

HEINL RADIO BUSINESS LETTER

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No. 832

100-WATTERS FIGHT FOR RECOGNITION AT NAB PARLEY

If present plans prevail, the smaller radio stations, those of 100 watts power and thereabouts, will form an organization of their own at the forthcoming convention of the National Association of Broadcasters to be held at Colorado Springs early in July. The object of the new organization, as explained by LeRoy Mark, of Station WOL in Washington, is to secure more adequate representation on the NAB Board of Directors.

"The smaller broadcasters now comprise one-third of the membership of the National Association of Broadcasters, yet out of the Board of 15 Directors, only two are from this class of membership", Mr. Mark said. "We are not going to the convention with a 'chip on our shoulder' or are we looking for a fight, but I predict if we do not secure adequate representation on the Board, the smaller broadcasters may withdraw from the National Association and further build up the structure of an independent body. As it is now, the Board is completely dominated by the networks, the NBC and Columbia, and the larger stations."

An organization meeting of the smaller broadcasters was held recently but it was decided to wait until the Colorado Springs convention to organize formally so that a larger number of broadcasters, especially those of the Middle West and Far West could have a part in it. However, an Organization Committee was named with Edward A. Allen, of WLVA, Lynchburg, Va., as Chairman. The members of the committee are as follows:

LeRoy Mark, WOL, Washington; William S. Pate, WMEX, Boston; Charles A. Hill, WIBM, Jackson, Mich.; Edward E. Bishop, WGH, Newport News; John Elmer, WCBM, Baltimore; C. W. Hayes, WHBC, Canton; Steve A. Cisler, WJTL, Atlanta; W. W. Gedge, WMBC, Detroit; Herbert Hollister, WLBF, Kansas City; Ben S. McGlashan, KGFJ, Los Angeles; Earl J. Smith, WNBZ, Saranac Lake; H. M. Loeb, WFDF, Flint; Winston L. Clark, WLAP, Lexington; Clair R. McCollough, WGAL, Lancaster; L. A. Benson, WIL, St. Louis; Ormond S. Black, WSGN, Birmingham.

The purpose of the group, which is to be known as "Local Broadcasters", is to sell advertising time to the national agencies who otherwise would not be able to deal with the numerous 100 watt stations scattered all over the country.

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It is also understood that there may be a meeting at Colorado Springs of the representatives of newspaper-owned stations. The name of Walter J. Damm, of WTMJ, Milwaukee, has been mentioned as the leader of this movement. It was said, however, that though there was a likelihood of the newspaper people having their own meeting that this was not predicated upon any "grouch" or grievance with regard to the National Association.

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NETWORKS UNDERSTOOD READY TO EXTEND ASCAP AGREEMENT

Although there was no confirmation forthcoming, it was reported in Washington that the National Broadcasting Company, the Columbia Broadcasting System and several stations, including WOR, Newark, and WCAU, Philadelphia, had agreed to extend their present contracts for the broadcasting of copyrighted music with the American Society of Composers for the next five years.

On the eve of the time set for the trial of the Government anti-Trust suit against the Composers, which, if it is held, will begin Monday, June 10th, a meeting of Broadcasters and Composers was held in New York to consider an informal proposal for a five-year extension of the present agreement. However, no quorum was present and nothing was accomplished by those assembled.

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SARNOFF AND YOUNG HONORED BY MARIETTA

Following the graduation last week, Marietta College in Ohio conferred the honorary degree of Doctor of Science upon David Sarnoff, President of the Radio Corporation of America, and Doctor of Laws upon Owen D. Young, Chairman of the Board of the General Electric Company.

Among others who received degrees at Marietta was Dr. John H. Finley, Associate Editor of the New York Times, who received the honorary Doctor of Laws degree.

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BALDWIN TO BE MADE ACTING NAB MANAGING DIRECTOR

Believed to be a forerunner of his holding the position permanently, James W. Baldwin has been named Acting Managing Director of the National Association of Broadcasters by Philip G. Loucks, the present Managing Director, who resigned recently and whose resignation will become effect following the convention of the Association at Colorado Springs in July.

Mr. Loucks said that he had taken this step because of the fact that it would be necessary for him to be constantly in attendance at the Government suit against the Composers set for Monday, June 10th, in New York which proceedings, if started, would probably take considerable time. Mr. Loucks felt that he could not give his undivided attention to these sessions and at the same time carry on the duties required of him as the Managing Director of the Association.

