

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

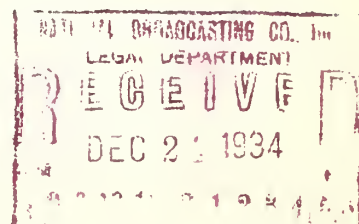
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No. 785



## NEW CONGRESS MAY CREATE COMMUNICATIONS COMMITTEE

Because of the divided authority in the House between the Merchant Marine and Radio Committee, of which Representative Schuyler Otis Bland, of Virginia, is Chairman, and the Interstate and Foreign Commerce Committee, headed by Representative Sam Rayburn, of Texas, a movement is under way to have a House Committee appointed to have exclusive jurisdiction over communications.

Up to the time the Communications Commission was created, the radio authority in the House was lodged in the Merchant Marine, Radio and Fisheries Committee. It went there through the fact that wireless, which afterwards developed into radio, first came into use for S.O.S. calls aboard ships. Due to the fact that the Communications Commission bill carried with it wire communications, as well as wire, including cable, telephone and telegraph, it was referred to the Interstate Committee. There was a sharp clash over this between Representative Rayburn and Judge Bland, but the former won out.

The question of communications jurisdiction in the House will again be raised in the new Congress, and the creation of a new Communications Committee will be offered as a solution of the difficulty. An additional reason for the need of the new committee will be that the House Interstate and Foreign Commerce Committee is already badly overburdened and has not the time to devote to communications, a subject of sufficient importance to require the attention of a special standing committee.

If such a committee were to be appointed, there would be no chance that either Representative Rayburn, or Judge Bland, who are the dominating men in the House in communications now, would be its Chairman. Mr. Rayburn could not be appointed to the new committee without giving up the Interstate and Foreign Commerce Committee, because anyone who serves on that committee is not allowed to serve on any other committee. It is what is known as an exclusive committee. Naturally, the Texas Representative wouldn't give up the Chairmanship of an old established committee like Interstate and Foreign Commerce for that of a newly created Communications Committee.

While Judge Bland would be eligible to serve on the Communications Committee, since his own committee is not exclusive, he said that he would not give up the Chairmanship of the House Merchant Marine, and Fisheries Committee if the chairmanship of a new Communications Committee were offered to him.

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It was said at the office of Representative Rayburn that a movement to create a House Communications Committee "would not get very far". On the other hand, Judge Bland said that the creation of such a committee next session was "well within the realm of possibility."

The creation of new Standing Committees in the House of Representatives is a rare event. One of the last committees to be added was the Veterans Bureau Committee following the World War.

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#### EVERY SECOND NEW ZEALAND HOME SOON TO HAVE RADIO

Stimulated interest in radio reception has lately been evident in New Zealand, according to a report from Vice Consul W. W. Orebaugh, Wellington.

During the six-month period ended September 30, it is pointed out, sales of receiving sets in the Dominion exceeded those for any similar period in recent years. The increased purchase reported all over the country, the Vice Consul states, is due partly to the improved economic outlook, but much of the increase has resulted from the growing interest in short-wave reception. Short-wave sets are now more in demand than they have ever been and indications are that this demand will continue for some time.

At the end of last June, according to official statistics, there was one radio set for approximately 2.7 houses in New Zealand. It is believed locally that every second home in the country will soon be equipped with a receiving set. At the end of July, there were 133,000 radio receiving sets registered. In the July-September quarter of the number of licenses granted for new sets totalled 13,595, an increase of nearly 25 per cent over the second quarter.

Imports of complete radio sets into the Dominion in the third quarter of the current year were valued at £37,583, an increase of £18,194 over the preceding quarter. Receipts of American sets increased from £13,453 in the second quarter to £23,301 in the July-September period, it was stated.

New Zealand is showing a steadily increasing interest in automobile sets and this market should prove a good outlet for this type of American radio for some time to come, the report states.

