

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

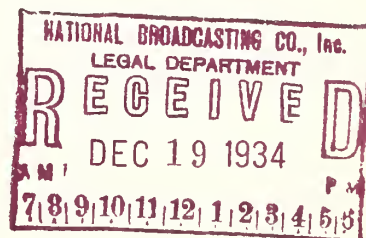
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No. 784



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December 18, 1934.

REP. CELLERS ABANDONS BROOKLYN STATION BOARD

Completely reversing himself in a declaration he had made that newspapers should not be allowed to own and operate radio stations, Representative Emanuel Cellers, of Brooklyn, resigned as Chairman of the Board of Broadcasters of Brooklyn, Inc., which proposed to merge Brooklyn stations WARD, WLTH and WVFW.

Early this year Examiner Ralph L. Walker had recommended that these stations, along with WBBC, also sharing time on the channel, be deleted for alleged failure to serve public interest. All these stations are on 1400 kc. frequency.

Under the consolidation play, in addition to Representative Celler as Chairman, Rabbi Aaron Kronenberg, of WARD, would become President of the new organization, with Salvatore de Angelo, of WVFW, as Vice-President, and Samuel Gellard, of WLTH, as Secretary-Treasurer.

Further hearings were ordered, the principal applicant for the 1400 kc. frequency being the Brooklyn Daily Eagle, which closed Tuesday, December 11.

The New York Congressman said that he did not disapprove of the Eagle as a newspaper, but that he did not believe that any newspaper should own or operate radio stations.

"It is a matter", said Mr. Celler, "fraught with a great deal of danger, the greatest freedom should be given to the dissemination of news. There should be as many as possible owners of radio facilities and newspapers, so that there can not be any combination that will narrow that type of dissemination.

"Newspapers should stick to their own knitting", he emphasized. "They should not own and operate stations, and I would be for legislation which would absolutely separate them."

"I do not believe that a newspaper's function is to control radio. It would be a dangerous thing in this land if newspapers could reach out for mastery not only into the news columns but in the dissemination of news, and whatever goes over the radio. That is a question of policy that I think I am well qualified to dwell upon", he said.

Representative Celler several days later, however, announced his resignation as Chairman of the proposed consolidation saying that he had changed his opinion with regard to newspaper ownership of radio stations. Prior to Congressman Celler's announcement the following editorial appeared in the Editor and Publisher:

Before the Federal Communications Commission this week appeared Congressman Emanuel Celler, of Brooklyn, saying he did not believe in newspaper ownership of any radio station, that newspapers should 'stick to their own knitting', that newspaper publication plus radio operation was an excess of power which should be attacked by Federal legislation.

"It is well to let a little light fall on this curious piece of statecraft at Washington. It seems that the Commission is considering the application of one Aaron Kronenberg, a Brooklyn butter and egg merchant and owner of a radio station WARD, to merge his radio outfit with two other local stations, namely WVFW and WLTH. In the new merged company the butter and egg man would be President and lo! behold! Congressman Celler would be Chairman of the Board. What stands in the way is the Brooklyn Eagle Broadcasting Company's application for a license to operate its station full time on the wave-length used by the others.

"Observe, in these circumstances, how quickly the political philosophy of the Congressman conjured up a plausible objection based on supposed public policy. It was not meet that a newspaper should have too much publicity power. Newspapers should attend to their own knitting. And so forth.

"We have no doubt the Federal Communications Commission will be able to penetrate the motives of the Congressman from Brooklyn, and fairly decide that issue, but the incident serves to remind us of Senator Dill's recent outburst on the right of radio to publish newspaper news in advance, and indeed the whole matter of the impudent disregard of the newspaper-radio news agreement by independent broadcasters is again brought in view. Senator Dill has used his power to encourage the independents to go into the news business and it is more than an interesting coincidence that he, too, has a covetous eye on radio profits. Indeed, he is going into the business.

"The question is: Can the radio interests control the independent broadcasters? The air is now heavy with news, near news, so-called news from independent stations. This fact is well known to the major radio interests and to the Federal Communications Commission. When the radio-press agreement was reached in New York the major radio interests were promising to bring the independents into line. The opposite has happened. The independents immediately started to organize news systems. They act as if free of all restraint, either by government or by radio.

"It seems to us that the press is being extraordinarily patient with this condition. If a radio-press gentleman's agreement will not hold, maybe a Federal Communications Commission order to compel the independents to observe limitations in regard to news would be effective. There must be some way by which butter and egg indepndents, with their congressional advocates, can be made responsible. After all, there are some genuine public policies to be conserved, more important by far than the little profits of any independent broadcasting station."

