

# HEINL RADIO BUSINESS LETTER

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No. 869

## GREAT SECRET INTERCITY S-W CROOK-CATCHING POLICE NET SOON

It has been learned on excellent authority that rules and regulations have been tentatively drawn up by the Federal Communications Commission for a proposed nation-wide intercity police short-wave radio-telegraph system which would mark the greatest step forward in the history of the United States in national criminal apprehension. Secrecy is to be the main objective of the new criminal network and for this reason radio-telegraph instead of radiophone, will be used. Even should the crooks with short-wave sets locate the frequencies, which will be difficult because they will be interchangeable, they would probably find themselves up against deciphering the secret code.

The plan for coordinating the work of the short-wave police radio stations in the various cities was submitted to the Commission by the Associated Police Communications Officers to the Communications Commission through the International Association of Chiefs of Police and the Commission's redraft of the proposal was endorsed by the Associated Police Communications Officers at their national convention in Indianapolis last week.

Thus far no publicity has been given to the matter but in well-informed circles, it is believed to be but a question of a short time until a formal announcement is made with regard to the new intercity short-wave police communications system which may be in operation within the next year.

Acting in an advisory capacity to the Police Communications Officers in developing the proposal have been E. K. Jett, Assistant Chief Engineer of the Federal Communications Commission, in charge of police radio, and E. P. Coffey, in charge of radio for the Bureau of Investigation, Department of Justice.

Although the exact details of the new network are not known, the plan will probably involve the use of a zone control broadcasting station in the geographical center of each State, or zone, and the use of secondary stations. Since in practically all cases the capital city of each State in the United States is near the center of the State, and because of the availability of a complete record, it is believed that whenever possible, the police zone control station will be located in the capital. Also the capital city is usually a large city, or the location of a State police radio station, and would have additional radio facilities to handle the greater volume of communication work that would fall to the zone control station. The zone control

station would handle all communications between the smaller stations within its zone or State.

The proposed intercity radio police system will probably be modeled largely along the lines of the Naval Communications service which is constantly in touch with work all over the world. The secondary stations of the police system would probably be in the larger cities of the State.

The plan does not involve the use of Municipal and State police frequencies or main police transmitters now in use.

An advantage of radio-telegraph, as against radio-telephone, in addition to its assurance of secrecy through the use of codes, is that automatic systems of reception could be used to provide written records which would not require the presence of a listener or operator. This would be extremely important in smaller cities where the police force is smaller and those connected with it have numerous duties.

Owing to the difficulties of enunciation and comprehension, radiotelegraphy is considered more accurate than radiotelephony. This would be particularly noticeable when receiving messages containing legal terms, symbols, numbers, names of persons and code. Radiotelegraphy enables communication at greater distances more economically.

Finally, radiotelegraphy occupies less "space" in the ether, suffers less from, and creates less radio interference than does radiotelephony. A reason that the Communications Commission will have to act quickly in approving the intercity police communications plan, and it is inconceivable that the Commission would reject it, is that the construction and operation of the proposed stations must be commenced within the near future; otherwise the frequency spectrum will be more crowded, making it difficult, if not impossible, to obtain the required channels of communication.

To show the tremendously rapid growth in the use of radio frequencies by the nations of the world during the last few years, a comparison between the original international frequency list established by the Berne Bureau, the world's radio headquarters, in December 1933, is illuminating. In the original list of December, 1928, a total of approximately 1700 radio stations were listed. Five years later the number of stations were about 17,000, or a ten-fold increase. No check has been made of the number of assignments today, but it is known to be considerably greater than before.

At the outset it is figured that three frequencies would have to be provided for daylight communication and three additional frequencies for night communication. The frequencies would have to provide reliable signals, when a reasonable amount of power is used, over a daylight path of at least 250 miles.

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It is made plain that the new intercity system is in no way to take the place of or conflict with the proposed broadcasting system which the Department of Justice is now believed to be working out to flash to the police departments of the nation emergency messages and information relating to serious crimes.

The Associated Police Communications Officers at their recent Indianapolis meeting elected Capt. Robert L. Batts, of Indianapolis, President of the Association, and decided to hold their next meeting at Davenport, Iowa.

