

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

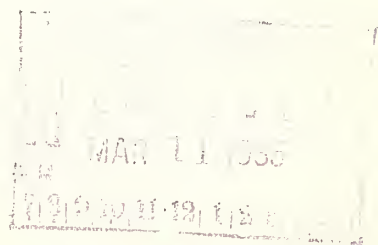
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No. 805



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## MEXICO LISTS ONLY THREE SHORT-WAVE STATIONS

As a result of an inquiry made by this writer of Thomas D. Bowman, American Consul General to Mexico, there are at present but three short-wave stations broadcasting programs in that entire country. The U. S. Commerce Department list "World Short-Wave Radiophone Transmitters" based upon information of the Bureau de l'Union International des Telecommunications confines its listings to a single station XETE in Mexico City, 9600 kilocycles, 31.25 meters. Consul General Bowman, however, makes no mention of XETE.

"It is noted that you desire a list of the short-wave stations broadcasting from Mexico", Mr. Bowman writes. "This office has been officially advised that there are only three short-wave broadcasting stations used in the Republic of Mexico.

"They are as follows:

		Kilocycles	Length of Wave
XEB	El Buen Tono Mexico, D. F.	6100	49.18
XECW	Maria Elena Bravo de Cordero, Bajio 20, Mexico, D. F.	6150	48.78
XEKL	Compania Difusora del Bajio, S. A. 5 de Mayo 26, Leon, Guanajuato, Mexico	6050	49.58

"It is believed that all of these stations are in an embryo stage and have not as yet regular hours of broadcasting."

No power or hours of operation are given by Consul General Bowman but XEB is heard in the United States nightly from about 8 until 11 o'clock and may be identified by the transmission every now and then by the call of a cuckoo. As a rule everything is announced in Mexican but usually there is a brief announcement in English at the conclusion of the night's program. However, the writer has never been able to hear a mention of the call letters.

Most of the programs from XEB station, apparently the most powerful short-wave station in Mexico are spoiled by telegraphic code which comes in on the same frequency and is so broad that it drowns out adjacent frequencies including COC, Havana, on 6010 kilocycles and DJC, Berlin, 6020. On Sunday nights, when there is no code interference, the Mexican station is heard quite clearly.

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## SURVEY SHOWS 21,455,799 RADIOS; 70,804,137 AUDIENCE

There are 25,551,569 radio receiving sets in 21,455,799 homes in the United States -- more than twice the number of residence telephones -- and the total number of radio listeners over 10 years of age is placed at 70,804,137. There are now more than 4,000,000 radios than passenger autos. These new figures are contained in what is claimed to be the most comprehensive radio survey ever undertaken and just released by the Columbia Broadcasting System in cooperation with the statistical staffs of Dr. Daniel Starch, noted research expert.

"The total investment in radio listening by the American public during 1934 amounted to \$391,000,000", John J. Karol, Director of Market Research for Columbia observes. "This certainly speaks volumes for the vitality of the medium and for the continued interest in radio on the part of the American public."

The results of the survey are set forth in a brochure entitled "Lost and Found" in which it was explained that Columbia had discovered that the number of radio homes had been underestimated by 2,450,000 and that the radios which had been "lost" in these homes had now been "found".

The survey required a year of investigation by a nationwide field staff which made 125,000 house-to-house interviews in 321 communities covering cities, small towns and farms in every State and studying every type of family in the various income brackets. Calls were properly proportioned as to income levels, time zones and small geographic sections. They were actual interviews (not phone calls nor questionnaires) with members of families.

