

# HEINL RADIO BUSINESS LETTER

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No. 815

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## SEE LABOR NETWORK CRACKDOWN FOR SHORTER HOURS

Because of the large earnings reported to have been made during the past year by the major networks, it would not surprise Washington observers if the American Federation of Labor were not getting ready to soon demand shorter hours for network employees. This is believed to be foreshadowed by a speech of Representative William P. Connery, D., of Massachusetts, Chairman of the House Labor Committee, author of the 30-hour week bill in which he charged the networks with having a monopoly of the country's best broadcasting facilities and with making excessive profits.

"The radio-broadcasting industry is, on the whole, one of the most profitable industries we have", Congressman Connery declared. "The radio-broadcasting industry exists through a franchise, given to a licensee by the Federal Communications Commission, an agency of Congress. Congress has specifically stated that no holder of a radio license has any property right in the air. The license is renewable every 6 months, and that specification Congress laid down to eliminate, as it thought, monopoly.

"Despite the fact that we have eleven or more millions of workers unemployed, and that most American industries are restricted to a 40-hour work week, the radio broadcasting industry, child of the Power Trust, is able to force its workers to work 48 hours each week. And, apparently, there is no force in the N.R.A. or in the Federal Communications Commission strong enough or interested enough in the workers employed in the radio broadcasting industry to shorten these long hours. In addition, each of the two networks have created company unions, with the full knowledge of the officials of the N.R.A. \* \* \* \* \*

"It was the intent of Congress, expressly written into the law, that there was to be no monopoly in radio broadcasting. Senator Dill, recognized as an authority on radio legislation, stated on March 19, 1932, only 2 years ago - I quote: 'Chain organizations are especially guilty of this (referring to attempted monopoly). The National Broadcasting Co. owns or controls 12 stations and most of them on cleared channels with high power. The Columbia owns 5 and controls 3 additional, most of which are on cleared channels with high power. The American people', continued Senator Dill, 'will never permit the enlargement of this ownership to any great extent as a permanent policy'. And yet, within 2 years of the making of that statement - and while Senator Dill was still a Member of the Senate - the National Broadcasting Co., the child of the Power Trust, added eight additional stations to their chains. Of course, you know, or you should know, that the National Broadcasting Co. is owned and controlled by the Power Trust, with M. H. Aylesworth, former Managing Director of the National Electric Light Ass'n in supreme command.

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"To refresh the memories in some of my listeners, I might add that this same Mr. Aylesworth is the same gentleman the Federal Trade Commission, in its report on the Power Trust and public utilities, found expended or authorized the expenditure of large sums of money to influence college professors and teachers in our colleges and schools to write and to lecture on subjects helpful to the enlarged and continued profits of the Power Trust through the continued exploitation of the consumers of gas and electric lights.\* \* \* \*

"Figures recently released show that the two great networks last year received more than 80 percent of all the revenue received from radio broadcasting. Is there a monopoly in radio?"

It is believed from a careful reading of Chairman Connery's speech and the opinion of those who are following the situation that individual broadcasters will not be bothered but rather if the expected attack from labor comes, the crackdown will be confined to the networks.

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WGST, ATLANTA, VIOLATES SECTION 7(a) OF NIRA

The National Labor Relations Board this week found that Southern Broadcasting Stations, Inc., of Atlanta, Georgia, which operates Station WGST, had violated Section 7(a) of the National Industrial Recovery Act by refusing to bargain collectively with the authorized representatives of its employees. The complaint was made by the International Brotherhood of Electrical Workers.

The Board announced that unless within seven days from April 8, the company notified the Board that it would enter into negotiations with the International Brotherhood of Electrical Workers, Local Union No. 647, and endeavor in good faith to arrive at a collective agreement covering terms of employment, the case would be referred to the Compliance Division of the National Recovery Administration and to other enforcement agencies of the Federal Government for appropriate action.

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## MANY NEW AUSTRALIAN BROADCASTING STATIONS

Tenders will soon be called for the supply of five or six new broadcasting stations (class "A") in Australia. These new stations, which are expected to cost between £150,000 and £200,000 and which will in all probability be made in Australia, will serve country districts where reception of present class "A" stations is not entirely satisfactory. They will receive their programs through relay from other class "A" stations.

