

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

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COMMISSIONER PAYNE SEES COMMERCIAL RADIO THREATENING FCC

George Henry Payne, Federal Communications Commissioner, this week (October 31) stirred up another tempest in the radio broadcasting industry by charging in an address before the Columbia School of Journalism that commercial broadcasters are trying to bulldoze the FCC.

Commissioner Payne, whose previous criticism of broadcasting in an address at Cornell University aroused a storm of criticism and a flood of endorsements, went even further in his New York speech in warning broadcasters that the public might force commercialism out of radio.

His address was termed, "The Fourth Estate and the Fifth Estate (radio -- so-called)".

Payne blamed much of the "rising tide of criticism" of radio programs on the old Federal Radio Commission, which preceded the FCC.

"Having gotten into the frame of mind that anything was acceptable to the public if it was accepted by the old Radio Commission", he said, "the broadcast industry seemed to have assumed that all they had to do, in view of the new and drastic law and the changed personnel, was to treat the new personnel as they had treated the old Commission and everything would be a 'joke'." *joke*

Commissioner Payne said that the idea of creating a "Fifth Estate" for the radio industry "would, in view of its ignorance of our political and social development, be trivial if it were not for the fact that simultaneously with this suggestion there is in progress an obvious, practical, pragmatic endeavor on the part of those controlling commercial broadcasters to make the Federal Communications Commission a subservient instrument to commercial radio".

Other highlights of Commissioner Payne's lengthy address follow:

"The Federal Communications Commission has been established now sixteen months. In that time it has had to meet many serious problems. One of the gravest of these has been the rising tide of criticism against the character of many of the programs on the air and the inability of those interested in cultural and educational programs to have any effect on the general situation. What I considered a most harmless speech at Cornell University last August, was immediately seized on as an attack on the commercial interests. Far from having an animus in the

matter, I had felt at the time that I was really making a contribution in their behalf by pointing out the danger of not meeting the criticisms of the educational forces.

"In all fairness to the actual leaders in broadcasting, I must say that no word of criticism came from them; but from the subordinates there was an amusing outburst at the idea that a Federal Communications Commissioner should assume to have any thoughts on the subject of reform.

"Now it being granted that the radio does not fulfill the ideal we might expect, we must, in all fairness, present the other side of the picture.

"This country is not inclined to accept the British system where the radio is completely controlled by the Government, where no advertisements are permitted and where the programs are supported by a tax on the radio sets.

"Aside from the fear of political propaganda if we should have a government-owned broadcasting system, we have the fact that under our system the commercial broadcasters have shown considerable energy and even, at times, imagination, and have produced some very able programs.

"The American public is a generous public, a little childish at times in its delight over novelties, as one learns when one travels in Europe and sees one's countrymen in touring bodies, making shrill sounds of delight over some ancient cathedral or architectural wonder; but whatever childish qualities they have, they are the qualities of the heart. They are willing to give credit where credit is due and to see that the other fellow gets the proper return for his labor, his ingenuity and his inventions.

"If there is evident on the part of the broadcasters an intention to increase the educational and cultural qualities of the programs, if there is observable a desire to reform the advertising methods and inundations with which the public is afflicted, the present system will be maintained, I believe.

"On the other hand, if there is an arrogant assumption of political power, if there is, instead of reform, increased lobbying activity, the indignation that now is unspoken, except by educators and publicists, will spread.

"Now, then, what are the differences between this Fourth Estate of Burke and the Fifth Estate of the commercial broadcasting propagandists?

"If a person has grievances that he thinks should be communicated to the public, he is at liberty, if he possesses the resources, to publish a paper anywhere in the country, even in the smallest hamlet, in order to disseminate his views. A similar course is absolutely impossible in the case of radio

broadcasting. There are only 90 channels in this country over which broadcasting may be done. On these channels there are altogether 629 broadcasting stations, the great majority of which are limited in power and range, reaching only the people within a comparatively short distance from the stations.

"As it is, from an engineering point of view, this country already has a great many more stations than good service justifies. It is plain that a person cannot open a station of his own in the same manner that he can publish a newspaper of his own in order to communicate his views, no matter how valid and necessary the information which he wishes to convey to the public may be."

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WDAS FILES ANSWER IN WARING'S PHONOGRAPH RECORD SUIT

Fred Waring, orchestra conductor, had no control over the records he made for RCA Victor Company after his services were paid for, counsel for WDAS, Philadelphia, declared in an answer to Waring's suit in the Common Pleas Court.