From this project, which Columbia describes as "the largest (we believe the only) study of its kind", emerged the set and audience figures for the nation, and other major findings, as follows:

U. S. Radio Homes	
(Jan. 1, 1935).....	21,455,799
Homes with two sets or more.....	2,295,770
Automobile radios.....	<u>1,800,000</u>
Total radio sets	25,551,569
Home Radio Listeners	
(Averaging 3.3 to a home).....	70,804,137
Number of radios bought in 1934	4,084,000

Commenting on the rapid growth of the number of automobile radios, Columbia's report says: "Last Spring we estimated that 1,000,000 motor cars were radio-equipped. In the past 12 months more than three-quarters of a million have installed radios. Dr. Starch's complete report, including farms, reveals a total of 1,800,000 auto radios for the United States as of January, 1935."

The report not only uncovered figures on the number of homes owning radios in the various income brackets but gave comparative figures on actual ownership of radios (not counting auto sets) by city groups of various sizes and on farms. "In cities over 250,000 in population", the report states, "radio ownership is greater than anyone has known, covering 93 out of every 100 homes." The chart follows:

#### NUMBER OF U. S. HOMES OWNING RADIOS

<u>By Income Levels*</u>		<u>By Size of Community*</u>	
Incomes over \$10,000	751,000	Cities over 250,000	6,767,000
" \$5,000- 10,000	2,286,000	" 25,000-250,000	4,695,000
" \$3,000 - 5,000	3,590,000	" 1,000- 25,000	5,413,000
" \$2,000 - 3,000	6,477,000	Towns under 1,000	850,000
" \$1,000 - 2,000	5,747,000	Rural Farms	3,730,000
Under \$1,000	2,604,000		
All Incomes	21,455,000	Total in U. S.	21,455,000

\*Shown to the nearest thousand in each sub-group.

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#### TELEGRAPH RATE HEARINGS CONTINUE

The rate hearings before the Telegraph Division of the Federal Communications Commission will probably continue for sometime. Col. A. H. Griswold of the Postal-Telegraph Company was recalled as a witness Wednesday. He was followed by John Terrell Logue, Vice-President of the Postal. The witnesses Thursday were W. A. Winterbottom, Vice-President and General Manager of R.C.A. Communications, W. L. Kietzman of the Pacific Telephone and Telegraph Co., B. O. Heinrich, of the Continental Telegraph Company, J. C. Willever, of the Western Union, and J. J. Welch.

Frank W. Wozencraft and Col. Manton Davis appeared in behalf of R.C.A. Communications, Harvey Hoshour and R. T. Elasser for the American Telephone & Telegraph Company; Howard L. Kern, for Postal, and Francis R. Stark, Western Union.

Much of the testimony had to do with the rules of the various companies.

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## DEFICIT SHOWN IN RADIO-TELEGRAPH NET INCOMES

The following is a detailed compilation of a report by the Federal Communications Commission, hereafter to be submitted each month, showing total operating revenues and net incomes of radio companies:

Name of Company	For the month of November, 1934			
	Total	Total	Operating	Net
	operating	operating	Income	Income
	revenues	expenses		
Aeronautical Radio, Inc.	-	\$ 1,092.92:	\$ 1,092.92:	-
Central Radio Telegraph Co.	\$ 727.46:	707.08:d	375.06:d	\$ 275.06
Globe Wireless, Ltd.	18,850.21:	19,408.93:d	827.52:d	844.29
Mackay Radio & Telegraph Co., (Calif.)	67,885.66:	74,981.71:d	8,576.17:d	21,613.74
Mackay Radio & Telegraph Co., (Del)	63,096.82:	77,131.40:d	14,207.25:d	42,960.22
Magnolia Radio Corp.	194.20:	555.28:d	361.08:d	361.08
Michigan Wireless Telegraph Co.	672.55:	481.17:	251.19:	251.19
R.C.A. Communications, Inc.	326,680.25:	310,815.83:	57,291.07:	20,705.28
Radiomarine Corp. of America	72,808.55:	63,345.04:	7,202.51:	3,776.12
Tidewater Wireless Telegraph Co.:	544.25:	463.42:	75.33:	75.33
Tropical Radio Telegraph Co. ....:	63,270.97:	49,807.84:	20,426.34:	18,847.87
U.S.-Liberia Radio Corp.	4,926.96:	5,973.72:d	1,289.88:d	1,289.88
Total	619,657.88:	604,664.34:	60,702.40:d	23,688.48