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## LEGISLATION IN 74TH CONGRESS HINGES ON COMMISSION REPORTS

Upon the reports of the Communications Commission, on the subject of whether more time should be given educational programs, and whether or not communications companies should be allowed to merge, will doubtless depend the character of whatever legislation of this sort, if any, the 74th Congress, which convenes January 3, will take up. It is expected that the educational-religious report may cause a general discussion of radio broadcasting, in Congress.

There are those who think the confirmation of the Federal Communications Commissioners by the Senate may also await the filing of the reports which will be about February 1st. The general impression is that all the members of the Commission will eventually be confirmed but that Senator Wheeler, of Montana, if he accepts the Chairmanship of the Senate Interstate Commerce Committee, replacing Senator Dill, will certainly wait for the Communications Commission reports, the first actual work of these Commissioners, and upon this judge their qualifications to continue to serve. Senator Wheeler would like to see a Western man on this Commission and Senator Couzens may again oppose Col. Thad Brown, but it is not believed these views will be pressed.

If Commissioner Gary should be succeeded by Representative Anning S. Prall, of New York, before he finishes writing his report on the educational-religious program situation, there may be some different conclusions. Mr. Gary is believed to have an open mind on the subject but the assertion is made that because Representative Robert Wagner, of New York, favors more time for religious stations, the former may share the latter's views on the subject. It was Senator Wagner who, at the request of Rev. J. B. Harney, of New York, Superior General of the Paulist Fathers, introduce a bill in the Senate which would allocate 25% of all radio facilities to educational and religious stations.

It had been thought because Father Harney had made such a brief appearance at the hearings that probably he was not as aggressively interested in the subject as he had been, but it developed that ill health had prevented the priest from testifying at length. A brief he submitted recently fairly bristled with accusations and it was thought from this that his side of the case might have further active support from Senator Wagner.

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## HEARST WBAL PURCHASE APPROVAL GOES OVER TO NEW YEAR

Action on the sale of Station WBAL, in Baltimore, to William Randolph Hearst, was considered by the Broadcast Division of the Federal Communications Commission when it last met, but a decision was deferred until the next meeting which will be early in the New Year. It seems to be a foregone conclusion that the station sale will be approved, but there was a current report that this Commission would not finally go on record in this matter until after the Commissioners had been confirmed by the Senate. If this is true, it might mean considerable delay in the transaction.

The price Mr. Hearst paid for WBAL is now pretty generally understood to be \$400,000.

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## BRIGHTER SKIES FOR RADIO SEEN

The year 1934 draws to a close with bright prospects before the radio industry, O. H. Caldwell, former Federal Radio Commissioner, foresees.

"Current production of sets and tubes is at a peak for the depression, and retail sales are running 40 per cent ahead of a year ago. Official figures for the third quarter show an encouraging upturn in manufacturing, indicating that the year's output will reach 4,500,000 sets", Mr. Caldwell sums up.

"The radio audience now numbers at least 76,000,000 persons, in 19,000,000 homes equipped with radios (30 per cent of these homes having two, three or more sets). In addition, 2,000,000 automobile radios are roaming the highways.

"Optimism also marks the future, as new developments manifest themselves. Higher tone fidelity and better eye-value design will characterize next season's sets. Noise and interference are to be cleared away by united industry effort. Facsimile is a prospect of the immediate future, as broadcasters explore the business possibilities of new visual advertising. Television also becomes a nearer reality as the German and British invoke government aid in financing transmitters, an expedient which may may have to be resorted to here.

"Police radio is finding an important place in city and state organizations, as analyzed on following pages of this issue. The new acorn tubes open up new possibilities for short-wave reception, and also for 'pocket radios' operating in the broadcast band. Portable transceivers for laymen - handy sets working around five meters - may create another volume-merchandise market, reminiscent of radio's gold rush days.

"Thus, all around the radio horizon, the sky is brightening, and one discovers cheering new prospects of big things ahead."

