

HEINL RADIO BUSINESS LETTER

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October 1, 1935.

CHARACTERISTICS OF THE BRITISH 1935-36 RADIO SET

The 1935-36 British radio receiver, exhibited publicly for the first time at the late August radio show, is described in an article published in the London Electrical Review.

The article, which explains that 170 exhibitors took part in the show, follows in part:

"As might be expected, the superheterodyne circuit is still the most popular one among set manufacturers, and there are very few exhibits of receivers which do not consist mainly of sets of this type. Many of these are of the 3 to 4 tube (plus tube rectifier) class, making use of multi-stage tubes in certain positions. On the other hand, receivers and phonograph combinations with up to 15 tubes are to be seen, these, of course, falling in the higher priced class. Generally speaking, the price levels have changed very little since last year, and the popular type of table superhet is usually listed at from 11 to 14 guineas. Lower priced sets are generally of the simple tuned radio frequency type.

"'High Fidelity' is undoubtedly the slogan of many firms this year. In most cases, this is justified, but in others there seems to have been very little attempt to improve on last year's models, except, perhaps, to incorporate a somewhat larger speaker.

"Apart from the followers of the superhet circuit, there is a small, but none the less important, band of manufacturers of high fidelity apparatus who pin their faith to 'straight' receivers with tuned, radio frequency stages.

"For some time it has been apparent that designers have been handicapped by the necessity of including the loudspeaker in the cabinet with the receiver. There is no real reason for this, except convention, and this year several firms supply receivers with no self-contained speaker. The breakaway is by no means general, however. In other cases, improvement in reproduction has been sought by the use of special output stages, twin, triple, or even quadruple speakers, and special cabinet design.

"Another tendency this year is for manufacturers to show one or more so-called 'all-wave' models, to cater for the interest in ultra-short wave reception. In most cases the extra wave-bands go down to 10 or 15 meters, but in no case is the complete wave-band up to 2,000 meters covered without breaks. All-Wave International Radio and Television, Ltd., in one of its models covers from 12 to 560 meters without a break, and 800 to 2,000

meters, but this is unusual. Generally one or two extra wavebands are included in more or less standard receivers, to cover up to 50 or 80 meters.

"Many and ingenious are the arrangements designed to provide easy tuning in modern receivers. Dials are mainly of the 'full-vision' type, with a pointer, band or spot of light moving over the scale, which is calibrated in wave lengths and marked with station positions.

"In summing up one's impressions of the receivers and similar equipment on show, it is safe to say that there seems to be a notable tendency for the manufacturers to aim at reliability of their products, rather than at extremely low prices. This policy must react favorably upon the public during the coming season, while the dealer should find his service problems eased to a considerable extent."

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CALDWELL CITES SIMPLE RULES FOR LISTENERS

Three simple rules for listeners, enabling them to put their radio sets in best condition for the big broadcast program ahead, were outlined by Dr. Orestes Caldwell, editor of Radio Today, and former Federal Radio Commissioner, during a series of musical experiments on the Columbia Broadcasting System network September 28.

Approximately \$25,000,000 will be spent on broadcasting program features during the next few months, and Dr. Caldwell pointed out that if the listener is to get full enjoyment of this galaxy of programs, he should get his radio into shape without delay by (1) Putting fresh tubes in his set; (2) Installing an adequate outdoor antenna, as high as possible, and run away from the house; (3) Purchasing a modern receiver capable of reproducing the full tonal range of modern broadcasting.

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THREE DETROIT STATIONS SWITCH NETS IN CEREMONIES

Special broadcasting programs marked the realignment of three Detroit network outlets on September 29.

WJR formally dedicated its 50,000-watt transmitter as it left the NBC-WJZ network for CBS. WXYZ, for the last year the Detroit outlet of the Mutual Broadcasting System, succeeded WJR on NBC's Blue network, while CKLW left CBS and supplanted WXYZ on the Mutual hookup.

