

# HEINL RADIO BUSINESS LETTER

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## INDEX TO ISSUE OF AUGUST 9, 1935

ALLEGING CENSORSHIP, DOCTORS ASK FOR RADIO FREEDOM.....	2
MARCONI STALLS AIRPLANES AND AUTOS WITH ELECTRIC WAVES.....	4
TRAFFIC ARREST BRINGS TERRE HAUTE NEW POLICE RADIO.....	5
LENGTH OF SESSION MAY DETERMINE COPYRIGHT BILL'S FATE.....	6
RADIO EXPORTS INCREASE SLIGHTLY.....	9
NEW LONG WAVE FOREIGN BROADCASTING LIST.....	10
MARVELS AT GERMAN TELEVISION TRUCK PICKUP.....	10
COMMISSIONER PAYNE GIVES DINNER FOR AMBASSADOR STRAUS.....	11
PANNILL RADIOMARINE PRESIDENT.....	11
COLUMBIA ANALYZES DAY AND NIGHT LISTENING AREAS.....	12
ENGLISH CABLE-RADIO MERGER PROPOSES TO REDUCE CAPITAL.....	12
APPLICATIONS GRANTED FROM BROADCAST DIVISION OF FCC.....	12

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## ALLEGING CENSORSHIP, DOCTORS ASK FOR RADIO FREEDOM

Although saying that it has been their experience that the broadcasting companies and local stations are liberal in their cooperation with the medical profession, Dr. W. W. Bauer, Director, Bureau of Health and Public Instruction, American Medical Association, declares a censorship exists nevertheless and has asked the Federal Communications Commission to provide even greater freedom of speech to members of the Association when broadcasting. Addressing the Commission, Dr. Bauer said:

"The American Medical Association, while duly appreciating the cooperation of the broadcasting interests, nevertheless is constrained to represent to the Commission that certain practises and situations in the field of educational broadcasting require attention and should be modified if possible in the interest of the listening public.

"Speakers on scientific topics are limited in what they may say, with particular reference to the following matters:

"(1) Medical speakers on health topics are not permitted to make general statements of established fact which may interfere with products advertised by radio, even when no specific product is mentioned and when the truth of the proposed statement is not in question. This is entirely aside from specific objections to certain medical advertising.

"(2) Speakers are limited with respect to certain topics, particularly the important public health problem of venereal diseases, by virtue of a public taboo on mention of these topics. It is recognized that this taboo is not a creation of the radio industry, but is merely reflected by that industry. Nevertheless, it puts a great handicap in the way of public health progress. The so-called social or venereal diseases, and particularly syphilis, constitute in the opinion of many competent observers, the most important public health problem before the United States today.

"(3) Radio speakers are required to accept censorship from the owners of broadcasting facilities or incur the penalty of being barred from the air.

"The American Medical Association has no authority to speak for any group other than itself. However, in behalf of its approximately 100,000 members, the American Medical Association and its county and state medical societies respectfully suggest to the Federal Communications Commission that provisions be made whereby:

8/9/35

"(1) The duly authorized representatives of organized medicine, when speaking on behalf of a medical society, may have complete freedom to present scientific facts even tho these may be inconsistent with the claims made for fads, frauds, patent medicines, quackery, and other medical abuses, without liability on the part of the owners of radio facilities, such speakers in turn to accept on behalf of their organization and themselves full responsibility for whatsoever they may say. We are quite willing to concede that responsible organizations holding divergent views should have like privileges.

"(2) That provision be made whereby the medical profession, public health organizations, and the radio industry may arrive at some means by which the taboo against discussion of the venereal diseases and their prevention, may gradually be overcome in order that adequate public discussion, subject to the limits of good taste, may be facilitated.