The answer points out that Waring did not own the copyright of the songs in dispute, "I'm Young and Healthy" and "You're Getting To Be a Habit With Me", but that the copyright proprietor, M. Witmark & Sons, grant RCA Victor Company the right to use the musical compositions.

The RCA Victor Company, National Broadcasting Company, and the National Association of Broadcasters are aligned with WDAS in defending the suit because of the far reaching effect the decision may have on the broadcasting of phonograph records. James W. Baldwin, Managing Director of NAB, has been conferring with WDAS attorneys in the case.

WDAS further points out that it held a license from the American Society of Composers, Authors, and Publishers to perform such musical compositions, and it previously had been granted the performing rights by the authors of the words and music.

Waring, after playing the selections for RCA Victor Company, "had no rights of any kind in said records", the answer sets forth, "and RCA Victor Company, Inc., was not bound to plaintiff by contract or otherwise to limit in any way the use which purchasers of said records might make thereof."

WDAS ridiculed the claims of the orchestra leader that he has been "for a long time past a unique and individual artist and performer" and responded that "musical selections can be and have been interpreted, rendered, played and performed by other musicians and orchestras in the same or similar manner as interpreted, rendered, played and performed by the plaintiff."

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The defendant admitted that the records in question carried the following statement, "This record is not licensed for radio broadcast", but contended that this was immaterial in view of the ASCAP license and other circumstances.

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MODIFIED RADIO RESOLUTION ADOPTED BY A. F. OF L.

The sting was taken out of a resolution condemning present radio control and offered at the recent American Federation of Labor convention by the International Typographical Union (see release of October 22), the report of proceedings just released shows.

In place of the resolution demanding that Congress proceed at once to nationalize radio, the American Federation of Labor adopted a substitute committee report directing William Green, President of the A. F. of L., to make a study and to introduce appropriate corrective legislation in Congress.

The amended resolution asserted that "available information" indicates "the ownership and control of radio broadcasting is rapidly passing into the hands of the daily newspaper publishers."

The committee expressed the belief that radio and newspapers and all sources of public information "should be freed from monopolistic control."

Delegate Howard, of the Typographical Union, in speaking on the resolution, pointed out that 100 radio stations were owned or controlled by newspapers at the beginning of 1934 and 34 more were added during the year.

He also warned the delegates against the adverse effects on the printing trades of the advent of facsimile radio by means of which the morning newspaper might be transmitted directly to the homes via the ether.

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ULTRA S-W TELEPHONY FOR NORWAY

The Norwegian Administration is at present making important trials in the field of short wave telephony. The transmitters have a power of 10 to 15 watts; the wave length utilized is 1.7 meters.

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A. T. & T. WINS FIRST DECISION IN SCRAP OVER PRINTER

Dismissal of the complaint of Leon Cammen against the American Telephone and Telegraph Company in a legal battle over telegraph printers was recommended October 25 by Chief Examiner Davis G. Arnold following a hearing. Cammen, who said he holds a patent and patent applications covering telegraph printers, complained of discrimination by the defendant and of the A. T. & T. rates. If the latter were changed, he said, he would be able to place his printer on the market.

The Chief Examiner of the Federal Communications Commission held that Cammen "Does not have a printer capable of being used on the circuits of the defendant" and that, therefore, the charges that the tariffs of the A. T. & T. are unjust could not be sustained.

Harvey Hoshour and Frank Quigley appeared as counsel for the A. T. & T.

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FOREIGN AND DOMESTIC S-W DATA IN RADIO INSTITUTE BULLETIN

An average of forty-five outstanding network radio programs for each day of the month in the fields of music, informative talks, variety, comedy and drama, together with foreign and domestic short-wave data, are listed in the November program bulletin issued by The Radio Institute of Audible Arts, founded by Philco Radio & Television Corporation to stimulate wider appreciation of worthwhile programs on the radio.

Important musical events on the radio are discussed in considerable detail by Pitts Sanborn, well known music critic and Director of the Institute, and noteworthy sports and special events to be broadcast are also listed.

A similar listing of thirty-nine foreign short-wave stations best heard at this time of the year, with their location, call letters, wave lengths and hours on the air, is included. In recognition of growing public interest in short-wave programs of foreign origin, this listing is supplemented by descriptions of some forthcoming short-wave programs of special interest to American listeners.

