# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

## CONFIDENTIAL - Not for Publication

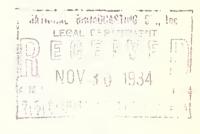




INDEX TO ISSUE OF NOVEMBER 27, 1934

"Amos 'n' Andy" Also Send McDonald Guest Yacht Bill
Clear Channel Survey Recording Stations in 10 Cities3
Communications Mergers Up For Discussion
Broadcasters Urge Closer Cooperation With Educators6
KYW Opens In Philadelphia Next Monday9 Comparative Transmission Calamities9
Code Authority Reins In On Free Time Programs10-
Spectators Prevent ABS Army-Notre Dame Broadcast

No. 778



1/42

Ar god o 2.

November 27, 1934.

## "AMOS 'N' ANDY" ALSO SEND MC DONALD GUEST YACHT BILL

Not to be outdone by the artist, McClelland Barclay, who sued Commander E. F. McDonald for making drawings while a guest in Chicago on McDonald's famous yacht "Mizpah", "Amos 'n' Andy" sent in an even larger bill. Mr. Barclay demanded \$2,800 for his work but the famous comedians, whose names in a matter as important as this are Freeman F. Gosden ("Amos") and Charles J. Correll ("Andy"), more than doubled the figure.

The boys were on tour in New York but lost no time addressing the following letter to the well-known yachtsman and explorer:

"Commander E. F. McDonald, President, Zenith Radio Corporation, Chicago, Illinois.

"Dear Commander:-

"Will you please let us have your check for \$6,500.00 for entertainment on board your ship as follows:--

"During the summer of 1932--33--34 to wit:--

"Six Sunday afternoon cruises which included us entertaining your guests by listening to their jokes.

"Shooting targets from your aft deck thereby entertaining your guests.

"Eating your food.
Lounging around boat.
Sleeping in your beds during one week end cruise to White Lake, or Black Lake, or both.

"Suffering great humiliation from speed boat ride in your speedboat while anchored in White Lake, or Black Lake, or both, with you at the wheel.

"One of us blowing up balloons with gas while the other one shot them.

"Pulling clay pigeon target holder for you and your guests to shoot.

"Being forced to meet people of prominence aboard ship.

"Getting off board and going home when we didn't want to go.

"Hope this matter can be settled without the aid of counsel. Will you please mail your check to our office in Chicago?

"Yours very truly,

(Signed)

"FREEMAN AND CHARLIE"

In his answer to Barclay's suit, Commander McDonald asserts that the sketches made by Barclay were done for pastime while the artist was a guest on the "Mizpah", and were unsolicitated. In fact, the answer states, McDonald unwillingly accepted one of the sketches "to keep from hurting Barclay's feelings."

The answer further alleges that on the other hand, Barclay owes Mr. McDonald \$1,650 for services performed by the sportsman and for commissions which Barclay failed to complete for replicas of the McDonald \$10,000 outboard motor trophy.

Commander McDonald said laughingly that future guests on board his yacht would be required to sign releases so that "if while on board they draw any pictures, make any photographs, play the piano, the piccolo, the accordion, or the bass viol, sing or dance, they will not later send me bills for the entertainment."

#### X X X X X X X X

CLEAR CHANNEL SURVEY RECORDING STATIONS IN 10 CITIES

In connection with what will be the most systematic and thorough effort ever made to ascertain broadcasting conditions in this country, field intensity recording stations will be established in or near 10 cities of the United States. These stations will cost from \$2,500 to \$3,000 apiece and though the exact sites have not been chosen, they will be located in the vicinity of Boston, New York, Washington, Seattle, Los Angeles, Chicago, Dallas, Grand Island, Nebr., Denver and Atlanta.

Primarily it will be a survey of the so-called "clear channel" (i.e. only one station on that frequency) broadcasting stations and will be made for the purpose of determining the radio service available to the people of the country and the type of station that the listeners in rural areas are dependent upon for their service. The degree of interference or impairment of service caused by duplication of certain high power stations is

to be investigated, as well as the possibility of providing additional higher power stations without reducing the service to the listening public from existing stations.