"(3) The medical profession, as well as the public, is vitally interested in proposed social changes which will affect the delivery of medical service to the people. Considerable publicity by radio has been given to one point of view, namely that which proposes the establishment of state or socially controlled plans for the delivery of medical service by insurance or other prepayment schemes which are represented as advantageous from the standpoint of costs, general availability, and quality of medical services. A large majority of the medical profession holds that many such schemes are unworkable, detrimental to the best interests of the public as well as of the profession, and not proved as to economy claims made for them. This point of view has not found adequate expression in so-called forums which purported to present the subject from all viewpoints. The American Medical Association holds that forums should be such in fact, if they are so represented, and that presentations of a specific viewpoint to the exclusion of opposing or divergent views should be plainly so designated, and that the opposing or divergent views should be given equal opportunity to be heard, if not on that same occasion, then on a subsequent occasion as nearly as possible under equally favorable circumstances. In justice to the radio stations and the networks, it should be said that this has in fact been their spirit in most instances, when apparently biased programs have been called to their attention.

"(4) Free access should be provided to the filed copies of radio addresses which have been made, in the same manner as it is provided in the case of public records. In this way any responsible organization or individual may upon request be permitted to verify statements which are alleged to have been made in a radio broadcast. Such access to records should be permitted upon showing of any reasonable interest in the alleged statements,



8/9/35

as, for example, the possibility of injury to the business or reputation of the applicant, or suspicion of misstatement of alleged facts, or of representations not in the public interest. Such access should be maintained for as long a time as possible without too greatly taxing the filing facilities of broadcasting stations.

"Organized medicine has no objection to filing with the owners of transmission facilities or the Federal Communications Commission, or both, copies of all proposed remarks, and is likewise glad to accept for consideration the suggestions of experienced radio broadcasters. For the most part, suggestions from the radio broadcasters would undoubtedly be accepted by health speakers on behalf of organized medicine. It is not the suggestions nor the acceptance of them to which objection is made but the censorship which exists and by virtue of which the medical broadcasters of health talks are to all intents and purposes compelled, if not actually to say what is dictated to them, at least to refrain from any statement which might be objected to by the owners of radio transmission facilities."

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#### MARCONI STALLS AIRPLANES AND AUTOS WITH ELECTRIC WAVES

Italian military circles have revealed that Marchese Guglielmo Marconi has built a device to send electric waves that will stall the motors of airplanes and motorcars, according to a special dispatch to the Yomirui from Rome. The device is said to have been tested with convincing success at a fortress in a suburb of Rome on Tuesday in the presence of Premier Mussolini, according to an article in the Trans-Pacific, Tokio.

The test lasted 30 minutes, during which motorcars on a nearby highway suddenly stopped and could not be started again until the test ended. The drivers, unaware of the test, were at a loss to understand what had happened to their engines. When interviewed, Marconi would say nothing except that his invention belongs to the Italian army as a military secret. He intimated, however, that the time will come when details of the invention can be made public.

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8/9/35

## TRAFFIC ARREST BRINGS TERRE HAUTE NEW POLICE RADIO

The arrest of John F. Cummins, a cousin of the manager of Radio Station WBOW for a traffic violation in Terre Haute, Ind., which recently achieved world-wide fame through a general strike, was followed by termination of police use of the station's facilities for contact with squad cars. The step taken by the radio station, however, will not render the city without a radio police service for a very long period.

Following the discontinuance of the radio service, the Terre Haute police announced that a short wave radio station already is under construction at the City Hall and will be in operation in the near future.

The new radio system is a gift to the city from a number of public spirited citizens. The project has been discussed for several years but the financial condition of the city would not permit the expenditure. The use of WBOW had not proven entirely satisfactory for several reasons, it was said, among them that it was not available twenty-four hours per day and also permitted anyone with an ordinary auto radio to pick up police broadcasts.

Included in the new RCA high frequency outfit besides the transmitter and receiver will be two "two-way" police patrol cars and six regular patrol cars equipped only with receiving sets.