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#### SARNOFF ANALYZES RADIO AND PUBLIC OPINION

"The interests of the public impose distinct obligations on three factors concerned in the relationship of radio to public opinion", David Sarnoff, President of the Radio Corporation, said yesterday in an address in the Fifth Annual Forum on Current Problems, in New York City.

"Upon the speaker before the microphone", Mr. Sarnoff asserted, "rests the responsibility for a fair and sincere statement of the subject in the light of his convictions. Upon the management of broadcasting stations rests the responsibility to see that both sides of a matter affecting the national welfare are given a fair opportunity to utilize the facilities of radio. Finally, upon the public itself rests the responsibility to discriminate between statesmanship and partisanship; between faith and prejudice; between sincerity and hypocrisy; between heated argument and cold fact."

Those who have no faith in the capacity of the public to distinguish between the true and the false - when full information is available - will have no hope for any democratic form of society, Mr. Sarnoff said.

"Public opinion may not always be infallible, but happily the records of democracy show that on great national issues it has risen triumphant over sophistry and demagoguery", the RCA President concluded. "Where politics or government have temporarily swerved a nation from its true course an aroused public opinion has ultimately expressed itself and pointed the way to the right road. Without such freedom of expression there can be no democracy."

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"MARMOLA" HEARING ENDS; DECISION MAY BE DELAYED SEVERAL MONTHS

A voluminous record of testimony on questionable advertising over the air was accumulated by the Broadcast Division of the Federal Communications Commission during a five-day hearing, October 14-18, inclusive, on the applications for license renewals by KNX, Hollywood, Cal., KFRC, San Francisco, and WTMJ, Milwaukee.

FCC officials predicted that no decision may be forthcoming before the first of next year because of the volume of testimony and the issues involved.

The names of nearly fifty products whose advertising claims are disapproved by FCC counsel, at least, were injected into the hearing as witnesses and counsel for the three stations sought to defend their records on the ground that they had checked on the sponsors with various governmental agencies, such as the Food & Drug Administration, the Federal Trade Commission, and the Post Office Department.

The principal product complained of by the Commission's counsel was "Marmola", (which claims to reduce obesity or unusual fatness). None of the three stations involved has carried the "Marmola" program since last Spring, but the Commission case is based on broadcasts during January, February and March.

George B. Porter, FCC counsel, placed Dr. William Earl Clarke, Washington physician, on the stand to testify that "Marmola" contains a half grain of thyroid, a powerful drug which should not be administered to an obese patient except after a thorough diagnosis and only then by a reputable physician. He said that harmful results could be expected if a patient followed the advice of the "Marmola" distributors and took four tablets daily.

He also produced evidence that the Federal Trade Commission several years ago had issued a cease and desist order against the Raladam Company for making certain claims when it handled "Marmola". Though the order was appealed and the FTC reversed on technical grounds, subsequently by the United States Supreme Court, Porter pointed out that the court had agreed that the use of the drug was harmful.

Witnesses for the stations admitted that the objectionable program was carried but insisted that they had checked with several governmental agencies, such as the Post Office Department, the Federal Trade Commission, and the Food & Drug Administration before accepting the account. They added that the program was dropped prior to an inquiry by the Communications Commission.

The licenses of eighteen other stations which had also carried the "Marmola" program have been renewed after being held up by the FCC because the account was dropped.

Counsel for the Commission, however, complained against other programs the stations have carried but have since barred, such as those sponsored by "Congoin" (A South American herb tea), "Commanders" (a vitamin tablet), and Sterling Company (lead advertising in which prizes are offered for sales contests).

Station KNX was singled out, in addition, for complaints against 25 or 30 other past accounts, such as "Ironizer", "Electronometer", "Curarinea", "Kal", "Venus Tablets", "P.T.M. Tablets", "Calogen" and "Calwhey".

Assisting Attorney Porter in the case was A. G. Haley of the Communications Commission Legal Division. The stations were represented by Paul Segal for KNX; Duke M. Patrick, for KFRC; and Ben S. Fisher, for WTMJ.

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#### JOLLIFFE DENIES SWEEPING EQUIPMENT ORDER IS CONTEMPLATED

Answering rumors that the Engineering Division of the Federal Communications Commission was preparing to recommend new regulations which would require many broadcasting stations to install new equipment, Dr. C. B. Jolliffe, Chief Engineer of the Commission, stated that no such proposals are contemplated.