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TELEVISION TO AWAKEN ART APPRECIATION, SARNOFF SAYS

Among the thrilling possibilities which radio has in store is television, David Sarnoff, President of the Radio Corporation of America, said in an address, "Art in the Radio Age", delivered at the College of Fine Arts at New York University.

"Think what an impetus to the cultural influence of broadcasting, as well as to its entertainment possibilities, will be produced by that event", Mr. Sarnoff, who is a member of the University's Council, went on. "Talks on architecture, which are now broadcast by sound alone, will then be supplemented by television pictures in which the audience may see the famous buildings of which they are being told. Listeners will be able to watch the performance of the opera they are hearing. A play on Broadway may be seen by an audience in Arizona.

"If we let our imaginizations plunge ahead, we may also dream of television in faithful colors. I believe that dream will come true one day, and when it does, every home equipped for reception can at certain times become an art gallery. We may then be shown reproductions of the treasures of the Metropolitan and the Louvre and have them interpreted to us as we sit by our firesides and see them through the air. A new art appreciation will thus be awakened.

"Ours is an era which fosters genius, multiplies its opportunities for appreciation, and spreads its influence over the entire world. Through broadcasting, sound motion pictures, the electrified phonograph, and ultimately through television, radio is providing conduits through which greater quantities of art may flow than ever before.

"The radio age holds out that chance. Under the influence of its offerings, public taste has been immeasurably improved. The improvement reflects itself in the demand for better and still better programs - a demand which is healthy and encouraging. Radio's greatest advantage over architecture is in the elasticity of its medium. Its pattern need not be set in stone and steel. Day by day and year by year it may meet the changing demands of its patrons.

"For their future development, the arts must be entrusted to the vision and skill of the rising generation. At their hand lies an almost miraculous means of communicating their creative gifts to the masses.* * * Art in the radio age, is a challenge to the genius of the artist and the vision of the educator."

"In its youthfulness, radio typifies the eager stride of today. It is only natural that the rhythm of radio should be echoed in the pulse beats of our art students. Those students and this new social force are sharing the rich spring of life together. Radio as faithfully reflects their times as the

railroads, pushing across the wide expanses of our country, reflected the day of their grandfathers."

"Radio, perhaps more than any other industrial art, can claim kinship with the fine arts", Mr. Sarnoff pointed out. "On its wings, the messages of music and education speed to uncounted millions. It brings the symphony orchestra to the lonely farm house. It carries poetry and drama to the most isolated hamlet. With the speed of light, the ether wave carries art's treasures to all who may wish to receive them.

"The arts sprang from the people, and through its mass distribution, radio is giving the cultural arts back to the people."

"In our very midst, at Rockefeller Center, Radio City stands as architecture's dramatic contribution to the radio age. It is a business venture in every way in harmony with the living present. Its buildings combine the latest developments of material and construction for efficient daily use. The sheer beauty of their towering surfaces is severe and restrained, but their popular appeal brings a steady stream of visitors from all over the world."

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DEFEATED CONGRESSMAN PREDICTS STATION LICENSE FEES

Charging his defeat in the last election to the "power and radio trusts", Representative Edgar Howard, Democrat, of Nebraska, declared that he would take an active part in seeing that a bill was put through Congress to require radio stations to pay a license fee. Mr. Howard, who has been in Congress since 1923 and before that was the editor of the Papillion (Nebr.) Times, says that he will not be able to introduce the license fee bill in the House but that several representatives, whose names he said he did not care to reveal, would do it early in the year.

Mr. Howard, who was formerly secretary to the late William Jennings Bryan, and who resembles in appearance the late Franz Liszt, the composer, is now editor and owner of the Columbus (Nebr.) Telegram. He says that he proposes to return to Nebraska but will continue to back up his colleagues by editorials in his paper.

"I have advocated a tax on broadcasting stations for years", Representative Howard declared. "I'm not complaining about my defeat by radio and other interests. I am used to that but I feel nevertheless that broadcasting stations should be made to pay their way and I think you will see such a law put on the books in the next Congress. Because it is a revenue raising matter, the measure will be considered by the Ways and Means Committee. The stations do not now pay for the use of God's

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own radio waves and they have had a free ride about long enough."

Senator Dill proposed some such measure several years ago and when asked about it yesterday, said:

"I think the stations ought to pay a license fee and I think they would be glad to do it."