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RADIO EDITOR SAYS WIRED RADIO HAS DECIDED "TO GO AHEAD"

The inside story of experiments under way near Cleveland on which the success or failure of wired radio may depend is told by Norman Siegel, Radio Editor of the Cleveland Press, in a copyright article for Every-Week Magazine, a NEA feature. The article follows in part:

"Leaving the speculative for the factual, wired radio is now in operation in the suburban Lakewood section of Cleveland, O., which is being used as the proving ground for the system. Upon its success there depends the future of this new radio industry.

"To date it has stood up under a preliminary test, one in which 700 Lakewood families participated. As a result of their response during a three-month experiment, which was started the end of last March, the wired radio backers have gone forward with their plans and are now operating on a regular daily schedule in that part of Cleveland.

"The system as it is now operated can be termed a super phonograph. Its programs are nearly 100 per cent recorded and over 90 per cent musical. All that the listener has to do is tune in. Somebody in a studio at the other end of the line does the changing of the records.

"The programs are broadcast from a central radio plant similar in appearance to any space radio studio. But they are transmitted over light and phone lines, through sub-stations of these two power divisions, directly to receiving sets in the homes of listeners purchasing the service.

"Wired radio programs carry no commercial announcements. They are not sponsored like the big broadcasts of space radio. As a result the system's clients pay a monthly fee to keep the service in operation.

"The principle of wired radio is a technical outgrowth of the last war. It was developed by an officer in the United States Signal Corps who sold his idea to the North American Co., a utility colossus which owns, controls or has a working arrangement with 27 per cent of the American power industry. The depression pigeon-holed the idea until it was brought out for a public test early this year.

"Through Muzak, Inc., an Ohio subsidiary of Wired Radio, Inc., in turn a subsidiary of North American, the test was conducted. It showed that the sets were used on an average of 3½ hours a day and were in use about the same times of the day as space radio; that is, the hours from 6 to 10 were most popular.

"The wired radio sets are made in the east by another North American subsidiary. They are rented, not sold, to the public. Rental runs from \$2 to \$5 a month, depending on the size of the set. The large sets use a penny's worth of current in two hours, while the small table set runs 4½ hours for the same sum.

"Most of the programs are recorded. They're on special wide-range recordings made by the Music Publishers, Inc., also a North American subsidiary. Regular recordings are also used. As a result the Muzak library of recordings in its Cleveland studios is probably the largest in the world, more than 8,000 titles being listed in the catalogue.

"The system now offers 270 hours of programs each week, broadcasting on three different channels.

"Originally all of the programs relayed by wired radio were recordings. However, live talent has been added to the schedule through the medium of news reports, dramas and household programs. Six five-minute periods a day are devoted to the news flashes of the United Press Service. At 7 P.M., 10 minutes is devoted to sports flashes.

"Muzak engineers claim that two more channels can be added immediately and eventually the number may be extended to 21. That would mean 21 programs coming over your power line along with your electric light current. Each program, however, is sent out over a different frequency and the set acts as a filter, unscrambling them over the various channels in the receiver.

"The system practically eliminates static. As the programs do not travel through space, they are not affected by the elements. They come through as clearly in the Summer as in the Winter months.

"Under the present method of operation the system will be run as an individual unit in each town in which it is offered to the public. However, engineers claim that it could be linked into a nation-wide network, with programs originating at a central point for the entire nation. As long as recordings form the greater part of the programs this won't be necessary, for once a master recording is made, the records cost little to put out.

"Waddill Catchings, former New York broker and Warner Bros. and Chrysler Corp. Director, is head of Wired Radio, Inc. Harris D. H. Connick, former film man, is associated with the venture as Vice-President and Tom J. Smith, Jr., former head of a large Cleveland electrical manufacturing organization, is head of Muzak, the direct operating unit of the outfit.

"According to the wired radio heads, the system is not really in competition with space radio. In fact, one brief period a day is devoted to calling attention to the good programs being broadcast over space radio. The idea of the wired radio system is primarily to give people good music at all hours, with a minimum of talk."

FCC CHIEF ENGINEERSHIP VACANCY CAUSES SPECULATION

Although several names have been mentioned for the post, there is uncertainty as to who will succeed Dr. C. B. Jolliffe, Chief Engineer of the Federal Communications Commission, who resigned to take charge of the Central Frequency Bureau of the Radio Corporation of America. Considerable sentiment has been expressed in favor of Lieut. E. K. Jett, who has served under Dr. Jolliffe as Short Wave Engineer, and the name of Andrew Ring, Broadcasting Engineer, continues to be mentioned. Dr. J. H. Dellinger, head of the Research Laboratory of the Bureau of Standards, who served for a few months as the first Chief Engineer of the Commission, said definitely that he did not aspire to succeed Dr. Jolliffe.

