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PROGRAM CENSORSHIP BY FCC AGAIN RISES AS AN ISSUE

While the right of the Federal Government to censor broadcasting programs has been the subject of debate ever since the establishment of the Federal Radio Commission, it has recently developed into a serious issue as the Federal Communications Commission threatens stations with cancellation of licenses.

With such Republicans as Senator Schall, of Minnesota, periodically charging that the New Deal is attempting to control both the press and the broadcasting stations of the country, the FCC is being watched closely for any missteps that may put it on the Congressional carpet.

The Communications Commission is between the devil and the deep blue sea in the matter as failure to censor offensive programs brings protests from organized educators, politicians, and often listeners, whereas too strict a control of broadcasting content arouses cries from those who, sincerely or otherwise, fear destruction of "freedom of the air".

So far the Commission's censorship of programs has been confined largely to the type of sponsorship. Their guns have been directed against questionable medical advertising.

Temporary licenses were issued recently to a score of stations on request of the FCC Legal Department, which wanted to consult the Federal Trade Commission and the Food and Drug Administration.

Some of these stations, it was learned, were under scrutiny because they carried programs sponsored by the Congoin Co., marketers of herb tea, of Los Angeles. This company was cited in a fraud order issued late in September by the Post Office Department.

Twenty-one stations were cited earlier in the Summer for carrying programs sponsored by producers of Marmola (an anti-fat remedy), but 17 were subsequently released after they had dropped the account. A fourth, KMBC, of Kansas City, Mo., was likewise cleared later on the same grounds, and a hearing was to be held this week on the three pending cases.

Judge E. O. Sykes, Chairman of the Broadcast Division of the Commission, has meanwhile been conferring with representatives of the Federal Trade Commission and the Food and Drug Administration in an effort to work out a liason for more rigid control of advertising over the air.

Just how far this control may be extended over program types irrespective of sponsorship is a subject for speculation.

The American Bar Association's Committee on Communications recently took cognizance of the issue in a report which stated:

"It has always been recognized that there is an inevitable conflict between the censorship provision of the law and the Commission's established policy of interpreting 'public convenience, necessity, and interest' broadly enough to include consideration of program service. The proposal of the Commission for a conference, under its direction, on the subject of programs indicates a tendency to extend this interpretation still further. It may, therefore, be confidently expected that the issue of indirect government censorship of broadcasting will take a more conspicuous place than ever before in the deliberations of the next session of Congress, and may even result in legislative action."

A statement by Anning S. Prall, Chairman of the Communications Commission, during a recent address, that the "editor of the air . . . has a distinct responsibility to his auditors . . . like the editor of the press" brought an immediate protest from David Lawrence, editor of the <u>United States News</u>. He said:

"Nowhere in the law can there be found warrant for the statement that in what the broadcaster 'publishes' he is obliged 'to comply with the mandate of serving public interest, convenience, and necessity.' If there were a 'mandate', who, in a politically partisan administration, is to make the rules or issue the instructions. To issue them means censorship the route to repression as practised today in fascist Germany and in fascist Italy.*

The National Committee on Education by Radio, in calling attention to the increasing controversy over the censorship issue, cited the Communications Act of 1934, Section 307(a) in support of the Commission's position. The section reads:

"The Commission, if public convenience, interest, or necessity will be served thereby, subject to the limitations of this Act, shall grant to any applicant therefor a station license provided for by this Act."

The Committee then comments as follows:

"Those conversant with the early history of radio will realize that the establishment of a licensing authority became necessary to eliminate the chaos which developed. The desire of large numbers of individuals and organizations to operate stations, coupled with the physical limitations to the number of stations which could be operated, made it necessary to establish the

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Federal Radio Commission. In order to protect the public against unnecessary stations as well as those whose programs did not serve the best interests of the public, the standard of 'public convenience, interest, or necessity' was made the basis for the Commission's power. How would the Commission allocate the relatively few available broadcasting frequencies among the myriad of applicants without considering their past conduct?

"Obviously, according to some definitions, this might be considered as censorship. However, it is not censorship in advance, but is in reality a necessary measure of the ability of the applicant to interpret 'public interest, convenience, and necessity' in an acceptable manner. While most of us may deplore the fact that complete freedom of speech by radio is impossible, we still believe that the differences between the newspaper and the radio are so great, both as to the number possible and the amount which each one can publish, that to expect the radio to parallel the press in every respect would be to attempt to abrogate the laws of science."