For eleven months ended with November, 1934				
Aeronautical Radio, Inc.	52.69:	14,069.27:	14,016.58:	-
Central Radio Telegraph Co.	6,397.93:	6,297.34:d	3,082.91:d	1,332.91
Globe Wireless, Ltd. 1/	114,861.03:	114,516.42:d	1,030.83:d	1,258.75
Mackay Radio & Telegraph Co., (Calif.)	794,991.26:	818,999.94:	42,919.17:d	176,515.02
Mackay Radio & Telegraph Co., Inc. (Del.)	687,925.81:	811,504.21:d	129,357.51:d	422,623.47
Magnolia Radio Corp.	2,242.46:	3,472.52:d	1,236.66:d	1,236.66
Michigan Wireless Telegraph Co.	5,410.83:	3,715.80:	1,435.93:	1,435.93
R.C.A. Communications, Inc.	3,832,145.21:	3,265,442.96:	773,770.43:	510,818.63
Radiomarine Corp. of America	844,674.93:	673,195.11:	139,344.73:	100,009.35
Tidewater Wireless Telegraph Co. 2/	1,848.42:	1,822.19:	2.93:	2.93
Tropical Radio Telegraph Co.	455,866.05:	510,823.77:d	22,367.39:d	32,705.98
U.S.-Liberia Radio Corp.	51,089.99:	51,491.84:d	2,539.49:d	2,537.51
Total	6,797,506.61:	6,275,351.37:	726,036.64:d	25,943.46

d Deficit or other reverse item.

1/ Started operations Apr. 20, 1934.

2/ Report for five months ended Nov. 30, 1934.

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## RUSSIA HAS BIG RADIO BUILDING PROGRAM

The program of the Soviet Union for the production of radio sets calls for the manufacture of 750,000 to 1,000,000 tube-sets in 1937. Much work on organization and production process will be required, and also capital investment. Tubes, cases, batteries, wire, antenna cable - all these details are in bad shape. The chief factories have concentrated their attention on broadcasting-station apparatus, relays, and other similar equipment. For tube sets specially equipped new plants will be required, and a factory for making cases and parts of plastics.

Up to now, however, Russia hasn't distinguished itself in this field, according to a report sent out by the Commerce Department in Washington.

The maximum manufacture of radio sets in the Soviet Union was reached in 1929-30, with 167,500 sets and since then the number has dropped, but now the manufacture of receiving sets is on the level reached abroad in 1930. The best one made is roughly built, requires 7 operations in tuning in, contains some 7 kilograms of copper, and weighs altogether about 18 kilograms. The 4 tube "EKL-4" radio is better looking, with receiving apparatus and speaker in one case, but many sets show poor workmanship and faulty execution. The tubes, on which the value of the set depends, are often unsatisfactory.

During the past few years, Soviet production of sets for amateurs has not only failed to advance, but has gone backward. In 1927-28, the output of tube sets was 22,300; in 1928-29, 49,400; in 1929-30, 167,500; in 1931, 146,000; in 1932, 29,200; and in 1933 it dropped to 22,000.

The low-tension-current section of the electrical industry has made great progress in the past 4 years, and in a number of branches has equaled the leading European and American technology, often breaking new paths of progress. The value of all the products of the radio industry in 1929-30 amounted to 117,000,000 rubles; in 1934 it had risen to four times that figure. But the production of radio sets did not share this advance.

For several years the radio factories have had great difficulty in obtaining nonferrous metals, receiving only 30 to 50 percent of their requirements. Naturally they concentrated their efforts on the work ordered by the high Government agencies, and only this year was any attention paid to small radio sets; the plan was fixed at 120,000. But even for this increase the factories proved unprepared.