The new stations will be in addition to the seven new class "A" stations for which contracts have already been let and which will come into operation in 1935 - making a total of 25 or 26 class "A" stations. This, according to announcement, will make it necessary to rearrange the wave lengths of the class "A" stations, but all will remain in the medium wave band of 200-550 meters.

A new class "B" station will soon commence operation at Warwick, Queensland. This station, which will be owned by the Warwick Broadcasting Co. Pty, Ltd., will have a power of 50 watts and a wave length of 204.5 meters. The call sign will be 4WK.

1934 was a remarkably good year for the radio trade in Australia, the number of licensed listeners increasing from 518,628 at the end of 1933 to 681,634 at the close of 1934. There is now one radio receiving set for every 10 people in Australia, or assuming five people to one family - a receiving set in every other home. This ratio of sets to population, according to the Australian Broadcasting Commission, is exceeded in only five other countries - namely, Denmark, the United States, Great Britain, Sweden and the Netherlands.

Early in 1934 the demand for new radio receiving sets was so great that it was freely predicted by members of the trade that at least 250,000 sets would be made in Australia during the entire year, the tariff giving practically all of the available business to Australian manufacturers. However, the seasonal decline after July was more severe than usual, and it is now estimated that production during 1934 fell somewhat short of 200,000 sets, some estimates being as low as 150,000 sets. Many of the sets made in Australia during 1934 were all-wave receivers.

For all practical purposes, it may be said that no radio sets are imported into Australia, the high tariff being sufficient to stop importations, in addition to which the patent situation precludes imports.

Although tubes are now made in Australia, many are still imported. In the 2 months of Oct. and Nov. 1934, a total of 125,011 tubes were imported, the United States supplying 60,204.

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## WRVA'S ALL-WOOD RADIO TOWER IS COMPLETED

Completion of WRVA's new all-wood triangular tower, a sturdy tripod thrusting 320 feet skyward at Richmond, Va., to suspend the station's vertical broadcasting antenna - the first radio tower of anything like such height to be built of wood in America - has evoked a flood of curious inquiries, the National Lumber Manufacturers' Association at Washington, D. C. advises. Although the advantages of the new type of structure are quite apparent to the radio and structural engineering mind, the general public is naturally curious as to the reasons for the use of wood, and for the triangular design, and how the trick was done, it being generally believed that a wood-tower of sufficient strength would be too heavy and cumbersome to reach such a height and yet achieve a lacy, graceful appearance. Even engineers are revealing some curiosity along these lines.

"Wood has been long known to radio engineers as ideal material for tower construction because of its slight interference with broadcasting and its low cost as compared with other materials", the statement goes on to say. "Until recently, however, its use was considered impracticable because of the necessity of employing bulky members, on account of the weakness of the old-fashioned bolted joint. The designer was constantly confronted with problems arising from the fact that it was impossible to make the conventional bolted connection as strong as a cross-section of the members entering it. For that reason he could only figure on using 50 to 60% of the allowable working stress of any wooden member. Where a piece 4" x 6" would be strong enough of itself, the designer would have to employ, perhaps, a 4" x 10" or 4" x 12" in order to get the necessary room for bolts at the joint.

"With the advent of a simple contrivance known as the modern timber connector, however, this problem was solved.\*\*\*\*\* The timber connector principle has been applied in Europe in the construction of radio towers, bridges, and many less spectacular structures, including commercial buildings of many kinds, especially those demanding a wide expanse of floor space, uninterrupted by columns - as the timber connectors permit the construction of wood roof trusses of almost any desired length. At Meuhlackner, Germany, the use of timber connectors has made possible the construction of a wood radio tower 190 meters, or about 625 feet, in height and supporting at the top an antenna ring 10 feet in diameter and weighing 1320 pounds. In addition to strengthening the joints, the connector principle gives wooden structures a rigidity not otherwise obtainable.

"While the connectors found their real initial development in Europe, the patented triangular form of tower construction is 100% American in origin and, thus far, in development.

WRVA's new structure is the first completed adaptation of this newest method - although fourteen government forest lookout towers employing this ingenious method of construction are now being built in the northwest.

"The tripod has two important advantages over the time-honored square-base, or four-legged, type of tower - advantages which promise its adaptation for all sorts of towers, such as water-tank supports, polos for high-tension trunk wire lines, and the like. It opposes only three, instead of four, faces to the elements, with resultant decrease in wind resistance. The cost is lower - materials and labor of erection being under that of the square-base variety.