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FRENCH GOVERNMENT "LISTENS IN" ON THE WORLD OF RADIO

Not to be caught napping over any developments either in world news or technical improvements in radio broadcasting, the French Government has installed a listening station at Bicetre, just south of Paris, with cable connections to the French Ministry.

Assistant Trade Commissioner Lestrade Brown, of Paris, explains the move thus:

"By the new device it is proposed to 'control' all kinds of news and information by wireless by speedy transmission to the Ministry where, in a specially fitted room, girls having a knowledge of shorthand and of at least three important languages and equipped with earphones and silent typewriters 'take down' whatever is signalled as sufficiently important. It is claimed that an account of any important news or statement can be placed before the Minister within 25 minutes of its reception at The system is not to be used only for political Bicetre. affairs, a sharp look-out for any information bearing on the improvement of wireless generally will be kept. One of the other casements will be used for listening to foreign musical programs, as well as for the control of French broadcasting generally, while the third will be partly used by the staff and partly as a special listening cell for the Minister himself on important occasions."

WAR FLASHES FOCUS SPOTLIGHT ON BROADENED NEWS SERVICE

The Italo-Ethiopian War, while far removed geographically from the United States, is bringing out developments in the broadcasting of spot news almost over-night.

The public demand for latest news on the advance of Mussolini's army in Africa have caused broadcastimg stations the country over to broaden their news services to include frequent flashes in addition to periodical bulletins throughout the day. Commentators at night give summaries and round-ups.

While the breaking away from the Press-Radio Bureau set-up, established as a compromise plan to end a war between newspapers and broadcasting stations, has been apparent for several months, it has become more pronounced since radio took over the job of "covering" the Italo-Ethiopian war.

Variety reports from New York that the war news service "has served to administer the death blow to the rules and regulations prescribed by the newspaper clan for newscasting."

The Press-Radio Bureau is given a lease on life until April by Newsdom, which observes "the growing indications that the Press-Radio Bureau is about to fold up and silently depart the business channels of newscasting."

Stations are buying additional news services in increasing numbers from United Press, International News, and Transradio. A survey conducted by a major advertising agency in September disclosed that some 400 stations are broadcasting news reports daily, and that 320 of these have sponsors.

The Associated Press was unofficially reported to have decided at its last directors' meeting to resume the policy of allowing members to broadcast news through stations which they owned or in which they have an interest. At the same time the A.P. reaffirmed its ban on using its news service for commercial broadcasts.

As news broadcasts grow in public interest, advertisers naturally turn to them as to the newspapers themselves. Besides the numerous local advertisers who are hooked up with newscasting, the following national advertisers are affiliated with spot news broadcasts:

Standard Oil of N. J. (Esso); Continental Baking Co., R. C. Remedies, Sun Oil, Texaco (Montana); Alka Seltzer (West Coast); Mennen's Shaving Products; Davis Baking Powder; Eisenlar Cigars; Williamsomatic Oil Stove; Houshold Finance; Crazy Crystals.

COUNSEL ARGUE PLEA OF MILWAUKEE JOURNAL FOR SECOND STATION

The Broadcast Division of the Federal Communications Commission on October 10 listened to arguments for and against granting an application of the <u>Milwaukee Journal</u> to establish a second regional station to supplement WTMJ. Denial of the application had been recommended by Examiner Hyde.

Ben Fisher, counsel for the <u>Journal</u>, told the Commission that 125 small advertisers who were unable to pay the higher rates of existing stations stood ready to take time on the proposed station, which would operate with 1 KW on 1010 kc. Civic and religious groups also wanted an outlet, he said. He also pointed out that Wisconsin is under-quota and has no clear channel.

As counsel for five other stations objecting to the grant, George Strong and Horace Lohnes argued that the new station would cut in on their own service. The stations are WHOX, Knoxville; WHN, New York; WHO, Davenport, Ia.; KGGF, Coffeyville, Kans.; and WCFL, Chicago.

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FAR REACHING POSSIBILITIES SEEN IN BRITISH WAR SANCTION

American broadcasters, as well as those in foreign countries, took a personal interest in the Italo-Ethiopian war this week when Great Britain utilized radio censorship to impose its first sanction on Italy.

The British Government's action in shutting off a broadcast intended by Il Duce's envoy at Geneva for the ears of an American radio audience was unprecedented in international diplomacy. It was a revelation of the latent power in radio as an instrument of international propaganda.