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## NO ROOM FOR HUEY'S 50 KW STATION

No application has been received at the Federal Communications Commission for a frequency to provide for the 50,000 watt station which, according to press dispatches, Senator Huey Long declared he proposed to erect in Louisiana. As things now stand, it was said at the Commission, such a request could not be granted because not only Louisiana, but the Third, or Southern, Zone, of which Louisiana is a part, are both over their quota. Louisiana is 94 units over its quota at night, and 14 units over its quota in the daytime. The Third Zone is slightly under quota in the daytime, but considerably over it at night.

Senator Long was reported as saying that he first proposed to put a bill through the State Legislature providing for funds to finance the new station, and then later he expected to secure the necessary frequency from Washington.

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## BRITISH DO NOT FAVOR ADVERTISING, SAYS SIR JOHN

As a result of a recent exchange with Sir John Reith, the National Committee on Education by Radio, has this to say:

"Radio writers in the United States have been saying recently that it does not, and they have been using this assertion to show that the highly satisfactory financial results of the British system cannot be compared with those in the United States, where the broadcasting industry as a whole, according to an authorized spokesman, 'has never yet operated at a profit.'"

This was the answer to the question, "Does the British Broadcasting Corporation make adequate provision in its budget for depreciation?"

These same writers have created also the impression that there is considerable sentiment in Great Britain favoring the introduction of advertising into radio programs in imitation of the American practise.

Sir John C. W. Reith, Director-General of the British Broadcasting Corporation, answers these two assertions in the following radiogram:

"Both statements entirely untrue. Regarding first, depreciation provision more than adequate respecting every form of capital asset. Regarding second, there was House of Commons debate of private member's motion, February 1933, categorically endorsing present non-advertising public service system by 203 to 27 votes. No Parliamentary committee nor any public body, so far as we know, has ever discussed introduction of advertising."

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## RMA ENGINEERS START ON FACSIMILE DEVELOPMENT

Facsimile experiments have reached the point where organized development is being undertaken by the RMA Engineering Division. A special committee on radio facsimile, headed by E. W. Engstrom, of Camden, N. J., as Chairman, has been organized by Dr. W. R. G. Baker, Chairman of the Engineering Division, and Virgil M. Graham, of the Standards Committee.

The new Facsimile Committee has begun to function, starting work on nomenclature and standardization. Four facsimile circuits, between New York and San Francisco, London, Berlin and Buenos Aires, are now in operation by RCA Communications, Inc.

The drum type of facsimile apparatus is now in use but eventual development of a continuous type of recorder, taking its paper from a feed roll, is regarded as the ultimate practical solution for broadcast facsimile recording. Higher speed also is an engineering goal.

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## DETROIT SYMPHONY HAS UP-TO-DATE PICK-UP

The Columbia Broadcasting System recently installed complete speech input equipment in Orchestra Hall, Detroit, in order to provide pick-up facilities for the Ford Sunday Evening Hour. This program features the Ford Symphony Orchestra conducted by Victor Kilar and is broadcast each week over a coast-to-coast network.

A control room having a double-glass observation window was constructed on the orchestra floor of the auditorium. The addition of a radio control room has not altered the appearance of the hall to any appreciable extent. In fact, when the control room is not lighted from within, its presence is hardly noticeable. The control room is entirely outside the auditorium proper.

Thirteen microphone receptacles were distributed throughout the auditorium, on the stage, backstage, and in the wings. Twisted, two-conductor wire, shielded in copper braid, runs in conduit from each microphone receptacle to a "low-level" terminal box in the control room.

Provisions were made for the installation of public-address loud-speakers in any one or all of three locations in the auditorium. High-level audio and loudspeaker field supply outlets are provided in the upper boxes to the right and the left of the stage and over and back of the proscenium arch. The wiring from these outlets is brought in conduit to a "high-level" terminal box in the control room.