"The corners of the base are  $38\frac{1}{2}$  feet apart at the tops of the concrete foundation piers, the structure tapering gradually and gracefully until, at a height of 280 feet, the corners are but 15 inches apart. From this point a top-mast projects 40 feet upward to attain the desired height of 320 feet from which to suspend the antenna.

"Credit for pioneering courage goes to the owners of WRVA, Larus and Bro. Co., tobacco manufacturers, and the general manager of their radio department, C. T. Lucy. Anxious to add to the effectiveness and widen the range of the station's broadcasting, which had been done from a horizontal antenna suspended from two steel towers, they accepted the recommendations of Paul F. Godley, Upper Montclair, N. J., radio consultant, for the type of tower just completed. Mr. Godley was anxious to employ the all-wood construction which had proven so successful abroad, and WRVA, willing to pioneer in that direction, accepted his further recommendation and decided to employ the tripod plan.

tower

"The WRVA/was designed by . Frank P. Cartwright and checked by Peter Landsem, both being engineers associated with the National Lumber Manufacturers' Association, Washington, D. C."

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#### HELLO WORLD BROADCASTING CORP. GETS TAX REFUND

A tax refund of \$23,038.28 was granted the Hello World Broadcasting Corp., of Shreveport, La., last week by the Internal Revenue Bureau. The amount of \$20,718.39 of the over-assessment results from the decision rendered by the United States Board of Tax Appeals with \$2,319.89 interest allowance assessed on a previously asserted deficiency, the larger amount being for the fiscal year ended August 31, 1931.

The Hello World Broadcasting Corp. operated Station KWKH and was owned by "Old Man" Henderson. The station was put off the air two years ago for not operating in the public interest.

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## RADIO PROGRAMS WIN FOUR PRIZES

Hon. Anning S. Prall, Chairman of the Federal Communications Commission, presented the citations in behalf of the Women's National Radio Committee at a luncheon on Wednesday April 10th in New York City.

Before making the awards, Commissioner Prall, in a short address, spoke as follows:

"This meeting today may go down in radio history as one of the most outstanding progressive movements since the advent of radio. The mere announcement that the delegates of National Women's organizations, the officials of the National Association of Broadcasters and of the two radio networks representing the radio broadcasting industry, and the Chairman of the Federal Communications Commission representing the Government of the United States, are meeting on common ground with the avowed purpose of improving the quality of radio programs, will be received with hope and enthusiasm by radio listeners everywhere.

"I believe we all realize that the bulwark of America is the American home, and the success of broadcasting depends on the quality of the programs received there. The importance of radio as an informative influence in the home is increasing daily and only by maintaining the highest standards in the character of programs presented can broadcasters make this influence felt in the right direction. The Federal Communications Commission is determined to clear the air of offensive programs and to encourage to that end broadcasters, who, regardless of the success or failure of the future of broadcasting, count only its present financial possibilities.

"At our command we have the best the world has produced in science, literature, music, drama, and other wholesome entertainment. We must not fail to take advantage of this great opportunity. We must not turn radio broadcasting into a grotesque side-show by producing obnoxious programs. However, the Commission cannot approve or disapprove any program prior to its rendition.

"Under the Communications Act governing radio broadcasting, we may not exercise any direct control over radio programs, we cannot censor what is said on the air. That is right and proper, for you can readily see the political consequences if any governmental agency were invested with such bureaucratic powers while any one political party is in power, but we can maintain a general surveillance over radio stations and networks under our broad authority in the public interest, convenience and necessity. We can also take into account the public interest as a whole, or in part, of the general program structures of radio stations, and if they are consistent violators, we can refuse to renew their licenses.



"The Federal Communications Commission looks to station owners, and not to the sponsors of advertising, to present and broadcast programs in the public interest and therefore can only hold station owners responsible.

"The reaction to my last broadcast has been most encouraging. Broadcasters, with an eye single to the future possibilities of radio and who are now maintaining a high standard in program presentation, have assured me of their unqualified support in our efforts to improve conditions within the industry and all other forward-looking policies we have in mind. In my judgment the broadcaster, who keeps his advertisers in good company, will prove the maxim of the survival of the fittest. The press also has been most complimentary in its comments regarding these policies and today we supplement this with the guaranteed support of some ten million women. The broadcasting industry cannot go far wrong if it gives ear to the advice of this great army, in whose homes perhaps nearly two-thirds of the manufactured radio sets have been placed.