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WGN CELEBRATES OPENING OF \$500,000 STUDIO ADDITION

A full week of gala programs, starting October 1, inaugurated the new \$500,000 radio studio building of WGN, on Michigan Avenue, adjoining the Tribune Tower, in Chicago. Capacity audiences, admitted by tickets issued only on written request, witnessed the studio performances.

All of the programs which were presented on the platform in the main studio were heard perfectly by those attending through the speaker system which is installed in the auditorium. The music and speech came to the visitors seated in the studio through giant speakers concealed in the abutments alongside the platform. This is the only Chicago studio which is equipped with this speaker system, according to Larry Wolters, Radio Editor of the Chicago Tribune.

During the gala week of performances, visitors saw for the first time the new lighting system which is the only one of its kind installed in a radio studio. Perfect control of all of the lights in the studio is maintained through a dimmer system. When the programs are presented on the platform the orchestra and artists play under lighting conditions and with a color change control unequalled in Chicago.

The pickup of the music and speech for the programs is through a regular battery of microphones on the platform. Three microphones are suspended from the ceiling and numerous other "mikes" stand at convenient spots on the platform itself. In all eight microphones are available for handling any one program and they may be controlled either singly or as a complete bank of eight.

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ASCAP ISSUES ANOTHER PROPAGANDA BLAST AT RADIO

As negotiations continue between the National Association of Broadcasters and the American Society of Composers, over new copyright rates for radio, the latter issued on October 2 for "general release" a story which began with the following significant paragraph:

"'Murder of music' by radio was accomplished in 1934 when the 85 leading tunes of the year were played a total of 1,255,669 times by just the two principal networks, according to an annual survey newly completed by the American Society of Composers, Authors and Publishers. This survey was made from program logs submitted by the NBC and CBS chains, and is used by the Society as one of the points in the classification of its members.

There then follows, in great detail, a story of how radio has hurt the sale of sheet music.

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RADIO TRADE BOOM SEEN AS INDICATOR OF RECOVERY

Both branches of the radio industry - the broadcasters and the radio equipment dealers - are reporting sharp increases in late Summer and Fall business and are making optimistic predictions of a record Winter. Their records are interpreted as another indication of general business recovery.

As the New York Radio Show closed, after an attendance of more than 150,000 visitors, radio set makers and dealers went home prepared to take care of an anticipated increase of from 15 to 20 per cent over the business of the last half of 1934. Sales during the first half of 1935 amounted to 2,453,000 as against 2,027,000 for the corresponding period in 1934.

Broadcasters meanwhile were reporting the first definite break in the traditional Summer decline in radio advertising. Figures released by the National Association of Broadcasters showed August business totalled \$5,637,490. This represented a drop of but 3.5 per cent below the preceding month, compared to slumps of 10.2 per cent in 1934 and 5.9 per cent in 1933.

National non-network advertising rose 3.8 per cent in August, while general non-network advertising gained 1.3 per cent and stood at 59.6 per cent above August, 1934.

Radio advertising volume for the first eight months of the year pointed to a possible total business of \$90,000,000, according to Broadcasting, radio trade magazine.

Showing a more pronounced increase than any previous month of the year, August broadcast advertising was 46.6 per cent greater than during the corresponding month in 1934 and exceeded August, 1933, by 52.5 per cent.

The Columbia Broadcasting System recorded the largest monthly gain among the major networks with a gross return of \$879,019, an increase of 71.2 per cent over the previous year's figures for the same month, and the largest August income on record. The NBC-WJZ Blue network hung up a record increase of 55 per cent, with a gross of \$756,797.

For the first eight months of the year, CBS has now a cumulative total income of \$12,463,371, 22.1% better than last year, and the combined NBC networks (including the Pacific Coast) have \$20,667,094, which is 16.5% better.