The survey will cost upwards of \$60,000, of which the stations will pay four-fifths and the Government one-fifth of the cost. It will be conducted continuously on a 24-hour basis for six months through the Winter and Spring months. The work will probably get under way the latter part of December.

According to Andrew Ring, Assistant Chief Engineer, J. C. McNary, Technical Director of the National Association of Baordcasters, will be the "grand co-ordinator". However, Mr. McNary, with his customary modesty, brushed this aside saying, "All I'm going to do is to buy the apparatus and am doing that as a matter of convenience to stations who are NAB members. Mr. Ring will be the real skipper.

"We will be mainly concerned with the intensity of the signal and will make a continuous record of the signals from the clear channel and other stations so as to get a picture of what service these stations actually render to the listeners. It will be a 24-hour chart and after such a record as that has been made, there can be no arguments."

Mr. McNary said that the field recording intensity station in Washington will be located in the Field Station of the Bureau of Standards at Meadows, Md., between the Capital and Baltimore.

"They must necessarily be in some quiet place", the Broadcasters' technical expert explained. "I think most of them will be in farm houses where there is as little electrical and other disturbance as possible."

An exception to this will be apparatus to be set up at Grand Island, Neb., for here is located the Federal Communications Monitoring station, the choicest radio spot in the United States, and said to be the world's most perfect listening post. The station is 150 miles from Omaha. The antennas cover 50 acres and the plant about \$200,000 to erect. From this station engineers listen the world over, study air programs, and not only check our own stations but see whether or not foreign stations are maintaining their assigned frequencies.

The captains who will be in charge of the work in the different parts of the United States are: First Zone - C. W. Horn, National Broadcasting Company, New York City; Second Zone - Joseph A. Chambers, Chief Engineer, Station WLW, Cincinnati; Third Zone - J. H. DeWitt, Jr., WSM, Nashville and Fourth Zone - Carl Meyers, WGN, Chicago. The Fifth Zone will be temporarily represented by Louis Caldwell, counsel for Station KFI, Los Angeles.

Technically the tentative plan of the clear channel survey as suggested by the Engineering Division of the Commission involves four lines of endeavor, as follows - Continuous field intensity recordings of clear channel stations, the records to be made at distances varying from 1000 to 3000 miles; an analysis of duplicated clear channels (such as 790 kilocycles occupied by WGY, Schenectady, and KGO, Oakland, Calif.), with complete determination of radiation characteristics of the individual stations as well as determination of the field intensities and service rendered in the areas between stations; Field intensity measurements made in rural districts throughout the United States with correlation with listener habits as determined by personal investigation, and listener habit survey of rural audiences to be conducted by mail, by the Commission.

Among the stations which have offered cooperation in the form of field intensity measuring or recording apparatus, trucks, personnel, etc., were WSM WSB WLW WGN WSPD KYW KFI WJR WWL WFLA KNX WHAM WCAU WFAA WSB WGY WLS WOAI, and WNAC, Boston.

All stations, however, will be afforded an opportunity to participate in the survey and if they so desire to share a part of the expense. Altogether, it will be one of the most comprehensive radio surveys ever attempted and based upon the findings there may be a great increase in power, and clear channels may or may not be broken down.

#### X X X X X X X X X

## COMMUNICATIONS MERGERS UP FOR DISCUSSION

Proposed mergers affecting the Western Union and the Postal, also the RCA and Mackay will be discussed at hearings of the Telegraph Division of the Federal Communications Commission to begin Monday, December 3rd.

As set forth by the Commission, the purpose of these hearings is to assist the Federal body, first, in deciding whether the Commission should recommend to Congress the enactment of laws authorizing the consolidation or merger of communications companies with each other and, second, in the event such recommendations are to be made, in deciding what safeguards and conditions are to be stipulated in carrying them out.