The break between the police department and Station WBOW came after Cummins, 26 years old, of Indianapolis, was taken into the Terre Haute City Court Wednesday morning. Cummins was fined \$2 and costs and the costs were later suspended, on his plea of guilty to charges of violating the city traffic ordinances. Cummins had been arrested Tuesday evening by Patrolmen Carpenter and Cavanaugh after he had parked his automobile in a safety zone downtown.

Later Wednesday the police department was notified by William W. Behrman, manager of the local radio station and reported to be a cousin of the traffic law offender that service for the police through the local station had been suspended.

Although Chief of Police Lewis A. Wheeler had not been formally notified of the "cut-off", desk officers said the police microphone had been removed.

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8/9/35

## LENGTH OF SESSION MAY DETERMINE COPYRIGHT BILL'S FATE

It was predicted that the Copyright Bill passed last Wednesday by the Senate and endorsed by the broadcasters might be lost in the shuffle in the House with adjournment probably so close at hand. Senator Wagner of N.Y. who along with Senator Copeland lined up with the Composers and fought the bill bitterly, declared there wasn't a chance for the House to pass it at this session.

Senator Wagner's prediction was re-echoed by Chairman Sirovich (D) New York of the House Patents Committee. Broadcasters encouraged by the Senate's approval of the bill declared otherwise and said there was still a good chance of the measure becoming a law at this session. They were successful through the excellent strategy of Senator Duffy (D) of Wisconsin in having the feature retained in the bill which would eliminate from the present law the \$250 minimum penalty for infringement.

Senator Wagner on the last day of the Senate debate moved to strike out the provision of the bill which provides recovery for infringement in case of the merely incidental and not reasonably avoidable inclusion of a copyrighted work in a motion picture or broadcast depicting or relating to current events.

"In other words, if a reel or a broadcast depicting current events inadvertently uses a song of great popularity and of great value to the copyright owner, he has absolutely no recourse if the use is 'incidental'. The large profits that the picture or radio company may reap are disregarded. To my mind, this is an extraordinary provision and I ask that it be eliminated from the bill", said Senator Wagner.

"The provision applies only to current events. It applies to incidents such as the broadcasting of a Rose Bowl football game or some great sporting event of Nationwide interest. It might be that, while they were taking the picture a band would pass by the camera and a few bars of a copyrighted song or piece of music perhaps the alma mater song of the University of California, might be registered. The provision applies only to current news events. It applied to something that is entirely incidental and which cannot be reasonably avoided," Senator Duffy replied.

"Such a case might arise" he continued, "by reason of an incident where some moving pictures were being taken of some big event and a band would march down the street playing at that particular time some piece of copyrighted music, and as a result a few bars of the music would be reproduced. Such a thing has been held to be an infringement. The committee thought such a situation ought not to be permitted to exist."

Senator Wagner's motion was rejected. He then proposed this amendment which would restore minimum statutory damages when a copyright has been infringed:

To pay in lieu of actual damages and profits such damages as to the court shall appear to be just: Provided, That such damages shall in no case exceed \$20,000 or be less than \$200, and shall not be regarded as a penalty. This paragraph shall not deprive the copyright proprietor of any other remedy given him under this law, nor shall the limitation as to the amount of recovery apply to infringements accruing after the actual notice to the defendant, either by service of process in a suit or other written notice served upon him.

"Suppose that I have written a song" Senator Wagner said, "which has made a hit. The song is used by a broadcasting station. Those who are familiar with the subject know that in many or most instances, the broadcast may absolutely destroy the value of my property. But under the rules of evidence I am unlikely to be able to prove the extent of damage. Thus, with impunity, the infringer may make tremendous profits by misappropriating my work."

