KJB, Palo Alto, Cal., WMZ, Sayville, N.Y., KWQ, Palo Alto, Cal., KWT, KOK, Clearwater, Cal., KEK, Hillsboro, Ore., WSL, Sayville, N.Y.,

Also, W8XBT, City of Springfield, Ohio, Police Dept., license to cover C.P. (Exp. Gen. Exp.), 30100, 33100, 37100, 40100 kc., 50 watts; W8XBU, Same, Portable-Mobile, license same as above except 9 watts power and location Portable-Mobile; WQEH, RCA Communications, Inc., Boston, Mass., modification of C.P. (fixed public pt. to pt. telg.) extending completion date to Sept. 16, 1934; KICJ, Northland Development Co., Inc., Goodness Bay, Alaska, license to cover C.P. (Fixed Public pt. to pt. Telg.) 212 and 274 kc., 100 w.; City of Compton, Cal., Police Dept., C.P. (police), 2490 kc., 25 watts; KGHW, City of Centralia, Wash., modification of C.P. extending commencement date to Sept. 20, 1934, and completion date to Nov. 20, 1934; WMJ, City of Buffalo, N.Y., Police, Dept., license 2422 kc., 500 and 300 watts.

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