"We, of course, expect stations to keep abreast of engineering developments, and most of them have done so", he said. "Broadcasting stations on the whole are in very good condition, technically speaking."

Dr. Jolliffe explained that whenever a station with obsolete equipment applies for a renewal of license, the Engineering Division may insist that its apparatus be modernized before the license is renewed. But this, he explained, has always been the Division's policy.

The FCC only this week issued an order setting up minimum antenna heights to be required in new station construction (reported elsewhere in this issue), but Dr. Jolliffe pointed out that it applied only to new installations.

"Although most stations are adequately equipped today", he said, "that doesn't mean that they can keep the same equipment without modernizing it for several years. We expect them to keep their equipment up-to-date on their own initiative."

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## AT CROSSROADS IN UTILITIES REGULATION, FCC MEMBER ADMITS

In a lengthy address (twenty-eight mimeographed pages), delivered at the convention of the National Association of Railroad and Utilities Commissioners at Nashville, Tenn., Paul A. Walker, Chairman of the Telephone Division of the Federal Communications Commission discussed "Federal and State Jurisdiction over Telephone Companies as Affected by the Communications Act".

Commission Walker said:

"The approach to the subject under discussion this morning should be fundamental. It should strike at the root of the problem of regulation itself.

"While there is no longer room for debate on the necessity for regulation of telephone utilities, the spirit of that regulation is a matter of very grave concern. We are still at the crossroads. Public regulation of utilities is on trial today as never before. A question mark hangs ominously before the word 'regulation'. Everywhere the public is asking, can regulation succeed? We are truly engaged in a great conflict which shall determine whether the regulation we now exercise or any regulation can long justify its existence.

"There is no slackening of the public demand for the results hoped for through utility regulation. The policy of 'laissez-faire' has long since been abandoned. The question now is, shall government regulation succeed, or what substitute shall be offered if it fails?

"Our approach to the question, however, is one of confidence. Those of us who have been on the firing line believe that public regulation can and must succeed."

Commissioner Walker remarked that manifestly, a detailed and specific account of an investigation of the nature and magnitude of the telephone investigation, at this stage, is a difficult matter.

"The primary and ultimate concern of the general public in this investigation will be the determination of whether the American Telephone and Telegraph Company and its subsidiaries, which dominate and control the telephone field, are supplying telephone service to their patrons at the minimum cost consistent with adequate quality of service and accessibility of service to all who desire and are entitled to such service", Commissioner Walker explained. "The answers to all the inquiries made in this investigation must be more or less predicated upon the objective of the lowest practicable rates consistent with adequate service.

"Apparently appreciating that regulation may eventually be a reality, there has begun what appears to be a nation-wide propaganda against regulation.

"Immediately following the announcement of the telephone investigation some months ago, there began skillfully defised propaganda to discourage and to discount, if not to thwart, the investigation. That propaganda has persisted to the present time, and has likewise entered into other activities of the American Telephone and Telegraph Company."

"We are face to face with the most dangerous and subtle organized attack against utility regulation the country has ever known. Federal and State Commissioners will be compelled to give such satisfactory account of their performance as will not only justify regulation but will bring to their support additional necessary legislation and facilities for carrying on their work."

"The problem is not one for weak hearts or irresolute minds. Successful cooperation calls for united zeal in the cause of regulation, wisdom in planning and carrying out the work of regulation, and courage in the execution of the duties of the respective Federal and State Commissions."

"While the telephone investigation is vital, it must not be permitted to crowd out everything else. The whole field of telephone regulation, under the Communications Act, is built around effective cooperation between Federal and State Commissions. If that fails, regulation fails."

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#### JOHNSTONE AND POPPELE, N.J. POLICE-RADIO SURVEY ADVISORS

Two WOR officials have been appointed advisors to the Police Radio Survey Commission of New Jersey, it was announced on Wednesday. They are G. W. Johnstone, Director of Public Relations, and J. R. Poppele, Chief Engineer of the station. The Commission, authorized by the State Legislature and appointed by Governor Harold G. Hoffman, has been created to combat crime in New Jersey. Plans are being made to set up a State-wide radio telegraph hook-up to aid police in barring escape paths of fugitive criminals.