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## TELEGRAPH LEADERS AT WHITE HOUSE BUT SILENT AFTERWARDS

Silence on the part of all concerned followed a conference which President Roosevelt had supposedly concerning the Telegraph Code at the White House Thursday.

Those present at the conference were S. Clay Williams, Chairman of the NIRB, and the whole membership of the Board; Judge Eugene R. Sykes, Chairman of the Federal Communications Commission; Newcomb Carlton, Board Chairman of the Western Union Telegraph Company; Sosthenes Behn, Chairman of the Board of the International Telephone and Telegraph Company, of which the Postal Telegraph Company is a unit, and L. H. Peebles, who is in charge of the proposed Telegraph Code.

According to the New York Times, a virtual ultimatum was given by President Roosevelt to the two major telegraph companies to accept the code for their industry which has been pending for more than a year, or present one of their own.

"The President intervened for the first time in the fight by the National Recovery Administration to bring under a code of fair competition the largest uncoded industry at the request of the National Industrial Relations Board."

When asked if the Times story was true, Mr. Peebles said,

"Entirely out of the thin air, and a deduction of someone who evidently has followed the Telegraph Code hearings. Did you ever hear of anyone coming out of a conference with the President and talking? Anyone who would do this would be a damn fool."

No comment upon the conference was forthcoming from the White House. Judge Sykes likewise had nothing to say.

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## OHIO STATION JOINS NBC

Station WHIO, Dayton, will join the NBC-WEAF network on February 2. WHIO, owned by the Evening News Publishing Company of Dayton, and the Springfield Newspapers, Inc., of Springfield, Ohio, will be the NBC's 88th station on the coast-to-coast networks.

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## TELEGRAPH AND TELEPHONE FRANKS UP FOR CONSIDERATION

Conditions surrounding the issuance of telegraph and telephone franks are now up for consideration by the Federal Communications Commission.

A hearing has been called by the Telegraph Division for Monday morning, January 14th to hear testimony and argument on proposed rules with regard to the issuance of telegraph franks and the giving of free telegraph services. According to these rules, telegraph franks would be issued only to the following full-time officers, agents of the carriers and to their families:

President, Vice-Presidents, Secretary, Treasurer, General Counsel, Comptroller, Chief Engineer, General Manager, General Passenger Agent, General Freight Agent.

Common carriers not subject to the Communications Act of 1934, whose officers and employees would be entitled to receive franks from the telegraph carriers would be the following:

Railroad companies, Steamship companies  
Motor bus companies, Air transport companies  
Telephone Companies, Telegraph companies

Another paragraph of the proposed regulations would provide that:

"Every telegraph carrier subject to the Act shall make a special monthly report to the Federal Communications Commission with respect to all franked messages sent during each month by each frank holder. The report, which shall be made to the Commission not later than the first day of the second month following that for which the report is made, shall show with respect to each telegraph frank holder the name of the addressee of each message, the places of origin and of delivery, and the amount of the charges which would have accrued at the regular charges; it shall also show the total number of franks outstanding at the end of the month, the total number of franked messages sent during the month, and the total revenue which would have accrued had the franked messages been paid for at the regular charges.

"The total number of messages sent by each frank holder, the total for all frank holders, the total charges which would have accrued on messages sent by each frank holder and the total charges which would have accrued on messages sent by all frank holders shall be cumulative each month for the period beginning January 1, 1935."

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The Telephone Division of the Commission ordered that each Class A Telephone carrier shall, before March 1, by filling out a questionnaire now being prepared, make a full report with regard to the issuance of telephone franks or free service for the period from January 1st to December 31, 1934. It further ordered that effective January 1, 1935, all Class A telephone carriers subject to the Act, shall keep their records in such manner as will enable them, to furnish the Commission with the information requested in said form questionnaire for any month or months, subsequent to December, 1934, as may be requested by the Commission.