Baron Aloisi was standing at the microphone to broad-cast his message to the United States via short-wave stations in England and the RCA station on Long Island when the British Post Office Department refused to relay the address. He was to have engaged in a chatty dialogue with Edgar Mowrer, United States newspaper man.

Columbia Broadcasting System; officials knew nothing of the cancellation until informed by RCA engineers that the expected broadcast could not be picked up from the BBC station. They recalled that the Ethiopian side of the controversy was broadcast a few nights earlier without interference.

It was recalled that some weeks before the Italo-Ethiopian war actually began, England protested to the Italian Government against anti-British broadcasts over Italian local stations.

NBC ASKS PERMIT TO SELL RECORDED PROGRAMS OVER CONTINENT

American listeners with all-wave sets may shortly be surprised to hear American programs when they tune in Mexican or Canadian stations. The National Broadcasting Company has applied to the Federal Communications Commission for permission to supply programs recorded in this country to stations in Canada, Mexico, Cuba, and Puerto Rico, as well as in the United States. The programs would consist of music. drama and educational and entertainment features, the application states, and would be both sponsored and sustaining.

A hint of new kinds of recordings is given when the NBC states that it wants permission to use cylinders, metal or translucent film, or other media, as well as electrical transcriptions. The recording would be done by the Radio Corporation of America.

The programs would be produced wherever NBC has outlets, if the Commission approves, and would be rushed to clients via both train and airplane.

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RADIO EXPORTS INCREASE SHARPLY IN AUGUST

American radio exports during August, 1935, increased sharply over recent months and for the first time since last March passed a total of two million dollars, according to the Radio Manufacturers' Association. The increased exports were principally in sets and parts, but American tube sales continue to show a loss in the foreign field as compared with 1934.

The August 1935 report of the U.S. Bureau of Foreign & Domestic Commerce reported total radio exports of \$2,051,579, compared with \$2,040,412 in August 1934.

During August 1935 there were exported 44,896 receiving sets, valued at \$1,167,141, as compared with 41,067 sets, valued at \$1,096,674 in August 1934.

Exports of receiving tubes during August 1935 were 515,653, valued at \$223,010, as against 625,719 tubes, valued at \$306,865 in August 1934.

Exports of receiving set components during August 1935

were \$449,990, compared with \$422,901 in August 1934.

There were 12,511 loud speakers valued at \$34,349 exported in August 1935, compared with 7,968 valued at \$22,751 in Aug. 1934

August exports of other radio accessories were \$37,319 against 64,982 in August 1934, and there were exports in August 1935 of \$139,770 in transmitting apparatus against \$126,239 in August 1934.

BRITISH HAVE NO PLAN FOR TELEVISION SERVICE TO EMPIRE

Although the British Broadcasting Corporation is taking the lead in bringing television to the public, it has no immediate intention of providing the service to the British Empire on a scale comparable to broadcasting.

Explaining its plan for television, the BBC says:

"In response to inquiries as to whether there is any likelihood of an Empire Television Service being provided, the BBC states that there are no plans for a television service to the Empire. Since such inquiries probably result from the inherent necessity of transmitting high-definition television on short wavelengths, the BBC thinks it may clarify the position to point out that the transmission of high-definition television necessitates that use of a very wide frequency band (more than ten times that required for sound broadcasting), which it is only practicable to obtain on wavelengths below 10 metres—much shorter than those which can be used for the Empire Service. The wavebands in which the Empire Service channels are allotted are already fully occupied with transmitters separated from each other by about 10 kcs.

"An ultra-short wavelength of about seven metres will be used for the proposed experimental high-definition television service to London. As envisaged in the 'Report of the Television Committee', which was presented to Parliament by the Postmaster-General in January, this service will be in the nature of a public experiment and the radius covered is not expected to be more than about twenty-five miles."

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NEW STATION IS RECOMMENDED FOR SCHENECTADY, N.Y.

A permit to erect a new broadcasting station at Schenectady, N. Y., for operation on 1240 kc., with 1 KW power and unlimited time, was recommended to the Federal Communications Commission this week by Examiner P. W. Seward.

The Knox Broadcasting Company, which filed the application proposed to spend \$47,097 in installing the station. A survey has uncovered $29\frac{1}{2}$ hours of advertising time a week ready to go on the station. James E. Knox is President of the company and owns $50\frac{1}{2}$ per cent of the stock.

Examiner Seward held that a need for the service exists and that the applicant is qualified to meet it. He suggested that protests may be filed by the following stations: WNBF, Binghamton, N.Y., which is applying for 1240 kc., frequency; and WNEW, Newark, N. J.