#### X X X X X X X X X X

## BROADCASTERS URGE CLOSER COOPERATION WITH EDUCATORS

An 82-page printed brief, believed to be the most complete presentation of its kind ever made in the history of the broadcasting industry, has been filed with the Federal Communications Commission in behalf of the National Association of Broadcasters following the hearings on the question of whether or not additional radio facilities shall be allocated to educational and religious and other non-profit making stations. The brief, prepared by Henry Adams Bellows, Chairman of the Legislative Committee and submitted by Philip G. Loucks, Managing Director, carried with it the following conclusions:

What the Record Shows -

"1. The facilities for radio broadcasting in the United States are at present definitely limited by physical facts, and are used to approximately their full capacity. No material extension of these facilities through the application of new technical methods seems sufficiently imminent to warrant present consideration. It follows, therefore, that increased broadcasting facilities for any form or type of service can be provided at present only at the expense of services now authorized to use those facilities. This applies whether term 'facilities' is defined as including all the elements of broadcast allocation, or as meaning broadcasting time only.

"2. Broadcasting hours and, in a wider sense, broadcasting facilities of any sort, are of little value without an established and maintained audience. It follows that any allocation of facilities which are not used in the service of a considerable and interested audience constitutes a waste of such facilities.

- "3. Commercial broadcasting service in the United States is designed to give a widely varied program service to the entire population which is able to receive such service. It seeks to give due consideration to the desires of all significant minorities, while at the same time always considering the tastes and wishes of the public as a whole. In carrying out the policy just outlined, commercial broadcasting has cooperated, and has expressed willingness to cooperate still further, with many and varied types of non-profit organizations, and in most instances has done so to their complete satisfaction.
- "4. It is impossible to determine the character or value of a broadcast program merely by its origin or sponsorship, and it is manifest from the record that much of the finest service which broadcasting is rendering to the public in the field of education has been instituted and is now maintained by the broadcasting companies themselves.
- "5. It is manifest from the record that there has been a steady and progressive improvement in the general quality of radio programs, corresponding to a definite improvement in public taste as a result largely of the opportunities which broadcasting has afforded for the enjoyment of good programs.
- "6. It is clear that any form of preferential allocation of broadcasting facilities, based either on type of program service or on classification of licensees, would involve the federal government in complex problems of determining program service values,

necessitating a considerable degree of indirect but effective

government censorship.

"7. The record makes it clear that, with the rapid and still unpredictable development of radio communication, the adoption of any governmental policy which would restrict or hamper such development would be disastrous, and that greater stability is universally desired.

"8. It is apparent that the test of public interest, convenience, or necessity established by law can be properly applied only on the basis of individual cases, when and as applications

for licenses or renewal thereof are submitted.

"9. It is clear from the record that the interests of the public will best be served by closer and more widespread cooperation between the commercial broadcasters and the many groups primarily concerned with public education in its broadest sense, and that such cooperation should be directed toward the development of more effective methods for the use of broadcasting in the general service of education.

Recommended Findings -

"Since, therefore, the record clearly shows that American broadcasting is rendering, and stands ready to render, every service in behalf of education that is generally desired; since greater stability is universally recognized as essential to the proper development of broadcasting service to the public; and since any form of preferential allocation based on any consideration other than that of general service to the public as a whole is manifestly wasteful of broadcasting facilities and also involves such governmental supervision over program material as implies material censorship, it follows:

"1. That the Federal Communications Commission, pursuant to the instructions given to it by Congress in Section 307(c) of the Communications Act of 1934, should recommend to Congress that in its judgment it is neither necessary nor desirable that Congress should, by statute, allocate fixed percentages of broadcasting facilities to non-profit organizations or programs.

"2. That the Federal Communications Commission should not, either under its present authority, or under authority which might be conferred upon it by subsequent legislation, undertake any such preferential allocation of broadcasting facilities.

"3. That the Federal Communications Commission should encourage the development of American broadcasting by increasing its stability through the granting of licenses for materially

longer periods than at present.

"4. That the Federal Communications Commission should actively encourage closer and more widespread cooperation between the commercial broadcasters and the groups primarily concerned with the broader aspects of education, to the end that American broadcasting, with all the advantages of competitive ownership and operation, may make still more rapid progress in the future toward providing a completely satisfactory service to the people of the United States."

In introducing the brief, Mr. Bellows wrote as follows:

"The record of the hearings before the Broadcast Division of the Federal Communications Commission pursuant to Section 307(c) of the 1934 Communications Act constitutes the most significant statement ever made of the aims, purposes and methods of radio broadcasting as conducted on the basis of competitive private initiative. Its more than fourteen thousand pages of testimony and evidence eloquently relate the services which American broadcasting, conceived and maintained in accordance with American traditions, is rendering to the people of this country.