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EVERYTHING LOOKS O. K. TO RMA PRESIDENT FOR 1935

That the radio industry faces the New Year in a particularly fortunate position, is the Christmas greeting of Leslie F. Muter, President of the Radio Manufacturers' Association.

"Prices, with a few exceptions, have improved", President Muter reports. "Code matters are slowly but surely reaching a more favorable basis. National industry sales promotion has been approved and started. Interference reduction has been inaugurated for the public on an extensive scale. The new all-wave receivers have provided the industry with the best sales stimulus it has enjoyed in many years. To those who are developing these programs and the many other RMA activities which greatly benefit the industry, I am sure we are all very appreciative."

Until the pending RMA application for an independent code for the entire Radio Industry is settled, no action will be taken by the National Recovery Administration on proposed supplemental codes for separate groups of radio manufacturers.

An effort to unsnarl and definitely fix the NRA code status and operations of radio cabinet manufacture is being made by the NRA, the RMA and the furniture industry. The matter is now before the general board of NRA for a final ruling so far as specialty cabinet and furniture manufacturers are concerned, as the electrical code will continue applicable to radio set makers who manufacture their own cabinets.

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DILL STILL HOPES TO ESTABLISH RADIO NEWS SERVICE

Senator Dill, of Washington State, upon his return to Washington, D. C., this week reiterated that he hopes "to assist in the building up of a nationwide and worldwide radio news service (i.e. furnishing news to stations to broadcast).

"I do not intend to finance a service myself, however. I think that is about all I care to say about my plans in connection with the news project, at this time."

"Upon his retirement from the Senate January 3, Senator Dill will open up a law office in the Munsey Building in Washington to practice before the Government departments and says he will continue to take an interest in radio.

"I am not fully determined as to how active I shall be in connection with radio", he said, "but will continue to take an active interest in its development and particularly in the legal questions that arise in relation to radio and the public."

An article in the current issue of the Saturday Evening Post (December 15) by Senator Dill, "Why I Quit the Senate", seems to be an answer to reports that if Judge E. O. Sykes is eventually appointed to the District Court of Appeals that Dill might succeed him as Chairman of the Federal Communications Commission. One gathers, after reading the Post article, that Senator Dill has had what Sam Bernard, the old German comedian used to regard as "Sufficiency."

It is an extremely readable article of which the proud comment of Senator Dill, himself a former newspaper man, was, "And I got paid for writing it." This really is an accomplishment to be proud of when it is known that most Senators, when retiring, are lucky if they get six lines in a page in the home paper and here's a man who not only gets away with two full pages in the Saturday Evening Post, but actually gets paid for doing it.

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SAYS PHILADELPHIA ORCHESTRA OVERLOOKED RADIO

In his bill of complaints in the Philadelphia Symphony Orchestra row, Leopold Stokowski said that this year the Orchestra neglected its best asset - radio.

"During the past few years the Philadelphia Orchestra has definitely lost status with reference to broadcasting", Mr. Stokowski wrote to the Directors. "It is imperative that we regain the ground that has been lost. I am investigating the question of (1) a comprehensive, sustaining program for next year, and (2) a commercially sponsored program.

"You are all familiar with the fact that the New York Philharmonic Orchestra receives approximately \$40,000 each season for the broadcasting of its Sunday afternoon concerts. In the field of commercially sponsored programs there are excellent possibilities. I have been told that approximately \$375,000 is to be paid by a commercial sponsor for broadcasting the Metropolitan Opera.

"We began last season with a deficit. We ended the season with no deficit because of good broadcasting arrangements. Even in these troubled times there need be no deficit whatever in the orchestra's work. With a good contract, it might even be possible to reduce the price of the concert tickets."

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TWO BEACONS ON WOR TRANSMITTER PUT IN OPERATION RECENTLY

To guide flyers safely on their way and add a comforting touch of light to the country-side around North and South Rahway, two 500-watt lights have been placed in operation on the two 400 foot towers of the new WOR 50,000-watt transmitter soon to go in operation in Carteret, New Jersey.

These lights have been installed to indicate to aviators flying the Newark to Washington route that they are in the vicinity of the new WOR transmitter. In addition to these lights, there will soon be placed in operation, a thousand watt red revolving beacon located on top of the transmitter building. These lights are visible from the Empire State Building in New York which is located 16 miles northeast of the Carteret site. They are also visible from practically all points in Essex and Union Counties. As soon as the remaining equipment is installed, these lights will blink alternately.