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HILL NAMED ENGINEER IN TELEPHONE INQUIRY

Cyrus G. Hill, of Chicago, a well-known consulting engineer on telephone matters, has been named by the Federal Communications Commission to direct the engineering phases of the American Telephone & Telegraph Company. He succeeds William G. H. Finch, who resigned recently as Assistant Chief Engineer of the Commission.

Since 1919, Mr. Hill has been associated with the consulting engineering firm of J. G. Wray & Company. He has engaged in a large number of telephone investigations and rate cases including the Northwestern Bell Telephone Company in Minnesota, the North Dakota Independent Telephone Company, the Western Electric Telephone System of Iowa, the Indiana Bell Telephone Company, and the New York Telephone Company.

Mr. Hill developed and presented testimony in the case of the City of Chicago vs. the Illinois Bell Telephone Company wherein the Supreme Court sustained the decision of the Illinois Commerce Commission which resulted in some twenty million dollars of refunds to the telephone subscribers of Chicago. He has been employed for sometime as a public utilities engineer by the Public Service Commission of Wisconsin in making a special investigation of the Wisconsin Telephone Company.

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DELLINGER REPORT COVERS RADIO RESEARCH FINDINGS

Dr. J. H. Dellinger, Chief of the Radio Section of the U. S. Bureau of Standards, has submitted his annual report to the Director of the Bureau with a discussion of research and findings in the radio field.

Dr. Dellinger's activities continued chiefly in the field of standard frequencies and radio wave phenomena. The latter work was somewhat extended by initiating a program of research on ultra high frequencies. Work was begun on the measurement of radio field intensities with higher accuracy than ever before. Special progress was made in the furnishing of standard audio frequencies by modulation of the carrier in experimental standard frequency radio emissions.

Copies of the report may be obtained from the Electrical Division of the Department of Commerce, Washington, D. C., at 25 cents each.

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CLERGYMAN RAPS SPONSOR'S USE OF HYMNS

The sponsorship of a radio program to be called "Hymns of all Churches" by a national food distributing concern was criticized by the Rev. Dr. Raymond L. Forman in his sermon last Sunday at St. Paul's Methodist Episcopal Church, West End Avenue at 86th Street, New York City, according to the New York Times.

Dr. Forman called upon all churches and Christians to protest against this program, which he said is scheduled to begin this week over a national hook-up, terming it "a desecration of that which is sacred - a form of phasphemy."

"The worst form of exploitation of the religious life of people is perpetrated by commercial interests", Dr. Forman said. "In this case hymns are being used as the medium which are the expressions of religious experience of people in all ages. Many hymns are the outpourings of the deepest sorrow and of joy. Many are expressions of personal communion with God.

"All these are taken and exploited to sell foodstuffs. If you are a real Christian you will register your immediate protest. These food distributors are trying to excite a certain emotional reaction for the purpose of selling a brand. Imagine the effect when you come to church to pray and sing hymns to have the name of that company flash through your mind as you are praying."

Any program of religious service over the radio sponsored by a church is worth while, Dr. Forman added, as "there is no reason why the teachings of God should not use the radio for its dissemination."

EDITOR'S NOTE - Washington offices of both the National Broadcasting Co. and the Columbia Broadcasting System disclaimed knowledge of the program attacked by Dr. Forman.

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CHICAGO TRIBUNE RAPS STANDARD OIL NEWS PLAN

The following editorial appeared in a recent issue of the Chicago Tribune:

"We are in receipt of a communication from the Associated Press in connection with news broadcasting, quoting the publication Variety's announcement that 'the Standard Oil of New Jersey has bought the news broadcasts in all NBC owned and operated east of the Mississippi, with the contract calling for four five minute periods a day every day in the week but Sunday.'

"We doubt the public will put much confidence in a news service censored by the government and paid for by the Standard Oil Company."

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NAB BOARD CALLS MEETING ON COPYRIGHT PROBLEM

A meeting of the Board of Directors of the National Association of Broadcasters has been called for October 17 in New York for reconsideration of the whole copyright problem before current contracts expire December 31. The conference was scheduled at an NAB Executive Committee parley last week with E. C. Mills, General Manager of the American Society of Composers.