Furthermore, Mr. Loucks said that in his annual report to be submitted at the Colorado Springs convention, he expected to propose to the Directors of the Association that Mr. Baldwin be elected to succeed him.

Baldwin, as is well known, up to the time of the Supreme Court NRA decision was Code Officer for the Broadcasting Industry. Before that, he was Secretary of the old Radio Commission.

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N. Y. RADIO DEALER GETS FEDERAL CALL-DOWN

(For Release Monday, June 10, 1935)

Selling a so-called "short wave converter" under the trade designation "Python", Irving S. Manheimer, of New York City, trading as "Grenpark Company", dealer in radios, has entered into a stipulation with the Federal Trade Commission to cease and desist from misleading advertising of this product.

Manheimer agrees to stop making representations to the effect that, by use of his converter in connection with a radio receiving set, the set will be able to intercept foreign transmission over short waves "from all the far corners of the world" or that "foreign stations can be obtained regularly or whenever they are on the air".

The respondent agrees also to cease the use of any representations which may tend to mislead buyers into believing that the user of a radio set equipped with his product can obtain continuous and satisfactory reception of short waves from foreign countries under all conditions, when this is not the fact.

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COPYRIGHT BILL MAY BE REPORTED SOON

Considerable progress has been made in connection with the Duffy Copyright Bill now under consideration by the Senate Patents Committee of which Senator McAdoo, of California, is Chairman. A sub-committee consisting of Senators Duffy, of Wisconsin, Bone, of Washington, and White, of Maine, met in executive session Wednesday morning. The next day they reported to the full committee which began considering the bill section by section. Another meeting was scheduled for this afternoon, Friday, June 7, and it is expected that the committee will continue its meetings until the bill has been entirely gone over.

Although the question as to open public hearings has not been decided upon, it is believed that such sessions will not be held; rather those in touch with the Committee are under the impression that the committee may call representatives of certain interests if they feel their advice is needed or that they should be heard.

In submitting his report on the Copyright Bill, Senator Duffy said that the new Copyright convention "specifically provides for authors' security in the matter of radio broadcasting and it otherwise has kept abreast of the times as new discoveries, inventions, and methods have magnified the importance to authors of the maintenance of copyright."

In reporting to the Senate Committee, Wallace McClure, Chairman of the Interdepartmental Committee on Copyright, said, in part:

"The Interdepartmental Committee's bill limits actionable infringement in respect of copyrighted works received by means of radio or 'canned music', to use in establishments such as theaters and restaurants where per seat or per cover charges are definitely and particularly made for the entertainment afforded. Accordingly, the bootblack stand, drug store, and similar establishments will be exempt when the bill becomes law.

"The question remained whether there should be a minimum statutory charge for any purpose. Various conferees argued for retaining the present minimum, for reducing it to \$150 or to \$100, and for the elimination of a fixed minimum altogether. In view of the enormous difference between the economic status of various types of copyright users, for instance between the street organ grinder and a great network of broadcasting stations, it seemed to the committee desirable to leave the minimum wholly to the discretion of the court and to raise the maximum from \$5,000 to \$20,000."

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CAPITAL STATION NEED NOT CARRY OUT HEARST AGREEMENT

Justice Daniel W. O'Donoghue, of the District Supreme Court, indicated Thursday that the administrators of the M. A. Leese estate in Washington, D. C., cannot be compelled to carry out an agreement with Hearst Radio, Inc., for the sale of capital stock of Station WMAL in that city. The Justice withheld formal dismissal of the case, but said he felt filing of additional briefs by Hearst's counsel would not change his original intention.

The agreement, signed by Lorraine L. Good, Martin N. Leese, and William E. Leese, who are acting as administrators of their father's estate, called for a purchase price of \$285,000. The estate was to continue receipt of an annual rental from the National Broadcasting Co. for slightly more than two years.

Stipulation also was made in the agreement for a more formal agreement to be drawn up for clarification of certain points indefinitely mentioned in the first agreement. This was never signed, nor did Mrs. Fanny L. Leese, Mr. Leese's widow, sign the original draft.