"To those who are not informed as to the object of this triumvirate, I am pleased to announce that periodically throughout the year representatives of the Women's National Radio Committee, the National Association of Broadcasters, the two great networks, and the Chairman of the Federal Communications Commission will meet to discuss and, if possible, to solve the perplexing program problems or other questions of broadcasting which may arise from time to time.

"I wish to thank the broadcasters for the fine spirit of cooperation they have displayed in this matter and to assure them that it has given inspiration to the Women's National Radio Committee, which is assuming new responsibilities in its efforts to assure the country of the very best programs in radio broadcasting.

"I wish also to assure both the broadcasters and the Women's National Radio Committee of my appreciation for their interest in solving this problem. But let there be no misunderstanding about radio programs. I would not care to have the impression go forth that we expect every advertisers or every broadcasting stations to go on the air with high-priced stars or symphonies. We know that many of them are lacking in financial ability to do so. We do expect, however, that regardless of the cost, or the variety, or the type of entertainment produced, it will be clean and wholesome."

The Sunday night symphony concert series presented by General Motors each week at 8 o'clock on WJZ's network received first prize in the commercial musical group.

"The March of Time", which dramatizes the news of the week on WABC's hook-up Fridays at 9 P.M. led the list of non-musical commercial programs. This program is sponsored by the Remington-Rand Company.

First among the musical non-commercial programs was the Columbia Concert Music Hall, broadcast each Wednesday at 10:30 P.M. under the direction of Howard Barlow. The "You and Your Government" broadcasts presented over WEAf on Wednesdays at 7:45 P.M., in cooperation with the National Advisory Council on Radio in Education, was termed the outstanding non-musical sustaining program.

In making the awards it was stressed that the determining factors considered by the judges were their entertainment and instructive value, their contribution to the cultural tastes of the radio audience and the dignified manner in which the advertising material was handled.

Programs that received honorable mention were the Monday night concerts starring Lawrence Tibbett, "Immortal Dramas", which was praised for its brief advertising; Erno Rapee's Music Hall, the Pacific Coast Symphony concerts, Columbia's String Quartet, WOR's Little Symphony, One Man's Family, the NBC Dramatic Guild, the Sunday afternoon Radio Theatre on WEAf, the Chicago Round Table series, Wallenstein's Sinfonietta on WOR, WEVD's University of the Air, Dr. Montague's health talks on WOR and the WEVD travel talks by Hendrik de Leeuw.

Among the radio commentators who received favorable comment were Edwin C. Hill, Gabriel Heatter and Alexander Woollcott.

The judges included Fannie Hurst, novelist; Eva Le Gallienne, actress; Mrs. Elmer James Ottaway, of Port Huron, Mich., former president of the National Federation of Music Clubs; Mrs. Oliver Harriman, for many years president of the Women's Exposition of Arts and Industries; Walter W. Naumburg, of the Naumburg Musical Foundation; A. Walter Kramer, editor of Musical America, and Mme. Mero-Irion.

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#### A.T. & T. TO CELEBRATE 50TH ANNIVERSARY

The American Telephone & Telegraph Company of New York is to take to the air on Sunday night, April 28th from 7 to 8, EDST, with a gala and historic broadcast to celebrate the 50th anniversary of the founding of the American Telephone and Telegraph Company and the 60th anniversary of the invention of the telephone. The program will originate with Columbia's WABC and will be carried by 92 stations from coast to coast.

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## ADVERTISING AGENCY ACCUSED OF FRUSTRATING CODE

Stations are being warned by James W. Baldwin, Executive Officer of the Broadcasting Code of what is alleged to be an effort to defeat the code.

"The recent circular letter sent to certain stations by the Silverman Advertising Agency, of Chicago, enclosing what purports to be an advertising order in behalf of The Millson Company for thirteen one-minute announcements at a certain price per announcement with the understanding as reflected in an accompanying letter that the cost per inquiry received shall not exceed fifteen cents per inquiry is just another attempt to frustrate the purpose and intent of the per inquiry provisions of the Code", the Code Authority charges. "This is notice that stations accepting the proposal on the terms described in the circular letter will be construed as a violation of the provisions of the Code above referred to."

The Code Authority has sent a notice that the acceptance by stations of the proposal tendered by Wallace C. Price, of Jamestown, N. Y. for the sale of the U.S.D. Handbook on a percentage basis will be construed to be a violation of the Code.