"The brief submitted on behalf of the National Association of Broadcasters is a condensed digest of this record. points out, from the mass of evidence presented, the salient features. Citing the testimony of scores of leaders in the use of broadcasting for the public welfare, both within and outside of the broadcasting industry itself, it shows that American broadcasting has built up and is steadily increasing that vast audience without which broadcasting is a futile waste of invaluable

facilities.
"In every field of endeavor for human betterment, in the spread of political, education, in religion, in charity, in the spread of political, social and economic understanding, in the service of labor and agriculture and the home, the great majority of representative leaders, both national and local, are glad to testify that American broadcasting, competitive and therefore free, aids them in a manner and to an extent which under any other system would be

utterly impossible.

"More than this, the record shows that American broadcasting, precisely because it is conducted as a highly competitive business, goes far beyond merely placing its facilities at the service of others, and definitely creates a service of its own. It brings to every radio-equipped home the voices of the world's leaders in thought and action, the music that, a decade ago, could be heard only by the privileged few, the best in entertainment that the whole world affords. With this it combines a local service to every considerable community, a service built up by years of experience and close contact with local problems.

"The record shows that this service of American broadcasting to the public has been created and maintained by the initiative of American citizens, regulated only in so far as the wisdom of Congress saw from the outset that regulation was essential to avoid chaos. It shows that under no other possible system could the public have the benefit of such wide access to the world's best program talent, or of such freedom of expression for all that is most truly representative of our national life.

"Only a comparatively few are recorded as recommending any essential change in the American system of broadcasting, and among those few there is little evidence of clear agreement.

Against them stands the overwhelming record of how American broadcasting serves the people, a record established in large part by the testimony of those whose purpose is, in the broadest sense of the word, education.

"That neither Congress nor the Federal Communications Commission should destroy or impair this service to the public is the one conclusion to which the entire record leads. It is made manifest that any system of allocation which considers the desires and special objectives of individual organizations rather than the wishes of the people as a whole would thus destroy or impair this service.

"Nowhere in the record is it asserted that American broadcasting today rests content with its achievements; rather, it is made clear that every broadcaster looks forward to still greater service to the people who, as listeners, must always be the final arbiters. But the record is far more than a vindication of American broadcasting; it is conclusive proof that the initiative and vital energy of a new and great American industry are rendering such a service in the broad education of our people as, on any other basis, could not possibly have been realized."

#### X X X X X X X X X X X

## KYW OPENS IN PHILADELPHIA NEXT MONDAY

Transferring its activities from Chicago, . where for many years it was located, KYW, Westinghouse radio station, will start broadcasting officially in Philadelphia at 6:45 A.M. Monday, December 3. A special dedication program, featuring more than 100 stars of the radio, stage and screen, is planned for 7:30 o'clock the same evening.

In moving the station to Philadelphia, Westinghouse engineers have provided it with new transmitting equipment. It will operate on a frequency of 1020 kilocycles and 10,000 watts power, from a transmitting station at Whitemarsh, Pa. The studios and executive offices of the Philadelphia Broadcasting Company, program manager of KYW, will be at 1622 Chestnut Street, with Dr. Leon Levy, President of WCAU, as General Manager. Dr. Levy also will continue as head of WCAU. Carol Irwin will be program director and Helen Wood, director of advertising.

As a member of the National Broadcasting Company, KYW will be the Philadelphia outlet for the NBC-WEAF red network.

#### X X X X X X X

## COMPARATIVE TRANSMISSION CALAMATIES

It is pretty sad when a 500 watt tube falls with a crash - but did you ever watch a 10 kilowatt watercooled tube puncture and fill up with green water right to the top? - R/9, Los Angeles.

#### X X X X X X X X X

## CODE AUTHORITY REINS IN ON FREE TIME PROGRAMS

James W. Baldwin, Executive Officer of the Broadcasting Code Authority, has addressed the following letter to Mr. Daniel Henderson, Director of Promotion of the Cosmopolitan Magazine:

"This is to inform you that we consider the terms and conditions contained in your letters to radio broadcasting stations for the presentation of Cosmopolitan Radio Dramas an attempt to frustrate the purpose and intent of the Code of Fair Competition for the Radio Broadcasting Industry, and radio broadcasting stations will be advised accordingly."