Two features of the agreement met Justice O'Donoghue's disapproval. He said that the administrators purported to make the Leese Optical Co. a party in the plan and also attempted to dispose of real estate "they do not own or control." Signature of the contract in their "administrative capacity" by the administrators did not meet these objections.

Elisha Hanson and E. C. Lovett, representing Hearst Radio, sought opportunity to file additional briefs.

"I shall keep my mind open", the justice said, "but I don't think it's going to change my mind."

The law firm of Hamilton & Hamilton, representing the administrators, raised six objections to the suit, contending the agreement was neither a valid nor binding contract, that it was vague, indefinite and uncertain, that it was impossible of performance, that it was unenforceable under the statute of frauds, and that it was prematurely instituted.

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SABIN HEADS G.O.P. RADIO PUBLICITY DIVISION

Plans for establishing a radio publicity division of the Republican National Committee with Thomas Sabin, of New York, at its head were announced in Washington by Chairman Henry P. Fletcher.

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COMPLAINS ELMIRA STATION INTERFERES WITH WABC

A formal complaint has been lodged with the Federal Communications Commission against Station WESG, at Elmira, N. Y., by Roscoe C. Peacock, President of The Moore- Cottrell Subscription Agencies at North Cohocton, N. Y. Mr. Peacock not only alleges that the programs of this station are of mediocre quality but further that it interferes with the broadcasts in that section of the country from the Columbia key station, WABC, in New York City.

Mr. Peacock's letter to the Communications Commission follows:

"I noted in some newspaper within the past day or two that your honorable body has demanded to know of some 150 radio stations throughout the country how they could justify further permission to make their broadcasts -- apparently because the air is so overcrowded now and these stations are the least worth while.

"In this connection I would like respectfully to make my protest against the station maintained at Elmira, New York, keyed WESG. This station, if I do say it, broadcasts the cheapest and most uninteresting programs one could well imagine. A good part of the broadcasts are made via phonograph records, and what broadcasting is done by flesh and blood performers is of a quality so poor that it would hardly do credit to the average Sunday School entertainment. Apparently they have no service from any of the national hookups such as the NBC and Columbia networks.

"Recently it would seem that their power must have been stepped up as I find they constantly interfere with my reception of broadcasts from Station WABC, New York. This latter station is the only one on which I have been able heretofore to get any satisfactory reception of the Columbia chain broadcasts. Either WESG has been given the right to broadcast on a higher wattage than would seem right or else they must be wobbling off their wave length as I find the interference with WABC practically shuts that station out a good part of the time.

"I see no reason why as uninteresting a station as WESG should be permitted to operate in such fashion."

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POPR RECEIVES MARCONI FAMILY

Pope Pius received Marchese Guglielmo Marconi, the inventor of the wireless, and his family in a private audience last Tuesday at Vatican City, according to an A.P. report.

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AYLESWORTH G.E. MOVE RUMOR DISCOUNTED

A report from New York that M. H. Aylesworth, President of the National Broadcasting Company, would resign shortly to join the General Electric Company was discounted in Washington.

"I don't believe there is a thing in the story of Mr. Aylesworth's leaving the NBC at the present time", one close to him said. I am quite sure that he is not going to the General Electric Company. What would he do there? He is not a manufacturer and even if he were, no one has heard that either Mr. Owen D. Young or Mr. Gerard Swope expect to retire in the near future."

Several times in the past it has been reported that Mr. Aylesworth would leave the NBC to head the Hearst radio organization.

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WLW CANADIAN "SUPPRESSOR" CALLED IDEAL SOLUTION

Interference suppression by means of directional antenna arrays, a comparatively new development in broadcasting, has been pushed one step forward with the installation of an unusual "suppressor" antenna for WLW's 500 kw station at Cincinnati. The new antenna is designed to lay down a 50 kw signal in the vicinity of Toronto, Canada, and a 500 kw signal in all other locations within reach of the station.

Following complaints made by listeners of CFRB, a station in Toronto, operating at 10 kc separation from WLW's frequency, that the high-power signal of the Cincinnati station was causing undue interference, the Canadian government made representations to the Federal Communications Commission, through the State Department, asking for a reduction of WLW's power output. At the request of the FCC, WLW was obliged to operate at 50 kw output after sun-down. Under this arrangement ninety per cent of the power output of the station was useless during the all-important evening hours, a situation which prompted the engineers of the station to develop an antenna system which would clear up the interference without reducing the power output below the full capacity of 500 kw.