Many stations are reported to be negotiating, meanwhile, for extension of present contracts, but few are said to be signing because of the probability of a general revision in copyright rates.

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I. T. & T. SHOWS GAIN AS POSTAL REPORTS LOSS

The International Telephone and Telegraph Corporation and subsidiaries, excluding the Postal Telegraph and Cable Corporation reported September 28 in a preliminary statement a net income of \$2,128,581 in the first six months of the year, equal to 33 cents a share on its no par capital stock. This compared with a net income of \$1,953,229, or 30 cents a share, in the same period last year.

The Postal Telegraph & Cable Corp., which filed a separate report, revealed that operations for the first six months of 1935 resulted in a net loss of \$992,807 after provision for all charges, including accrued interest on the outstanding bonds and debenture stock as compared with a loss of \$255,296 for the corresponding period in 1934.

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NEWSPAPERS FIGHT EACH OTHER BY RADIO

Circulation rivalry between Baltimore newspapers has advanced to the stage where radio is being used intermittently every day to advertise the wares of the rival newspapers, according to Newsdom, newspaper organ. With the Hearst-owned American and News Post controlling WBAL, which was purchased by Hearst Radio a year ago, and the Sun having a tieup with WCAO through a mutual advertising agreement, the radio listeners are given daily advice where to find the latest news beat, the up-to-the-minute feature and almost every blatant appeal to buy papers.

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CBS RADIO SCRIPT (N.F.B.) ANSWERS A.N.P.A.

With considerable humor and some subtlety, the Columbia Broadcasting System has answered the booklet issued by the American Newspaper Publishers' Association alleging that radio advertising is on the decline.

"Pa and Ma and Mike (or Just a Foster Child)" is the title of the 5-minute scrip "that will never, never be broadcast".

H. K. Boice, Vice-President of CBS, said the script was written by "a bright young lad in the Continuity Department", in answer to "news stories" that "radio has lost some 400 of 600 advertisers and was a frightfully expensive medium anyway".

As to his own reactions to the ANPA stories, Mr. Boice said:

"Being pretty busy with new business, a heavy schedule of renewals, and a lot of outstanding new shows in preparation for the biggest Fall season radio has ever had (after the biggest Summer), we didn't stop to recognize or rebut the quaint statistical attack. Besides, the more radio has grown, the more we have become used to a bit of heckling here and there."

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AUDIT BUREAU PLAN PUSHED; AGENCY SCHEME DROPPED

A sub-committee has been appointed for the purpose of working out a plan for a cooperative bureau to audit station audience and coverage data as a result of a meeting in New York of the Committee of Fifteen, composed of representatives of the National Association of Broadcasters, the American Association of Advertising Agencies, and the Association of National Advertisers.

NAB, meanwhile, has dropped for the time being a proposal to establish an agency recognition bureau for radio because an insufficient number of stations have agreed to subscribe to it.

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WIRED RADIO SEEN AS ADVERTISING RIVAL

"First indication of wired radio girding itself for direct competition with aerial broadcasting came last week when it was disclosed that the Ticker News Co., which services cafes, restaurants, bar-rooms and private clubs, proposes to sell spot announcements to advertisers", according to the current issue of Variety.

"Because of the fact that it is charging a fee for the receiving set, the ticker outfit realizes that the type of advertising will have to be limited as to field and confine itself to products closely associated with the enterprises that the TNC serves.

"In undertaking to interpolate advertising matter into the service's daily flow of news and sports bulletins and comments and music the operators of the Ticker News Co. propose to proceed with the utmost caution. It feels that the owner of a restaurant will have no objection to the receiving set advertising a brand of cheese or sardine but that he would resent a service for which he is paying \$180 a year plugging a cosmetic or hair-oil to his customers.