"We are talking a good deal about the little fellow. I desire to say that there is hardly any composer of music in this country today who is not a member of the American Society of Composers, Authors, and Publishers; and if someone should go to one of those individuals -- Irving Berlin or anyone else -- and ask him to grant the right to use his music in a place such as a little boarding house he could not do it," Senator Duffy argued. "This is not a 'little fellow' by any means, but is so big that the United States Government is prosecuting it under the Antitrust Act; so big that, according to the hearings before the House Committee, it is able to pay salaries of \$50,000 to its general manager and \$35,000 to its president; it is so big and powerful that it has a monopoly. We by law are giving monopoly to private individuals, who get together and pool their monopolies into a great, gigantic powerful organization; and although I realize that the members of the organization say, 'We do not intend to go after the little fellows', I say that every taxicab driver in the United States who has a radio in his cab is subject to suit if any copyrighted music comes over it -- and almost all music that is at all popular is copyrighted. Even though the radio stations pay a fee for broadcasting it, the little fellow who is driving the taxicab is subject to have a \$250 damage suit brought against him as a minimum, and the court could not do anything about it under the present law.

"The Senator from New York the other day referred to a case where there was a Nation-wide broadcast. In such a case, I do not think the \$250 minimum-damage provision would have any effect whatsoever; but we raised that minimum so that if there were any cases of deliberate infringement, where the copyright owners did not feel it advisable to go into specific elements of damage, the court might award \$20,000 damages. The bill before us makes it mandatory upon the court to award such amount of damages that the copyright will no longer be subject to violation by infringement; in other words that it will discourage infringement



8/9/35

"If Senator Wagner is interested in the individual, why not frame his amendment so that it would not give protection to a great society like the American Society of Composers, Authors, and Publishers, but limit it to individuals, and not allow it to apply to those who act in concert in such large organizations?"

"I will accept an amendment that will protect the individual. That is what I am interested in. I will accept any modification the Senator might suggest that will protect the individual artist and him alone," Senator Wagner replied.

"This is the Senator's amendment. At the time this subject was before the Senate at a previous session, I think it was former Senator Dill, of Washington, who made the suggestion that there never should have been a provision for minimum damages where two or more get together in concert, assignness of the original copyright owners, or where copyright owners acted in concert, because they have a gigantic concern, which is ruthless," said Mr. Duffy

"We do not agree upon that. I cannot believe that these gentlemen are the racketeers that the Senator has asserted them to be", the New York Senator said.

Senator Wagner's amendment was lost. Just before the Senate finally passed the bill, Senator Copeland in behalf of the Composers said:

"When there is strenuous opposition to a bill, when there is profound conviction that the bill is dangerous, that it infringes upon the rights and privileges of a group, I can quite understand how helpless that group feels and how bitterly will be resented any action taken which seeks to curtail their rights.

"I have been a Member of this body for a long time, something more than a dozen years, and I know how utterly hopeless it is to attempt any radical modification of a measure which has been reported by a committee, which has been debated for a long time in the Senate, and to which amendments have been voted down, indicating the intent of the Senate to follow the committee. With all this knowledge on my part, I recognize how hopeless it is to undertake any such thing as defeat of the bill.

"As I said in the beginning, I have friends on both sides of this controversy; but frankly all my sympathies are with those who are in opposition to the bill. I think they feel that they have not had an opportunity to be heard; that they have not had an opportunity to have their arguments presented and digested. They feel that the proposed action is hasty and ill-advised. However, my colleague, Mr. Wagner, has at great length presented the cause as it appears to us, coming from New York. He had

8/9/35

done it in a far more capable manner than I could possibly do it; he has accomplished a great deal in the way of certain amendments which have been accepted; and, so far as I am concerned, I shall satisfy myself by entering my protest and by saying that I think the measure ought not to be passed. I protested against bringing it up at this particular stage of the proceedings of the Senate; but I would be untrue to my conviction that we ought not to be wasting any time here if I proceeded to waste any time in what I know, from the start, is a hopeless undertaking."