One observer recalled the fact that the appointment of Dr. Jolliffe as Chief Engineer had been questioned at the time because of his lack of experience in the telephone field, being entirely a radio man. It was pointed out that the entire engineering staff, although the Communications Commission now has to do with telegraph and telephone as well as radio, had been inherited from the old Radio Commission. The thought was advanced that perhaps the new Chief Engineer to succeed Dr. Jolliffe would have to have telephone and telegraph, as well as radio training.

One radio authority in Washington said he believed the appointment was of such importance, in view of the telephone investigation and other matters before the Commission, that it might be dictated by the White House. The position of Assistant Chief Engineer of the Communications Commission is also open, due to the recent resignation of W. G. H. Finch who retired to go into business for himself.

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COAXIAL TELEVISION REHEARING SET

Although Commissioner Paul A. Walker, Chairman of the Telephone Division of the Commission, said that probably no decision would be reached as to whether or not the American Telephone & Telegraph Company would be granted a rehearing in the case of the coaxial cable between New York and Philadelphia, the Federal Communications Commission performed an about face several hours later by announcing that a second hearing would be held on Monday, November 25.

The A. T. & T. objects to making the coaxial cable, which would carry television images, telegraph and telephone messages, available to rival communications companies.

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WNYC FIGHTS FOR RENEWAL AS WLWL SEEKS CHANNEL TRANSFER

Having run nine days, the hearing brought about by the application of WLWL, operated by the Paulist Society in New York, for a transfer from 1100 kc. to 810 kc., unlimited time, was drawing to a close today (November 1) before the Broadcast Division of the Federal Communications Commission.

Outstanding in the mass of testimony offered during the past week was that of officials of WNYC, the New York City Municipal station, which is seeking a renewal of license to operate on the same channel requested by WLWL.

A dozen representations of WNYC and the Department of Plant and Structures, which operates the station, took the stand to defend the record of the station which some time ago was reported preparing to close down. Among WNYC witnesses were Fred J. H. Kracke, Commissioner in charge of the station, various stations and department officials, and Chalmers D. Clifton, Regional Director of the Federal Music Project of WPA. The burden of testimony was that the station is serving a great need in broadcasting non-commercial programs.

Other witnesses heard during the week in the case involving some three score stations were: John Iraci, President of the International Broadcasting Corporation, which operates WOV, New York; Martin Campbell, General Manager of WFAA, Dallas, Tex.; H. B. Hough, General Manager of WBAP, Fort Worth, Tex.; John B. McCormack, General Manager of KWKH, Shreveport, La.; Credofitch Harris, General Manager, WHAS, Louisville, Ky.; Arthur C. Pritchard, for WWL, and Glenn D. Gillett, for WBAP and WFAA.

The Communications Commission will probably not reach a decision for several weeks.

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DENIAL OF PERMIT FOR NEW TELEVISION STATION RECOMMENDED

On the ground that the frequency of 2000-2100 kc. requested is not adapted for television, Examiner R. H. Hyde recommended in a report to the Federal Communications Commission October 28 that the National Television Corporation of New York, be denied a permit to construct a new experimental station.

Examiner Hyde said that the evidence offered does not indicate that the granting of the permit "would contribute substantially toward the progress of the radio art." Other frequencies, he said, are proving better suited to visual broadcastin.

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METAL TUBES NEWSPAPER CAMPAIGN STARTED

"Forty-seven radio manufacturers now use Metal Tubes", a page advertisement sets forth in the New York Times of today (Friday, November 1).

"Look who they are", the advertisement went on and then listed the following manufacturers who use the tubes:

Atwater Kent Mfg. Co.; Air-King Products Co., Inc.; Automatic Radio Mfg. Co., Inc.; Belmont Radio Corp.; Capehart Corp.; Case Electric Corp.; Clinton Mfg. Co.; Continental Radio & Television Corp. (Admiral); Corona Radio & Television Corp.; Crosley Radio Corp.; Detrola Radio Corp.; Electrical Research Laboratories (Sentinel); Emerson Radio & Phonograph Corp.; Fada Radio & Electric Co.; Fairbanks-Morse Home Appliances, Inc.; Freed Mfg. Co., Inc. (Freed-Eisemann); Garod Radio Corp.; General Electric Co.; General Household Utilities Corp. (Grunow); Gilfillan Bros., Inc.; Hallicrafters, Inc. (Super Sky Rider); Halson Radio Mfg. Corp.; Horn Radio Mfg. Co. (Tiffany Tone); Howard Radio Co.