Planes coming from Washington can point out to passengers that Newark is just nine miles beyond the beacon lights of WOR.

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MORE RADIOS THAN TELEPHONES?

A banner crop of radios was produced by the radio industry in 1934, says Science Service. Four and one-half million new sets were added to those already in use, to bring the total for the nation up to 19,000,000. This is 8,000,000 more radios than there are home telephones. The 19,000,000 sets do not include those in homes having two and three sets, nor some 2,000,000 sets now installed in automobiles, according to the trade journal, Electronics.

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Addressing the Crime Suppression meeting in Washington, J. Edgar Hoover, of the Department of Justice, said that one means of bringing about closer coordination was the development of a national teletype or radio broadcast system of police intercommunication.

WJW, Akron, joined ABS network last Saturday and started to broadcast the American Broadcasting System programs in the world rubber capital of Ohio. The station is owned and operated by William T. Jones, Samuel Townsend and John F. Weimer.

Henry A. Bellows, Chairman of the Legislative Committee of the National Association of Broadcasters, was highly commended at the Board meeting in New York City for the thorough and scholarly manner in which he presented the Broadcasters' side of the case to the Federal Communications Commission at the recent educationzl-religious hearing.

"Lavender and Old Lace", (Bayer's Aspirin), and "Melodiana" (Phillips Dental Magnesia) two half-hour programs which together fill the hour from 8:00 to 9:00 P.M. EST, each Tuesday night on the WABC-Columbia network, will continue on the above schedule due to contract renewals effective Tuesday, January 1.

Major K. K. V. Casey, Sales Manager of the E. I. du Pont de Nemours Company, expressed "a purely personal observations" at West Chester, Pa. that aerial torpedoes, controlled by radio, might be used in the next war.

The executive said he foresaw this possibility from experiments made in various parts of the world with planes flown by radio control, without a pilot in the fuselage.

After repeated protests from the united forces of the amusement business, the Standard Oil Company of New Jersey has abandoned its free performances of the Guy Lombardo road show and will book it in theaters as an added stage attraction at regular admission prices. It will be known as the Guy Lombardo-Esso Marketers Revue.

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FEDERAL MOVE SETTING ASIDE DEPRECIATION ORDER CITED

Order of the Federal Communications Commission setting aside the telephone companies depreciation ruling of the Interstate Commerce Commission was characterized as of "great importance" to State Commissions throughout the country and of particular importance to Washington, D. C. telephone users in a statement by William A. Roberts, people's counsel, of the District of Columbia.

"The order", Mr. Roberts said in a memorandum to the District Public Utilities Commission, "is of great importance because it relieves the overshadowing influence of the Interstate Commerce Commission's orders as to depreciation and places the burden of proving the correctness of depreciation rates, insofar as they affect local regulation, upon the companies rather than on the State Commission.

"In the District of Columbia, where a study of depreciation rates has been under way for approximately six months, this is of the greatest importance as it leaves the local commission with a free hand to act in fixing reasonable depreciation rates and preventing unreasonable charges for this purpose.

"Even more important than the definite action of the Communications Commission is the cooperative and responsive attitude shown by that body in this, the first of its orders on the subject. It augurs well for effective regulation in the future."

The statement of the people's counsel was issued in response to a Communications Commission order which said "that the estimates of composite percentage rates submitted by telephone companies to the State Commissions and to this Commission are for the information of the several Commissions, but shall not be deemed to be prima facie correct."

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CITY SALES TAX ON ACTUAL CASH ONLY

In New York City in the 2 percent New York City tax on sales of radios, autos and other articles involving a trade-in, it is proposed to tax only the actual cash involved in the transaction.

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VARIABLE IMPEDANCE MATCHING FOR ALL-WAVE RECEPTION

A further refinement in noiseless antenna systems for all-wave reception is offered in the variable impedance matching of downlead to receiver. This feature is made possible by an accessory applicable to any doublet antenna and receiver for the first time. The knob adjustment brings about the precision balance between antenna system and receiver for greatest sensitivity and loudest signals, while reducing still further any remaining noises.

Known as the TACO Noise Rejector, the variable impedance matching unit is a development of antenna specialists, Technical Appliance Corp., 27-26 Jackson Avenue, Long Island City, N. Y.