"This will serve as notice to the stations and network companies", Mr. Baldwin advises broadcasters, "that the presentation of these Cosmopolitan programs will be considered in violation of the free time provision of the Code."

The following letter has been addressed by Mr. Baldwin to Radio Guide concerning the release sent out by that publication with reference to the "\* \* \*, the most sensational silverware offer ever made - a grand distribution of patriotic and useful State Seal souvenir spoons. A spoon for every State. A spoon for every week. A spoon for every reader":

"Our attention has just been drawn to a letter signed by you under date of October 14, 1934, enclosing an announcement of a matter which will appear in Radio Guide, issue dated 'Week Ending October 27th.' Your statement: 'If you can find time to present this announcement on the air over your Station we shall be very grateful for the courtesy', by implication seeks to obtain free time. As one of the important radio publications, we solicit your cooperation in the stabilization of the rate structures of all radio broadcasting stations. The most effective way to contribute to such stability is for you to discontinue attempts like this one to gain free radio advertising."

"Members of the industry complying with requests such as this one", Mr. Baldwin says addressing the industry, "violate the free time provision of the Code."

"The Code Authority has auditioned Program No. 1 entitled "The American Magazine Program" and finds that the programs contain lines of definite commercial value to the American Magazine. Broadcasting Stations and Network Companies are, therefore, directed to refuse to broadcast these programs on a sustaining basis."

## SPECTATORS PREVENT ABS ARMY-NOTRE DAME BROADCAST

George B. Storer, President of the American Broadcasting Company sent the following explanatory telegram to his following network stations regarding the interruption of the ABS broadcast of the Army-Notre Dame football game last Saturday;

"Spectators of the game interfered with our broadcasting of the Army-Notre Dame game this afternoon, assaulted our announcers and engineering staff, and damaged our equipment, with the result that it was impossible to broadcast. Subsequently arrests were made, and the matter will be prosecuted. Any profanity heard over the air was on the part of the spectators who assaulted our staff. We deeply regret this occurrence and hereafter police protection will be provided to prevent its recurrence."

A press dispatch from New York later added that two on-lookers, described as Andrew Sokol and George L. Armour, both 36 and residents of New York, allegedly objected with blows to the presence of the announcing staff in their box. The scuffle wrecked the equipment and cut off the broadcast. Sokol and Armour were arrested on charges of malicious mischief and released on \$750 bond.

#### X X X X X X X X

### SOME NEW FUTURE COLUMBIA ACCOUNTS & RENEWALS

Acme White Lead and Color Works, Detroit, Mich., - paints and varnishes, starting January 6, 1935; Air time - Sunday, 6:30 to 6:45 P.M. EST; network of 22 stations originating WKRC, Cincinnati; Program - Smiling Ed McConnell; Agency - Henri, Hurst & McDonald, Inc., Chicago.

The Norsec Co., Jersey City, N. J.; product - Norsec toothpaste; Starts December 3, 1934, Mon. Wed. & Fri. - 12:30 to 12:45 P.M. EST; Network - Albany, Boston, Buffalo, Hartford, New York, Philadelphia, Providence, Syracuse, Bridgeport, originating in WABC, New York; Program - Gossip Behind the Microphone (Wallace Butterworth); Agency - Stack-Goble Adv. Agency, Chicago, Ill.

Lehn & Fink Products Co., New York; Product - Pebeco toothpaste, starting Feb. 3, 1935, Sunday - 8 to 8:30 P.M. EST, 50 stations coast-to-coast, originating WABC, New York; Program - Musical and Eddie Cantor; Agency - Lennen & Mitchell, Inc., New York.

Lehn & Fink Products Co., New York; Product - Lysol disinfectant and Hind's Honey & Almond Cream, starting Jan. 6, 1935, Sunday - 8 to 8:30 P.M. Jan. 6 to 27, Sunday - 8:30 to 9 P.M. Feb. 3 and thereafter, 50 stations coast-to-coast, originating WABC, New York; Program - Hall of Fame; Agency as above.