"The system arrived at is an almost ideal solution to the problem, in that it reduces the interference in the locality from which complaints were received without reducing the signal strength in other localities", Electronics reports. "This is a distinct advance over previous methods of interference suppression using directive antennas, which reduced the interference in a given direction from station, rather than in a

particular locality. In particular, the signal at Toronto and surrounding territory within a radius of 150 miles, is reduced to 50 kw, the power output of WLW before its increase to 500 kw, and under which no complaints were received.

"According to J. A. Chambers, Chief Engineer of the station, WLW's secondary service area (that served by the sky-wave of the station) is much more important than that of lower power stations, since the sky-wave is powerful enough to give a useful service at distances up to a thousand miles or more. It was important, therefore, in designing the antenna system not to jeopardize the usefulness of the sky wave signal. Had a simple directional antenna been used, with a null point in the direction of Toronto, the secondary service would have been subjected to severe fading from unavoidable wave-interference patterns. In addition, since a line from Cincinnati to Toronto passes through several important industrial areas in Ohio, the primary service would have been greatly impaired in this direction. Early in the development of the new system, therefore, it became clear that a simple directional signal was to be avoided at all costs.

"Forced to a consideration of other possibilities, the engineering staff of the station started with the fact that the radiation which caused the interference in Toronto left the antenna of the station at an angle of 20° above the horizon, and was subsequently reflected into the Toronto area by the Heaviside layer. It was decided to suppress the radiation at the angle above the horizon in the direction of Toronto, and if possible to avoid suppressing the signal at any other angle, or in any other direction. The system finally worked out accomplishes this result by the use of two additional vertical radiators, fed with 85 kw power, and so placed with respect to the main radiator that the desired reduction of signal strength is obtained at the required angle. The cost of the additional facilities is estimated at \$30,000."

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NEW JAPANESE PROGRAM APPARENTLY DOESN'T COME THROUGH

Although the schedule was announced by the Japanese Embassy in Washington, apparently as yet no one has been able to pick up the Japanese International short-wave program supposed to come through every night between 8:30 and 9:30 P.M. EST.

It was said that these programs would be broadcast by JVH, Nazaki, a suburb of Tokyo, on 20.5 meters (14,600 kc.), 28 meters (10,600 kilocycles), or 40 meters (7,510 kilocycles).

No further word has been received by the Japanese Embassy with regard to these programs.

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ZENITH COMPLETES YEAR WITH PROFIT

Despite increased costs and a rather heavy expenditure for advertising, the Zenith Radio Corporation completed the year with a profit of \$10,759.67, after taxes, liberal charge-offs and year end adjustments, E. F. McDonald, Jr., of Chicago, President of the company, reports.

"The company continues to maintain its liquid position", Mr. McDonald reported to the stockholders of the Corporation. "Substantial cash balances are kept in banks or invested in government securities. Receivables are in good condition with reserves more than ample for doubtful accounts. Inventories are low as a result of a substantial amount of spring business and represent only current merchandise. All obsolete or doubtful materials have been completely charged off.

"The corporation has no bank loans and all current obligations are being discounted when due. The ratio of current assets to all liabilities is 4 to 1, whereas it was less than $2\frac{1}{2}$ to 1 a year ago and the year previous.

"During the past year the company marketed what was probably the most highly developed line of short wave receivers on the market. Their outstanding performance combined with a widely advertised money-back guarantee did much to further strengthen our position in the industry and enhance our long established reputation for a quality product.

"Our prospects for the coming year are very encouraging. The 25-tube Stratosphere, which was an outstanding achievement during the past season, is increasing in popularity. New developments by our laboratory which will very shortly be announced to our distributors will give us an advantage over competition.

"In addition, we are bringing out a line of receivers for the farm home. These will enable the rural resident to whom electricity is not available to obtain the same radio reception and performance that is now being enjoyed by the city resident. The farm field offers great sales possibilities for this type of receiver. Now that we are prepared to furnish it, we expect to be able to develop a new market which should produce a large volume of sales in addition to our regular electric home and automobile receiver business.