Up to the present time the Ordzhonikidze plant has been the chief producer of the small output of radio sets. The industry as a whole has done hardly any laboratory and experimental work in making new sets, working out technical processes, manufacturing tools, etc. Therefore, the order to proceed to

mass production found the industry with "bare hands." The large laboratory that was available has wasted its time and efforts duplicating the efficient work of another laboratory, and the Ordzhonikidze plant could not devote itself to perfecting its models and making new ones, content to fulfill its program as a whole, without making the number of sets called for. Another plant, the Kazitski, made a number of "EKL-4" sets, with imperfections due to carelessness; the "EKL-5" set produced later proved complicated and clumsy. These were the only sets in the market at the beginning of 1934, and both were too expensive for the average buyer.

As for low-priced sets, these do not exist. Some years ago crystal sets were made, selling at 15 to 30 rubles each. These are not made now, and there is nothing to take their place. The receiving set specially designed for collective farms has been hopelessly slow in coming on the market, so that the villages do not even get the 4-tube and 5-tube sets on sale in the city.

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#### N. Y. HOTELS TO "FORGET" DANCE BROADCASTS

The Executive Committee of Local 802 of the American Federation of Musicians, meeting Thursday in New York, voted to carry out "uncompromisingly" the union's demand for a \$3 tax on each player in orchestra broadcasting from hotels and restaurants.

With the union officials maintaining this stand, the situation remained in a deadlock, with the union awaiting the next move of the hotel and night club managements. It was said after yesterday's meeting that the situation remained one for the hotels and bands to settle between themselves.

The orchestra leaders had expressed their support of the tax at a meeting Wednesday and had referred the matter to the Executive Committee for final action. The \$3 fee asked by the union is for the benefit of the musicians' unemployment relief fund.

The hotel proprietors were equally firm in their stand declaring that the tax was exorbitant and would not be paid. David B. Mulligan, President of the Biltmore Hotel and President of the New York Hotel Men's Association, said the hotels intended to ignore the musicians' union in its attempt to enforce the tax and was planning no meeting to discuss the controversy.

"We just won't arbitrate, that's all", Mr. Mulligan said.

"We cannot afford to pay the extra charge. All of us are paying the union scale and many are paying more than the scale. I cannot see why the union expects us to support the unemployed musicians by calling up an arbitrary rule which is,



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in effect, an increase in the scale rate. None of the musicians play except during the regular employment hours. If they played outside their regular hours, of course we would pay them."

Mr. Mulligan added that all the hotels were ready "merely to forget about broadcasting until the rule is lifted." He was certain that the hotels would remain as a unit in that opinion.

Meanwhile the broadcasting companies continued to pick up dance music from various outside cities. At the National Broadcasting Company it was said they were treating the cancellation of the music from hotels and restaurants as they would any other cancellation.

"We have piped music from no further west than Chicago, but we can go clear to the West Coast if we have to", a representative of the network said. No complaints have been received from the radio audience as a result of the substitutions, it was added.

On the other hand, some of the band leaders were said to be apprehensive over the action taken by the broadcasting networks to pipe in music from other cities, fearing that some of the lesser known orchestras outside New York might suddenly catch the popular fancy and move into the top positions.

The two local stations most seriously affected by the cancellation of the local dance bands are WMCA and WHN, independent stations without network affiliations. Officials at WMCA again resorted to electrical transcriptions, while at WHN small studio ensembles and staff talent filled in the gaps.

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#### WHEELER OPPOSES MERGER - HINTS FOREIGN SOLUTION

Addressing the American Section of the International Committee on Radio in Washington last Monday night, Senator Burton K. Wheeler, of Montana, again emphasized the fact that he is opposed to mergers. Mr. Wheeler said the situation where American communications companies competed with each other in foreign countries would be taken care of in another way.