Broadcasters are also advised that the announcements which are being distributed by the Old People's Home Foundation of New Carlisle, Ind., and "Last Minute Flashes" distributed by the United Artists of New York, should be considered as commercial propaganda and therefore should not be broadcast except on a commercial basis.

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## B.B.C. SYMPHONY ORCHESTRA IS A WHOPPER

It will surprise many who have been listening to the B.B.C. Symphony Orchestra by short-wave from London to learn of its size. The orchestra consists of 119 players. So large, in fact, that when they visit Dundee, Scotland, a special train complete with sleepers and dining cars will be required to handle the orchestra. Special arrangements have been made for the packing of the instruments in containers supplied by the railway company.

"The B.B.C. porters will accompany these to Dundee and will be responsible for delivering the instruments to the Caird Hall and arranging them without blemish in their places on the platform", says a British Broadcasting Bulletin describing the trip. "In all the journeys of the orchestra, and this one will be some 900 odd miles, there has never been a single pennyworth of damage. The sheet music will be packed in



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special envelopes, each with the name of the player, and librarians from Broadcasting House will accompany this music and see to its being placed on each musician's stand. These librarians are responsible for the collection of all music, for replacing it in the packets, and loading it in the container for railway transport. This container is then dispatched to Broadcasting House so that the music may be redistributed with the least delay in the Orchestral Library for possible immediate re-issue. The B.B.C. Orchestral Library is now the largest in the world, employing twenty permanent assistants and comprising 16,000 orchestral works for which complete scores for the whole orchestra are maintained."

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#### GOVERNMENT TO LOSE NO TIME TRYING COMPOSERS CASE

It is evident from a statement made by the Department of Justice in Washington that the Government is anxious to bring the anti-trust suit against the American Society of Composers to an early trial. The statement follows:

"On March 26, 1935, United States District Judge John C. Knox of the Southern District of New York sustained the Government's motion to strike irrelevant portions of the defendant's answers in the suit of United States v. American Society of Composers, Authors and Publishers, and 131 other defendants consisting primarily of music publishers and officers and directors of the American Society. The portions of the answers involved in the motion represented 26 of the 41 printed pages of the answers, which portions constituted in effect affirmative defenses to the violations of the Sherman Anti-Trust Act alleged by the Government in its petition. It was the Government's contention that these affirmative defenses were insufficient in law. With the exception of 5 minor allegations representing less than 2 pages of the answers, the Government's motion was sustained in its entirety."

"The rulings by Judge Knox in effect recognized the Government's contention that the stricken matter is no defense to the charge of price fixing under the Sherman Anti-Trust Act."

"The Government will use every effort to bring the case to trial without delay."

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## W. U. PRESIDENT SEES TRADE RISING

An increase in the revenues of telegraph companies may be expected in the last half of the year, R. B. White, President of the Western Union Telegraph Company told stockholders at the annual meeting on Wednesday. Mr. White also said he did not see how governmental expenditures to be made could have any effect other than to increase general business and consequently telegraphic traffic.

Newcomb Carlton, Chairman, described proposals made by the International Telephone and Telegraph Corporation for a merger of communication companies in the United States as a dead issue, saying sentiment in Washington was veering against monopoly. He said the Western Union's Directors were taking a "long-range" attitude toward the resumption of dividends.

Mr. White said that, with the transfer of jurisdiction over rates paid by the Government for its telegraph messages from the Postmaster General to the Federal Communications Commission, there was hope for relief from what the company held were the unreasonably low rates at which the Government settles.

"The Commission has a responsibility for maintaining an adequate communication system which the Postmaster General never had", explained Mr. White.

Mr. White described as "most encouraging" the references to Government telegraph rates made at NRA code hearings and he pointed out that the rates were included in the scope of the FCC's hearings on the telegraph rate structure.

"The subject of consolidation in the communications field is very much asleep", remarked Mr. Carlton in response to a query as to the status of this proposal and its possibilities of economy. "There seems not to be very much, if any, public favor for the proposal. Opinion in Washington now seems to be against the creation of more monopolies. In my opinion, we will hear nothing more about mergers for some time to come."

Mr. White estimated that the company's net income in the first three months of 1935 was \$161,000. This would compare with a net income of \$548,747 in the same period last year and with a net loss of \$349,099 two years before.

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