WALKER WARNS PHONE INDUSTRY OF POSSIBLE GOVERNMENT OPERATION

The telephone industry was warned by Paul A. Walker, Chairman of the Telephone Division of the Federal Communications Commission on October 10 that it is "performing a function which could be exercised by the State itself" and advised that "the best results of telephone management and control can be achieved through a frank recognition by both the utility managements and the regulating commissions of the trusteeship in the utility for the public."

Walker's address, made before the United States Independent Telephone Association in Chicago, was considered significant in view of the FCC's contemplated American Telephone & Telegraph Company inquiry.

Highlights of his address follow:

"As a utility commissioner, with both State and Federal Commission experience, my conception of the office of a utility regulating commissioner is that it should function primarily in the public behalf, and most certainly for the assistance of the patrons of the utilities regulated. Experience has shown that this conception of the office, broadly interpreted and judiciously executed, works to the best interests of both the patrons of the utility and the utility itself.

"Those who claim to be the owners and operators of communication and the telephone industry are after all in the broader sense of the word merely trustees in a great public utility enterprise.

"Those in control of utilities must not overlook the vast contributions by the public to the utilities in the form of free use of public property, of local protection, and of the assignment of the sovereign right of eminent domain. These and other contributions made and privileges granted by the public through the government place upon the utility directors and managers an essential function of the State, and one which the State itself would carry on if private enterprise were not available for performing these services.

"Individual research and experimentation must be encouraged to guarantee improvement and development of the telephone industry. This can be possible only when free competition is preserved. If any single industry is to get a strangle hold on the communications field, the opportunities for constructive research and experimentation will be lessened.

"Just recently the Federal Communications Commission granted permission for the construction of a coaxial cable between New York and Philadelphia. The permission was given, however, with the understanding that the cable should be accessible to all reliable persons interested in experimentation,

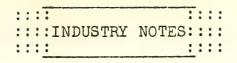
upon reasonable terms, the Commission having in mind particularly television and such regulation as might prevent any one company gaining a complete monopoly in that field. This case may possibly also furnish an interesting experiment in testing the willingness and sincerity of cooperation with governmental regulation.

"While the telephone industry lends itself to a natural monopoly, in that duplication of telephones in the same residence or business house generally proves an inconvenience and added expense, nevertheless that healthy competition furnished by the Independent telephones through the establishment and maintenance of plants in communities within or adjacent to those operated by the larger systems has had a healthy effect on the telephone industry and has immensely aided its development and its progress.

"No system of regulation can ever supply the incentive to development and advancement which can be furnished by healthy competition through the Independent telephone plants and the Independent manufacturers of telephone equipment. Therefore, I am glad to add what encouragement I can to the Independent telephone industry, including both the plants which render telephone service and the plants which develop and manufacture telephone equipment.

"The point I hope to stress and to leave with you for your thought and for your helpful cooperation is the proper attitude of the regulating and operating agencies toward the public and the mutual duty to serve the public, to the end that the greatest good for the greatest number may be accomplished.

"Communication is just in its infancy. usage, so far as long distance is concerned, is but a small fraction of what it should be. Statistics showing the average number of toll calls originating per month for the year 1934 for the Class A and B companies reporting to the Federal Communications Commission to be about one toll call for every two persons per month reflect, in my opinion, a woefully inadequate use and utilization of the long distance telephine, and the failure to talk over these long distance wires more frequency cannot be charged to the telephone users. Something must be done to bring lond distance service within the daily reach of the average person. That something is the problem primarily for the telephone industry. Lower charges and more nearly uniform charges may be possible answer to the question. fact remains that so long as long distance communication is so expensive a large part of the public must be denied its use. This is an undesirable condition and one which demands the most earnest consideration of both the telephone industry and those who are charged with its regulation. "



The National Broadcasting Company has set up two groups of stations for the southern Ohio-Indiana coverage, effective November 1, because WLW has been unable to handle certain NBC commercial accounts. The two groups are Basic Group A, consisting of WLW or WSAI, and Basic Group B, consisting of WCKY, WHIO and WIRE. Either may be used by the Red or Blue NBC networks.

Three Philadelphia stations have recognized the American Telegraphists Association, Inc., of New York, which is seeking to unionize local radio stations and to supplant company unions. They are WDAS, WPEN, and WRAX.

The Texaco Company has signed up a unique radio program. For 13 weeks it will sponsor broadcasts from the Hippodrome Theater every Tuesday. "Jumbo" will be played twice daily every other day for public admission.