"Ticker News Co., which does its broadcasting by telephone wire and has 400 clients in New York and 200 more in Philadelphia, now includes a copyrighted music in its fare under an experimental license granted it by the Music Publishers' Protective Association and the American Society of Composers, Authors and Publishers.

"Service has asked the music industry to license it permanently on a per installation basis, with the fee suggested being \$15 a year for each receiving set. A license of this type would relieve the Ticker News Co. of the necessity of manufacturing its own musical recordings and paying \$5 a tune on each master and 25¢ or 50¢ for each composition when and as used."

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EXHIBITORS PLEASED AS N. Y. RADIO SHOW ENDS

Opinions gathered as the 1935 National Electrical and Radio Exposition closed last week at the Grand Central Palace after ten busy days in which more than 150,000 visitors viewed the new merchandise, indicated that business had equaled or exceeded the expectations of exhibitors, according to the N. Y. Times.

One indication of returning prosperity, pointed out by several radio makers, is that the higher priced machines have caught the fancy of most people. Midget receivers were pushed

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further and further into the background as the exposition progressed, indicating that inquiries centred around the larger and more expensive models. The same trend was reported by sales representatives of other electrical lines.

The chief worry of many manufacturers, according to their representatives, would be the filling of orders on time to meet the sudden demand. As a result, nearly all the exhibitors already have increased their factory production.

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::: INDUSTRY NOTES :::
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WPRC, Providence, R. I., on September 29 became associated with the Yankee Network as an alternate outlet with Station WEAN.

A list of importers and dealers of radio and radio equipment in Argentina has been compiled in the Commercial Intelligence Division from data prepared and submitted by American consular officers abroad under the direction of the Secretary of State. Copies of this circular may be obtained from the Bureau of Foreign and Domestic Commerce or from its district and cooperative offices at 50 cents each.

A new type microphone - non-directional and streamlined - has been introduced by WOR, Newark. Bell Telephone Laboratory-Western Electric engineers were the designers.

It is reported from Athens that the Government has now broken off the negotiations with an English and a German company regarding the construction of broadcasting stations and is inviting tenders for the work. The stations will be operated by the State, which will defray the costs of construction.

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TEN FCC ATTORNEYS RETAINED DESPITE LOW RATINGS

Because the Federal Communications Commission insists their services are vitally needed in the approaching American Telephone & Telegraph Company inquiry, ten FCC attorneys are to be retained on a permanent basis although passing marks they made in Civil Service examinations were below those of competitors.

An Executive Order was signed by President Roosevelt just before his departure for the West, it was learned today (October 1) after Chairman Anning S. Prall had made a special call to the White House.

These lawyers were appointed when the FCC was organized on a temporary basis. Early this year they were required to take Civil Service examinations and, although all of them passed, some outsiders made better marks.

The Civil Service Commission was at first insistent that the higher grades be given precedence, while the FCC argued that the incumbents were entitled to preference because they had a few months' experience. Finally, the Commission agreed to accept an Executive Order to give the lawyers permanent jobs.

Herbert L. Pettey, Secretary of the FCC, said that they are engaged only in the preliminary phases of the A. T. & T. inquiry but are all assigned either to the Telegraph or Telephone Divisions.

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RADIO SIGNALS FROM BALLOON AID WEATHER FORECASTS

A complete system, based on the Olland telemeteorograph, for obtaining signals by means of a radio transmitter from instruments attached to free balloons has been constructed at the U. S. Bureau of Standards.

The Standards Bureau is working in close cooperation with the Weather Bureau in the belief that the system will prove valuable for obtaining meteorological data at great altitudes.

The complete radio apparatus for attachment to a balloon weighs less than two pounds, and preliminary trails show that the signals can be heard clearly at altitudes of 14 miles and at distances of 80 miles, according to the Standards Bureau.

By employing a method of direction finding for the pulses emitted by this radiometerograph the location of the balloon can be ascertained at the instant any pulse is sent out.

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