Also, that all Class A telephone carriers subject to the Act, shall retain in their possession all original records containing the data used in compiling the response to the said form questionnaire, until such time as this Commission shall specifically authorize the destruction thereof."

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#### PRIBBLE HEADS WTAM

Vernon H. Pribble has been appointed General Manager of Station WTAM, Cleveland division of the National Broadcasting Company. He was for eight years on the advertising staff of the Chicago Tribune and later became General Manager of Station WGN in Chicago.

Pribble succeeds W. Webster Smith in the WTAM position, the latter having been granted a leave of absence to permit him to recover his health. Smith is now in Florida and expects to remain there until he is able to accept another NBC assignment.

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#### JUDGE E. O. SYKES ON FCC OBJECTIVES

The objectives of the Federal Communications Commission in the field of radio will be discussed by the Chairman of the Commission, Judge Eugene O. Sykes, in a broadcast from Washington on Friday, December 28, over the WJZ network, when he will be interviewed by Martin Codel, at 9 P. M. E.S.T.

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 : : : :INDUSTRY NOTES: : : :  
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The Internal Revenue Tax collections for the first five months of the present fiscal year on radio sets, phonograph records, etc., as compared with the same period last year, were given out by the Treasury as follows:

July 1-Nov. 30, 1934

1,370,319,06

July 1-Nov. 30, 1933

1,003,729.46

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Station WCOL, in Columbus, Ohio, has joined the American Broadcasting System and effective Christmas Day will broadcast daily programs of the new major network, George B. Storer, President of ABS announced in New York City. Station WCOL is the twenty-first affiliate of the ABS.

Edgar Wolf, of Columbus, is the President of the Columbus Broadcasting Corporation which owns and operates the newest ABS station. Transmitting on 1210 kc., with 100 watts power, WCOL was recently assigned its present call letters. It previously was WSEN.

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The next meeting of the Broadcast Division of the Communications Commission will be Tuesday, January 8, 1935.

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Frank E. Mullen, newly appointed head of the RCA Information Bureau and Chairman of the National Radio Conservation Council, who instituted the Conservation Day programs each Friday in the National Farm and Home hour, will be the principal speaker during the broadcast over an NBC-WJZ network December 28 at 12:30 P.M., E.S.T. Mullen will discuss the origin of the radio programs on conservation and outline plans for continuation of the series during 1935 in which the question of land utilization will be the central topic.

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The Radio Committee of the Russian government has developed a new program of television broadcasts. This program includes a periodical sight and sound journal, Telechronique, a multiple film written especially for radio broadcasting, a radio concert in which the interpretations are photographed and recorded on the film, and several simple television broadcasts.

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After hearing defense testimony by Mayor Ambrose Langan of Pittston, Pa., and others, Magistrate Klapp in New York discharged Wednesday afternoon two business men who had been accused of malicious mischief by a radio announcer for the American Broadcasting System.

The case grew out of a disturbance in a mezzanine box at the Army-Notre Dame football game Nov. 24. The defendants were George L. Armour, 36 years old, Executive Vice President of the American Aniline Products Company, and Andrew Sokol, 36, secretary of the textile house of Brand & Oppenheimer.

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#### A SINGAPORE STATION - MAYBE

At the present time a group of local promoters are endeavoring to raise sufficient capital to erect a modern broadcasting station at Singapore. Altogether, Trade Commissioner Foster estimates that if the right kind of programs become available and radio sets are offered at a reasonable figure, there should be a potential demand for approximately 75,000 sets in British Malaya.

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ISSUES OF DEC. 25 AND JAN. 1 TO BE OMITTED

DUE TO THE FACT THAT DECEMBER 25TH AND JANUARY 1ST ARE HOLIDAYS, THE ISSUES FOR THOSE TWO DAYS WILL BE OMITTED. THE BROADCAST, TELEGRAPH AND TELEPHONE DIVISIONS OF THE FEDERAL COMMUNICATIONS COMMISSION WILL NOT MEET UNTIL JANUARY.

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