Also, International Radio Corp.; Kingston Radio Co., Inc.; LeWol Mfg. Co. (Pacific); Midwest Radio Corp.; Mission Bell Radio Mfg. Co.; Noblitt-Sparks Industries (Arvin); Packard Bell Co.; Pilot Radio Corp.; Radio Products (Admiral); RCA Victor; Remler Co., Ltd.; Simplex Radio Co.; Sparks-Withington Co. (Spartan); Stewart-Warner Corp.; Stromberg-Carlson Telephone Mfg. Co.; Trav'ler Co.; Troy Radio Mfg. Co.; United American Bosch Corp. (Bosch); United Scientific Laboratories (DeWald); Warwick Mfg. Co.; Wells-Gardner & Co.; Westinghouse Electric & Mfg. Co.; and Wilcox-Gay Corp.

"And other manufacturers will shortly offer sets with Metal Tubes", "Be modern - get a radio set with Metal Tubes", the page advertisement concludes.

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APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WHEC, WHEC, Inc., Rochester, N. Y., CP to move transmitter locally and install new equipment; WJR, WJR, The Goodwill Station, Detroit, Mich.; authority to determine licensed power by direct measurement of antenna input; WMBR, Florida Broadcastg. Co., Jacksonville, Fla., Mod. of CP to move transmitter locally, extend commencement date to 30 days after grant and completion date to 6 months thereafter; WSPD, The Toledo Broadcasting Co., Toledo, Ohio, authority to determine licensed power by direct measurement of antenna input; WMAQ, National Broadcasting Co., Inc. Chicago, Ill., license to use old main transmitter for auxiliary purposes; KEHE, Evening Herald Pub. Co., Los Angeles, Cal.,

renewal of license for the regular period; WEMP, Milwaukee Broadcasting Co., Milwaukee, Wis., license to cover CP covering new station, 1310 kc., 100 watts, daytime; KSUN, Copper Electric Co., Inc., Lowell, Ariz., Mod. of license to change hours of operation from daytime to unlimited; WAAW, Omaha Grain Exchange, Omaha, Neb., extension of present license for period of 60 days; New, Don Lee Broadcasting System, Portable-Mobile (San Francisco), CP, freqs. 31100, 34600, 37600, 40600 kc., 100 watts; New, WCBD, Inc., Portable-Mobile (Waukegan, Ill.), CP (Exp. Gen. Exp.) service, freqs. 31100, 34600, 37600, 40600 kc., 5 watts; New, Scranton Broadcasters, Inc., Portable (Scranton, Pa.), CP (Exp. Gen. Exp.), freqs. 31100, 34600, 37600, 40600 kc., 100 watts; New, RCA Manufacturing Co., Inc., Camden, N. J., license to cover CP for visual broadcasting service, freqs. 42000-56000, 60000-86000 kc., 30 KW; KIEO, Airfan Radio Corp, Ltd. Portable (San Diego, Cal.), Mod. of license (Temp. B/C pickup) to add freqs. 1606, 2020, 2102, 2760 kc. and delete 3150 kc.; also granted renewal of license in accordance with Mod.; KIFT, Julius Brunton & Sons Co., Mobile (San Francisco), Mod. of license (Temp. B/C pickup), to add freqs. 1622, 2060, 2790 kc. Also granted renewal of license for the period ending Nov. 1, 1936; WIEF, Miami Brdcstg. Co., Miami, Fla. (Portable-Mobile) renewal of broadcast pickup station license in accordance with modification granted Oct. 22, 1935.

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JOHN WANAMAKER USES HIGH FIDELITY STATION

"Wanamaker's On the Air Again!" And how! "Over the latest development in radio . . . The True Fidelity Station W2XR - 1550 Kilocycles", quoting from an ad in the Sept. 16 New York Sun.

"Thanks, Mr. Wanamaker", Ray Sutcliffe, Editor of Radio Retailing, writes. "Here's an interesting new trend, a boost for the newer sets (old receivers can't make this grade). We tuned in the other night and the tone performance was truly remarkable.

"This is John Hogan's station under the company name: Scientific Broadcasting Service. Located on Long Island - 1000 watts, 20 kc. channel - eastern dealers should get it, on this new broad channel, high fidelity side of their modern sets, over a 400 mile radius, night-time reception. Tune it in on your next demo., Monday to Friday, from seven to eight P.M. eastern time."

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