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EDITOR PICKED AS NBC AGRICULTURE HEAD

William E. Drips, Associate Editor of Wallaces' Farmer, has been appointed Director of Agriculture for the National Broadcasting Company in Chicago, to succeed Frank E. Mullen, who has taken a position as head of the Department of Information with the Radio Corporation of America in New York City.

Drips, a veteran farm paper man and widely-known in the field of agriculture, has served with the Des Moines, Iowa, farm publication twelve years, previously teaching agricultural journalism at Iowa State College for three years, and operating a farm in Clinton County, Iowa for four years. He was born in South Dakota and graduated from the University of Wisconsin Agriculture College and studied journalism three years at the University of Washington.

As head of NBC's agricultural department, Drips will supervise the National Farm and Home Hour which Mullen originated in 1928 and has directed through almost 1,900 programs.

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APPLICATIONS GRANTED BY BROADCAST DIVISION, FCC

December 18 - WFDF, Flint Broadcasting Co., Flint, Mich., C.P. to install new equipment; WQAM, Miami Broadcasting Co., Miami, Fla., C.P. to move auxiliary transmitter to location of main transmitter in Miami; WRGA, Rome Broadcasting Corp., Rome, Ga., C.P. to make changes in equipment and increase day power from 100 to 250 watts; WTCN, Minnesota Broadcasting Corp., Minneapolis, Minn., C.P. to make changes in equipment and increase day power from 1 KW to 5 KW, subject to compliance with specifications of the Air

Navigation Division, Dept. of Commerce, as to marking and lighting the towers; WNAX, The House of Gurney, Inc., Yankton, S. Dak., C.P. to make changes in equipment and increase daytime power from $2\frac{1}{2}$ to 5 KW, and to move station locally (570 kc., 1 KW night, unlt'd.); WMFF, Plattsburg Broadcasting Corp., Plattsburg, N. Y., modification of C.P. to make changes in equipment; extend commencement date to 10 days after this date, and completion date to 60 days hereafter; WOR, Bamberger Broadcasting Service, Inc., Newark, N. J. modification of C.P. extending completion date to Feb. 16, 1934; KWTN, The Greater Kampeska Radio Corp., Watertown, S. Dak., modification of C.P. extending completion date to Jan. 1, 1935; KHJ, Don Lee Broadcasting System, Los Angeles, Cal., modification of C.P. to increase day power from $2\frac{1}{2}$ to 5 KW; KFRC, Don Lee Broadcasting System, San Francisco, modification of C.P. to increase day power from $2\frac{1}{2}$ to 5 KW.

WABY, Adirondack Broadcasting Co., Inc., Albany, N. Y., license covering move of station from Hudson Falls to Albany, 1370 kc., 100 w., unlimited time; WHJB, Pittsburgh Radio Supply House, Greensburg, Pa., license covering new station, 620 kc., 250 watts, daytime; WQAM, Miami Broadcasting Co., Miami, Fla., license covering local move of station, 560 kc., 1 KW, unlimited time; WBEO, The Lake Superior Broadcasting Co., Marquette, Mich., modification of license to make change in specified hours; NEW, Bamberger Broadcasting Service, Inc., Mobile (Newark, N. J.), C.P. to operate in broadcast pickup service on frequencies 31100, 34600, 37600, 40600 kc., 25 watts; W2XR, John V. L. Hogan, Long Island City, N. Y., modification of license to change name of business to John V. L. Hogan, d/b as Scientific Broadcasting Service.

Action On Examiner's Report

New - H. E. Studebaker, Lewiston, Idaho, granted application for C. P. to construct a broadcast station at Lewiston, Idaho, to operate on 1420 kc., 100 watts, sustaining Examiner Geo. H. Hill.

Miscellaneous

WSPD, Toledo Broadcasting Co., Toledo, Ohio, denied petition to intervene and become a party to the hearing of the application of WALR Broadcasting Corp., for C.P. to move its station from Zanesville to Toledo; WTJS, The Sun Publishing Co., Inc., Jackson, Tenn., dismissed with prejudice its application for the facilities of WNBR since request for withdrawal was not made until 4 days before the time set for hearing and WNBR had expended considerable sum in preparation of its case; WLXBS, American Republican, Inc., Waterbury, Conn., granted license covering new station, 1530 kc., 1 KW, unlimited time (action taken Dec. 11, 1934); WKEU, Radio Station WKEU, LaGrange, Ga., designated for hearing application to move station to Griffin, Ga. to operate during unlimited daytime hours because of protest filed by Station WRGA, Ga., Rome; grant heretofore made, subject to protest, was suspended.

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