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 :::INDUSTRY NOTES:::  
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Station WBBM, Chicago, will be operating on its new power of 50,000 watts by April 1st, according to Les Atlass, Vice-President of the Columbia Broadcasting System, in charge of the Chicago division.

WBBM, pioneer midwestern broadcaster, had its inception as a "wireless station" operating on a power of 200 watts in the basement of the Atlass homestead in Lincoln, Ill., in 1923. Les and his big brother Ralph were behind the project. The station moved to Chicago in 1924 in which year the Department of Commerce assigned its now familiar call letters, "WBBM". In 1928, WBBM installed what was said to be the largest antenna towers to be erected in the Midwest. Columbia purchased the station in 1931.

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The scheduled meeting of the Radio Manufacturers' Association Board of Directors for Thursday, March 14, at the Commodore Hotel in New York, has been postponed. It will probably be held at the Commodore either around March 20 or March 27, after the return of several Directors from Florida, Bond Geddes, Executive Vice-President, advises.

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The Connecticut State Legislature has before it a bill which would impose a fine of \$50 upon anyone having a radio in his automobile.

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A campaign to raise \$500,000 by popular subscription to support the work of the Salvation Army throughout New York City will be started early in April. Richard C. Patterson, Jr., Executive Vice-President of the National Broadcasting Company, will serve as chairman of the drive.

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Gen. James G. Harbord, Chairman of the Board of the Radio Corporation of America, said that signs of business recovery were noted everywhere on his transcontinental trip to Phoenix, Ariz.

Economic improvement is evident in the East, but real recovery is waiting a needed boost in the durable goods industry, Gen. Harbord said.

General and Mrs. Harbord will remain in Phoenix a month. He said he hoped to visit with Gen. John J. Pershing, wintering in Tucson, and Gen. Charles Dawes, who is expected there in a few days.

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S. L. (Roxy) Rothafel denounces stories in the dailies that the losses of his operating the Mastbaum, Philadelphia, were around \$250,000. Roxy operated the Mastbaum 10 weeks and insists the maximum loss was only \$30,000, including rent.

Roxy says the average budget was kept within \$24,000 and that the average gross was \$27,000. Roxy blamed the theater's business on the ban on Sunday shows, the Cardinal's order against movies and the fact that he had to come to New York three days a week for radio work. He also stated that he is returning to the Mastbaum in the Fall.

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Ken-Rad Tube and Lamp Corporation and Subsidiaries' financial report shows for 1934 a net income after depreciation and other charges, \$255,647, equal to \$1.46 a share on 175,000 combined Class A and B shares, compared with \$77,591, or 44 cents a share, on combined stock in 1933.

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Radio and television classes are being conducted by the university extension division of the Massachusetts Department of Education. The topics discussed are: advanced radio theory, vacuum tubes for radio receiving sets, and television.

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The following advertisement appeared in the New York Times last week:

"Hearing Radio Programs Without Using a Loud Speaker

"Using a Bond Conduction Receiver You Hear by  
Vibration only; Equally Useful for Deafened People  
and Those with Perfect Hearing

"Attachable to Any Radio.

Demonstrated at Stentor Electric Corporation  
4409 Rockefeller Center

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#### APPLICATIONS GRANTED BY BROADCAST DIVISION

WTAD, Ill. Broadcasting Corp., Quincy, Ill., Mod. of license to change frequency from 1440 to 900 kc., and hours of operation from sharing with WMBD to daytime; WMBD, Peoria Broadcasting Co., Peoria, Ill., modification of license to change hours of operation from sharing with WTAD to unlimited; KXYZ, Harris County Broadcast Co., Houston, Texas, C.P. to make changes in equipment and increase power from 500 w. to 1 KW; WMFE, William J. Sanders, Britain, Conn., Mod. of C.P. extending completion

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date from 2/16/35 to 5/16/35; WSPD, Toledo Broadcasting Co., Toledo, Ohio, Mod. of C.P. to make changes in equpt; move transmitter from Toledo to near Toledo, extend commencement date to 30 days after grant and completion date to 120 days thereafter; WMFJ, W. Wright Esch, Daytona Beach, Fla., mod. of C.P. to move studio and transmitter locally, extend commencement date to within 30 days of grant and completion date to within 90 days thereafter; WLAC, Life & Casualty Ins. Co. of Tenn., Nashville, Tenn., consent to Vol. Assignment of license to WLAC, Inc.