"The corporation has made arrangements with a well-known banking house to provide for its dealers a most economical and liberal finance plan for instalment sales. This finance plan is exclusive and available only to authorized Zenith dealers on Zenith receivers. It provides Zenith dealers, especially those with limited capital, with a means of making and financing many sales of Zenith receivers which they have been unable to handle heretofore."

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NEW WMCA ARTIST BUREAU TO FUNCTION AS BOOKING OFFICE

The establishment of the WMCA Artist Bureau was announced on Wednesday by Donald Flamm, President of the Knickerbocker Broadcasting Company, owners of Station WMCA. The administration of the Bureau will be under the direction of Zac Friedman, prominent theatre executive, assisted by Charles S. Wilshin.

It is intended that the new department will function as a complete booking office, handling WMCA's artists and orchestras and a large number of new units in radio, vaudeville, motion picture and theatre bookings.

Formerly associate producer at the Radio City Music Hall, and more recently, Managing Director of the Fox Brooklyn Theatre, Zac Friedman brings to the WMCA organization valuable experience in the world of the theatre.

Charles S. Wilshin, who is assistant to the Director, was for twenty years associated with the B. F. Keith and Radio-Keith-Orpheum Offices as franchise representative. Through his franchise, the Artist Bureau will book talent into all the important RKO houses.

"A large number of new artists and units are being added to WMCA's roster of radio stars, including some of the most famous orchestras, dancing teams, singers and dramatic groups of the Variety stage", an announcement from WMCA reads. "These artists will be placed under exclusive contract to the WMCA Artists Bureau for placement with all the important radio stations, advertising agencies, theatre chains and motion picture companies in the East."

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CHILDREN'S PROGRAMS STUDY PUBLISHED BY AUDIBLE ARTS INSTITUTE

A survey of radio programs for children, and the formulation of criteria for the evaluation of programs in this field has just been completed by the Radio Committee of the Child Study Association of America, and published by The Radio Institute of the Audible Arts concurrently with a study of "Radio and Children" by Sidonie Matsner Gruenberg, Director of the Child Study Association and lecturer in parent education at Teachers College, Columbia University.

The survey, made in recognition of the intense current interest in the subject of radio and children, and as a possible aid to parents and young people themselves in the selection of suitable programs for various age levels, reveals that not only has there been a marked improvement in broadcasting for children, but also that there are indications of an increasingly constructive approach.

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The Committee lists the following typical children's programs, presented by the major networks, as illustrating the suggested standards of emotional emphasis, good taste, truthfulness, attitudes and sentiments, language and quality, and advertising: Singing Lady, Nursery Rhymes, Terry and Ted, Roses and Drums, Buck Rogers, Bobby Benson, Billy and Betty, Let's Pretend, Radio Theatre; and for special interests, Junior Radio Journal, The Puzzlers, and Chats About Dogs. News and sports commentators, and music on the radio are also mentioned as constructive features. It is stressed that the listing is intended only as a preliminary guide to current programs; that some programs not included may be unobjectionable for certain children; and some of those listed may be unsuitable for others, and that the individual child's age, and his special needs and interests must always be taken into consideration by parents and teachers. The list will be brought up to date in the Fall, at which time it will be revised and amplified.

The Committee which made the survey included Mrs. Case Canfield, Chairman; Mrs. Sidonie Matsner Gruenberg, Josette Frank, Zilpha Carruthers Franklin, Mrs. George Van Trump Burgess, Mrs. Nelson Doubleday, Mrs. Richard S. Emmet, Mrs. Walter Hirsch, Mrs. Frank E. Karelsen, Jr., Mrs. David Levy, Mrs. Zelda Popkin, Mrs. Haviland Smith, Mrs. Fred M. Stein, Jr., Mrs. Sherman Post Haight, Mrs. Everett Dean Martin, Mrs. William Barclay Parsons, Jr., Mrs. Hugh Grant Straus, Cecile Pilpel, Ruth Brickner, M.D., Anna M. Wolf and Berthe Goodkind.

The Radio Institute of the Audible Arts, which published both the survey and Mrs. Gruenberg's study of "Radio and Children", was founded about six months ago by Phildo Radio & Television Corporation with Pitts Sanborn, prominent music critic, as Director, to act as a clearing house for information and ideas on radio; to quicken the public interest in worthwhile radio programs; and to encourage the fuller utilization of the radio as an instrument of entertainment and education.

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