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#### RADIO EXPORTS INCREASE SLIGHTLY

The latest statistics on radio exports, for May 1935, of the U.S. Bureau of Foreign and Domestic Commerce, show a slight decrease compared with exports in May 1934, the last fiscal month reported. There were 41,302 receiving sets valued at \$1,078,377, exported in May 1935, compared with 48,439 sets, valued at \$1,160,205 during May 1934. Tube exports last May were 673,606 valued at \$281,941, compared with 597,947 tubes, valued at \$286,916 in May 1934. Exports of parts and accessories amounted to \$349,964 in May 1935, against \$350,658 in May 1934. An increase, however, in exports of loud speakers was reported from 7,468 speakers valued at \$23,781 in May 1934 to 27,615 speakers valued at \$55,279 last May. Other radio exports reported last May were \$38,306 of other receiving set accessories and \$88,684 of transmitting sets, tubes and parts.

The revised figures of total 1934 exports also have been issued by the U.S. Bureau of Foreign and Domestic Commerce. The 1934 exports broke all previous records and included 612,084 receiving sets, valued at \$15,338,143; 6,682,083 tubes, valued at \$3,209,946; parts and accessories valued at \$4,358,827; 144,768 loud speakers, valued at \$360,954; other miscellaneous accessories valued at \$498,453, and transmitting sets, tubes and parts, valued at \$1,090,269.

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## NEW LONG WAVE FOREIGN BROADCASTING LIST

A new official list of foreign broadcasting stations on middle and long-wave bands (160 - 1700 kc - 176 - 2000 meters) has just been compiled by Lawrence D. Batson of the Commerce Department. A copy may be secured by sending 25 cents to the Electrical Division Bureau of Foreign and Domestic Commerce, Washington, D.C.

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## MARVELS AT GERMAN TELEVISION TRUCK PICKUP

An innovation which caught the eye of Andrew W. Cruse, Electrical Equipment Division, Bureau of Foreign and Domestic Commerce, who has been studying the television situation abroad was the so-called television truck which he saw in Germany especially equipped to cover news events.

This truck, which was first used at the May Day ceremony at the Tempelhof Aerodrome at which Chancellor Hitler spoke, consists of a low powered ultra short wave transmitter for both sound and television using the intermediate film method. The program is relayed by the high powered Berlin transmitter and the transmission was declared most satisfactory by people who saw it. The interval of delay between the taking of the picture by the camera mounted on top of the truck and the time when that picture has been televised is approximately 90 seconds. The Broadcasting Company engineers feel that the high speed with which it is necessary to develop and fix the film does not give a satisfactory sound track and are consequently preparing to record the sound by the steel tape method developed recently by the Lorenz Company.

Television is moving ahead in Germany on what certainly appears to be a most thorough basis and the cost is being carried by the license fees plus an additional government appropriation.

In France, the Ministry of Posts and Telegraphs is extremely interested in having their country match the television developments in England and Germany and are doing everything in their power to speed up this work realizing that they are behind those two countries in this respect.

They have started experimental 60 line 25 frame transmissions on 175 meters but no regular schedule is maintained. The French hope to be able to go to 90 lines and then to 180 lines as quickly as practicable but "there is" doubt if much progress in this direction will be made before 1936.

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8/9/35

COMMISSIONER PAYNE GIVES DINNER FOR AMBASSADOR STRAUS

Honoring the United States Ambassador to France, Jesse Isidor Straus, the commissioner of the Federal Communications Commission, George Henry Payne, entertained Wednesday evening at dinner in the Chinese room of the Mayflower Hotel.

Other guests at the affair included the Ambassador of France, Andre de Laboulaye; the Minister of China, Mr. Sao-Ke Alfred Sze; the counselor of the French embassy, Jules Henry; the Secretary of the Treasury, Henry Morgenthau, Jr., the Secretary of War, George H. Dern; the Attorney General, Homer S. Cummings; the Secretary of Commerce, Daniel S. Roper; the Undersecretary of State, William Phillips; the Assistant Secretary of the Treasury, Stephen B. Gibbons; the Speaker of the House, Joseph W. Byrns; Senator Key Pittman, Senator Joseph T. Robinson, Senator Arthur Capper, Senator Burton K. Wheeler, Senator Henrik Shipstead, Senator Gerald P. Nye, Senator Hugo L. Black, Senator Alben W. Barkley, Senator Robert F. Wagner, Representative Sam Rayburn, Representative John J. O'Connor, Representative John J. Boylan; the director of the Pan-American Union, Dr. L. S. Rowe.