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#### NEW AND LARGER QUARTERS FOR TACO

Forced to seek larger space for increased production whereby to meet the growing demand of old and new customers alike for TACO all-wave noiseless antenna kits, components and allied products, Technical Appliance Corporation has moved from Long Island City to 17 East 16th St., New York. The new quarters provide three times as much floor space, while new machinery permits stepping up production some 300 per cent. Also, the new location is more convenient for callers and for shipments.

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## SAYS FCC WILL TAKE NO ACTION TO ENFORCE NEUTRALITY ON ETHER

The Federal Communications Commission will take no steps nor issue any regulations to require broadcasting stations to observe neutrality during the Italo-Ethiopian War, according to Chairman Anning S. Prall.

"We have discussed the matter since the President issued his neutrality statement", Prall said, "and we intend to follow the general policy he has outlined. However, we don't contemplate any interference with broadcasts, nor do we expect to issue any regulations governing broadcasts."

The Communications Commission, moreover, does not intend to make any protest against the censorship of addresses by representatives of either of the warring countries that are intended to reach the United States via short-wave. Such action, as that of the British Post Office Department in refusing to transmit an address of Baron Aloisi, the Italian diplomat, from Geneva to the Columbia Broadcasting System, he said, is outside the jurisdiction of the FCC.

Prall expressed the view that if any protest is to be made, it must come from the State Department. The latter is understood to have considered the question, but has decided not to make any formal complaint.

Some United States government officials hold that Great Britain violated telecommunication convention treaty adopted in Madrid in 1932 by the United States, Great Britain, Italy and other countries. Section 27 of this treaty states that whenever any signatory nation suspends the services of international telecommunication, it must notify "immediately" the other contracting nations. The American government received no such notice.

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## AMERICAN BAR ASSOCIATION HONORS SPEARMAN

Paul D. P. Spearman, of Washington, former General Counsel of the Federal Communications Commission, now engaged in private law practice, has been appointed a member of the American Bar Association's Standing Committee on Communications.

John W. Guider, also of Washington, was reappointed Chairman of the Committee. Guider has been a member of the American Bar Association since 1929 and has been a member of the committee of which he is now Chairman since 1931.

The activities and plans of the Communications Commission will be the subject of special study by the committee, especially wherein these represent departures from the practices of the old Federal Radio Commission.

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## ANTENNA IMPROVEMENT MORE IMPORTANT THAN POWER, SAYS FCC

A review of the antenna systems employed by broadcast stations reveals that there are now many antennas in use that the radiating efficiency does not comply with the requirements of good engineering practice the Federal Communications Commission has discovered.

"In many cases a material improvement in the coverage of the station could be accomplished by erecting an efficient radiating system. This increase in coverage may be more than could be accomplished by doubling the power", a statement from the Engineering Division of the Commission sets forth.

"It is the obligation of the licensee of every station to make efficient usage of the assignment granted by the Commission. It is not the intention of the Commission at this time to require all stations with questionable radiating systems to install antennas having the required efficiency, but it is the intention not to grant additional facilities to licensees of broadcast stations unless they are making efficient usage of the assignment already granted. That is, the licensee of a broadcast station requesting more power, change in time of operation, different frequency, or move of the transmitter, must have an antenna for the assignment requested that meets with the minimum requirements before favorable consideration will be given."

A graph has been sent to all broadcasting stations showing the minimum physical height of antenna proper or minimum effective field intensity that stations must have before additional facilities will be granted.

Before any change is made in the antenna, details should be submitted by stations to the Commission for approval in order that it may be definitely determined that the installation will meet the requirements and that it does not constitute an objectionable hazard to air commerce.

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## HAUPTMANN BROADCASTS UPHELD IN COURT OPINION

In the Court of Appeals opinion in the Hauptmann case, the court ruled that it did not find anything irregular in the conduct of the press in its reporting of the trial, nor of the radio broadcasts.

Some question was raised with regard to the propriety of the latter, which was said to have been done without the knowledge of the court.

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::: INDUSTRY NOTES :::  
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Reports of several large companies indicate increasingly better business conditions.

Sales billed by the General Electric Co. in the first nine months of 1935 amounted to \$149,173,275, compared with \$121,735,123 in the corresponding period in 1934, Gerard Swope, President, announced. Net profit for the nine months was \$17,205,332, compared with \$11,714,247 available for the common stock a year before.