The 16th anniversary of the Radio Corporation of America was to be marked Sunday, October 13, with special broadcasts over an NBC-WEAF hookup from Addis Ababa, Berlin, New York, and Hollywood. The program is scheduled for 2 to 3 P.M.EST.

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27 EXECUTIVES CLEARED OF DUAL JOBS BY FCC RULING

The Federal Communications Commission late this week announced the names of 27 executives in the communications field that it had found are "not seeking to hold positions as officer or director in more than one carrier" subject to the Communications Act of 1934. They are:

James F. Behan, Louis Corner, Jr., David C. Cox, Manton Davis, W. J. Dodge, Charles de Y. Elkus, Robert F. Estabrook, G. B. Foscue, James G. Harbord, Nathan Hayward, Albert R. Henry, Legrand W. Howell, Leonard H. Kinnard, Wilbert Ernest Macfarlane, Fred E. Meinholtz, R. D. Miller, Joseph Pierson, William A. Prince, Ben S. Read, E. Charles Ryan, Arthur B. Tuttle, Phil M. Watson, John H. Wharton, William A. Winterbottom, Fred H. Wirths, William T. Wood, George J. Yundt.

The Commission found the following have died since filing applications: A. D. Burke, Richard D. Gilliam, B. L. Kilgour and Austin Y. Tuel.

RCA EXECUTIVES NOTE UPTURN IN RADIO INDUSTRY

"What is ahead of American industry is more important than what is behind it", said David Sarnoff, President of the Radio Corporation, in speaking to more than 1500 radio dealers of the New York and New Jersey areas last Wednesday night at the Waldorf-Astoria Hotel, New York City.

Research, in which the United States is leading the world, is paving the way for the industrial revival, Mr. Sarnoff asserted. Signs of the upturn already are visible in the radio industry and others.

E. T. Cunningham, President of the RCA Manufacturing Company, also spoke briefly and Gen. James G. Harbord, Chairman of the Board of RCA, was introduced from the speakers' table. The dinner was sponsored jointly by Bruno-New York and Krich-Radisco, wholesale distributors for RCA, and the RCA Manufacturing Co. to celebrate the success of the new line of RCA radio receivers and tubes. It was devoted primarily to entertainment.

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APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WIBA, Badger Broadcasting Co., Inc., Madison, Wis., CP to make changes in eqpt. install new antenna system and increase power to 1 KW night, 5 KW day; WDZ, James L. Bush, Tuscola, Ill., Mod. of CP approving antenna and transmitter sites 12 mi. north of Tuscola, extend commencement date to 30 days after grant and completion date to 180 days thereafter; WJW, WJW, Inc., Akron, Ohio, license to cover CP authorizing installation of new eqpt. and increasing day power to 250 watts, 1210 kc., 100 watts night; KIUN, Jack W. Hawkins & Barner H. Hubbs, Pecoa, Texas, license to cover CP, 1420 kc., 100 w. unltd. time; WLBF, WLBG Broadcasting Co. Kansas City, Kans., license to cover CP, 1420 kc., 100 watts, unltd. time; WKAQ, Radio Corp. of Porto Rico, San Juan, P.R., CP to move transmitter locally and make changes in antenna.

Also, WNBZ, d/b as Smith & Mace, Saranac Lake, N.Y., license to cover CP authorizing changes in eqpt. and increase in day power to 100 watts, 1290 kc., daytime hours; KALB, Alexandria Brdcstg. Co., Inc., Alexandria, La., license to cover CP, 1420 kc. 100 watts daytime; KELD, T. H. Barton, El Dorado, Ark., license to cover CP, 1370 kc., 100 watts, unltd; WTAW, Agr. & Mech. College of Texas College Station, Tex., Mod. of Lic. to make changes in specified hours; WLEZ, The Norfolk Daily News (Portable), Norfolk, Neb., Mod. of Lic. (Temp. B/c pickup), to add freqs. 1622, 2060, 2790 kc.; WCBA, B. Bryan Musselman, Allentown, Pa., Mod. of lic. to increase power from 250 watts to 500 watts for auxiliary transmitter; WSAN, WSAN, Inc., Allentown, Pa., Mod. of Lic. to increase power of auxiliary transm. from 250 w. to 500 watts for auxiliary transm.; WEED, William Avera Wynne, Rocky Mount, N. C., Mod. of Lic. to change studio location to just outside of Rocky Mount.

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