Also, WCFL, Chicago Federation of Labor, Chicago, Ill., Mod. of C.P. to extend completion date from 8/1/34 to 2/1/35; KECA, Earle C. Anthony, Inc., Los Angeles, Cal., Mod. of C.P. to extend completion date from 3/15/35 to 6/15/35; WMFF, Plattsburg Broadcasting Corp., Plattsburg, N. Y., license to cover C.P., 1310 kc., 100 watts, daytime; WJBO, Baton Rouge Broadcasting Co., Inc., Baton Rouge, La., license to cover C.P., 1420 kc., 100 watts, daytime; WIBU, Wm. C. Forrest, Poynette, Wis., license to cover C.P., 1210 kc., 100 w. night, 250 w. day, unlimited time; WCBS, WCBS, Inc., Springfield, Ill., modification of license to change frequency from 1210 kc., to 1420 kc., also to change hours of operation from sharing with WTAX to specified; 6 to 10 A.M., 100 watts power.

Also, KGEK, Elmer G. Beehler, Sterling, Colo., mod. of license to change hours of operation to specified hours; WSGN, R. B. Broyles Furniture Co., consent to voluntary assignment of license to Ormond O. Black and Mary Collett Black (Lessees); WMMN, A. M. Rowe, Inc., Fairmont, W. Va., consent to transfer control of corporation from A. M. Rowe, Inc., to West Va. Broadcasting Corp.

#### Action On Examiners' Reports

New, Southern Minn. Broadcasting Co., Rochester, Minn., C.P. granted for new station to operate on 1310 kc., 100 watts, unlimited time, sustaining Examiner R. H. Hyde; WBBM, Granted C.P. to increase power from 25 to 50 KW and install new equipment 770 kc., unlimited time day, synchronized with KFAB night Order effective March 26, 1935 (Heard by Commission en Banc); KFAB, KFAB Broadcasting Co., Lincoln, Neb., C.P. to increase power from 5 to 10 KW, also install new equipment 770 kc., unlimited day, synchronize with WBBM night. Order effective March 26, 1935 (Heard by Commission en Banc).

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## PRALL REPORTED NEW FCC HEAD

No confirmation could be secured but it was reported that Commissioner Anning S. Prall, head of the Broadcasting Division of the Federal Communications Commission will become Chairman of the Commission succeeding Judge E. O. Sykes, who has headed the body since the beginning of the Roosevelt administration. The assumption is, if this change takes place, that Judge Sykes will become Chief of the Broadcast Division.

It has been known for sometime that Chairman Sykes desired a judgeship and he has been mentioned for a place on the District Court of Appeals if a bill now pending in Congress passes which would provide for an extra Court of Appeals judgeship.

The present reported shift, however, evidently would not await such a vacancy but instead would call for an immediate change.

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## MORE GROUND FOR U.S. LISTENING POST

A bill has been introduced by Representative Binderup, of Nebraska, to purchase additional land for the Federal Communications Commission monitoring radio station at Grand Island, Nebr.

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## THREE NEW RADIO BOOKS

Three new books on the educational uses of radio have been published by the Bureau of Educational Research, Ohio State University. They are - "Measurement in Radio"(Who Listens? How can a radio audience be measured?) by F. H. Lumley (\$3.00); "Education on the Air, 1934", edited by Josephine MacLatchy (\$3.00); and "Broadcasting Foreign Language Lessons" by F. H. Lumley (\$1.00).

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