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A consolidated statement of earnings of the Bell System for the first eight months of 1935, accompanying quarterly dividend checks mailed to stockholders, shows consolidated net income equal to \$4.28 a share earned on 18,662,275 shares of capital stock of the American Telephone and Telegraph Company, compared with \$3.85 a share for the first eight months of 1934.

The net income of the American Telephone & Telegraph Co. for the first nine months of 1935 was \$90,634,658, compared with \$90,085,802 for the 1934 period.

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Orders received by the Westinghouse Electric & Manufacturing Co. in the third quarter of 1935 amounted to \$30,497,620 an increase of 21 per cent over orders of \$25,213,271 received in the third quarter last year.

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William N. Wisner, father of Frank Wisner, Chief of Public Relations for the Federal Communications Commission, died October 16 at Upperco, Baltimore County, Md.

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The Radio Corporation of America is applying part of the proceeds of the sale of a portion of its interest in the Radio-Keith-Orpheum Corporation to the retirement of \$4,000,000 outstanding 5 per cent debentures due from 1936 to 1942.

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The application of Virgil V. Evans (WMHS), Huntsville, Ala., for a construction permit to remove his station to Chattanooga for daytime operation, has been dismissed with prejudice. This followed a motion made by the attorney representing the applicant which was later joined in by counsel for the Commission, who added the prejudice stipulation. WBHS is a 100 watt station operating on a frequency of 1200 kc.

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The third quarter melon of the American Society of Composers, Authors and Publishers for 1935 is \$800,500.97. This is a seasonal lower figure than the second quarter, which did not take in the slower Summer months. The second quarter of this year gave the Society \$860,105 for dividends.

Half of the total sum available for dividends goes to the publishers and the other half is divided among the author and composer members, each individual writer or publisher member receiving checks according to the respective classification.

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Gerard Swope, President of the General Electric Company, in New York defended the pooling of patents, citing as an example the pooling of communication patents after the World War when the Radio Corporation of America was formed.

"It was the only way that we could develop the art of radio transmission to its present height", he told the Congressional Committee which is investigating proposed patent legislation.

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#### APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WMAZ, Southern Broadcasting Co., Inc., Macon, Ga., Cp to make changes in eqpt.; NEW, J. B. Roberts, Gastonia, N. C., CP for new station, 1420 kc. 100 watts unlt'd., transmitter and studio location to be determined subject to Commission's approval; KGER, Consolidated Brdcastg. Corp., Ltd., Long Beach, Cal., renewal of license for a period of 60 days, 1360 kc., 1 KW unlt'd.; KGIR, KGIR, Inc., Butte, Mont., renewal of license, 1340 kc., 1 KW -  $1\frac{1}{2}$  KW from local sunrise to local sunset only, unlt'd. time; WNEW, Wodaam Corp., Newark, N.J., renewal of license, 1250 kc., 1 KW, with an additional  $1\frac{1}{2}$  KW from local sunrise to local sunset only; shares with WHBI. WHBI 1/7 time and 6/7 time WNEW; KGB, Don Lee Brdcastg. System, San Diego, Cal., renewal of license for a period of 60 days 1330 kc., 1 KW unlt'd.

KFAB, KFAB Brdcastg. Co., Lincoln, Neb., extension of special exp. auth. to operate synchronously with Station WBBM from local sunset at Lincoln to midnight from 9/k/35 to Feb. 1, 36; WSFA, Montgomery Brdcastg Co., Inc., Montgomery, Ala., Auth. to determine operating power by direct measurement of antenna input; WMAQ, National Broadcasting Co., Inc., Chicago, Ill., license to cover CP, 670 kc., 50 KW, unlimited time; WPRP, Julio M. Conesa, Ponce, P. R., Mod. of CP to extend completion date to 12/18/35; WFLA-WSUN, Clearwater Chamber of Commerce & St. Petersburg Chamber of Commerce, Clearwater, Fla., license to cover CP, 620 kc., 1 KW night, 5 KW day, unlt'd. time; WISN, Hearst Radio, Inc., Milwaukee, Wis., license to cover special temp. auth. to use the formerly licensed main trans. as auxiliary transmitter of Station WISN, to be operated with power of 250 watts at Milwaukee; WKBV, KNOX Radio Corp., Richmond, Ind., CP to move transmitter location to 2 miles north of Richmond, and install new radiating system.

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