Also W. Forbes Morgan, Robert Jackson, Leon Henderson, George Rothwell Brown, Gen. William Mitchell, Theodore C. Wallen, Archibald R. Watson, Joseph E. Davies, Capt. S.C. Hooper, Mrs. Arthur J. Mellott, Hampton Gary, Gustavus A. Rogers, Harry Eaton, A. Miller, Eugene Meyer, John L. Lambert, Edward J. Flynn, Frank C. Walker, Charles William Taussig, Myron M. Cohen, Byron Price, George R. Holmes, Eugene O. Sykes, Mark Sullivan, Alfons B. Landa, Paul A. Walker, G. Franklin Wisner, Gerald C. Cross, Arthur Krock, Percy S. Strauss and Robert K. Straus.

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PANNILL RADIOMARINE PRESIDENT

At the regular meeting of the Board of Directors of the Radiomarine Corporation of America, August 7, Charles J. Pannill was elected President of that corporation.

Mr. Pannill joined the company in 1928, and is the holder of American Radio Operators License number one, the first operator's license issued by the American Government.

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8/9/35

## COLUMBIA ANALYZES DAY AND NIGHT LISTENING AREAS

A new Columbia publication, "Day and Night CBS Listening Areas" has just come off the press according to John J. Karol Director of Market Research. It contains individual listening area maps for each CBS station and for the first time reveals separately the daytime and evening coverage.

"You will note that these separate night and day maps make a station's coverage seem smaller than when night and day are lumped together," Mr. Karol observes. "We feel, however, that this new presentation is far more accurate and useful to broadcast advertisers than the inflated coverage revealed in a composite night and day map. In addition to current market data for each station this book contains the results of a special coast-to-coast study of 300,000 homes to determine the number of regular listeners to the local CBS station and to the CBS network in each station city."

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## ENGLISH CABLE-RADIO MERGER PROPOSES TO REDUCE CAPITAL

A new investment trust entitled Cables Investment Trust Ltd., was registered by Cable and Wireless (Holding) Ltd., on July 15, for the purpose of obtaining funds to reduce its outstanding preferred stock, Assistant Trade Commissioner Henry E. Stebbins of London advises Washington. Cables Investment Trust will have a share capital of £4,000,000 divided equally between preference and common shares. The preference shares will be  $4\frac{1}{2}$  percent cumulative shares. In addition £3,000,000 of  $3\frac{1}{2}$  percent debentures will be issued. The parent company will subscribe to the entire amount of the common stock of the new company at a premium, but the £10 preference shares and debentures will be floated on the market at £10 5s. and 99 percent respectively. The £7,000,000 thus raised will be used to purchase investments held by Cable and Wireless (Holding) Ltd., the latter then being able to retire an equal amount of its preferred shares. The contract provides that of the investments purchased, not less than 45 percent in value must be stocks, bonds and debentures, and not less than 70 percent must be investments within the British Empire. The value of the investments will be based on the prices ruling on July 22, 1935.

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## APPLICATIONS GRANTED FROM BROADCAST DIVISION OF FCC

KNOW, KUT Brdcastg Co, Austin Tex, construction permit to move transmitter locally from Barton Springs Road to 114 W. 7 St. Austin, and to install new eqpt.; KIFO, Nichols & Warriner Inc., Portable-Mobile, license to cover construction permit for broadcast pickup station in temp. service on frqs 1622, 2060, 2150, 2790 kc 200 watts., A3 emission; WDGY, Dr. George W. Young, Minneapolis, Minn. modification of construction permit to extend completion date from 9/8/35 to 10/8/35; WPRP, Julio M. Conesa, Ponce, Puerto Rico, modification of construction permit to extend completion date from 8/18/35 to 10/18/35.