

HEINL RADIO BUSINESS LETTER

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No. 910

"SATELLITE STATIONS" SEEN SERVING URBAN AREAS OF U. S.

The formation of groups of "satellite radio stations" to serve urban areas in place of one high power transmitter constitutes "an interesting possibility", Lloyd Espenschied, of the American Telephone and Telegraph Company told one of the committees preparing for the Fourth Meeting of the C.C.I.R. at Washington last week.

Reading a paper on "Synchronization of Broadcast Stations" Mr. Espenschied said:

"Instead of employing one high power transmitter at a distance from the region to be served, a number of very low powered transmitters could be located throughout the area, effecting a great reduction in the total required power. Also, because of the low power required, the same frequency could be used for other similar groups about the country without interference."

Some of the arguments and background leading up to this conclusion as brought forth in the paper, follow:

"In recent years it has been recognized that it is technically possible to operate more than one broadcasting station on the same frequency assignment in the same geographical area, especially when they radiate the same program. To be successful, such common frequency broadcasting imposes fairly stringent technical requirements which must be met. It is attractive, however, because of the opportunity it presents of making more efficient use of the available frequency assignments.

"Common frequency broadcasting is in successful commercial use in several countries. Thus, in Great Britain a network of a dozen or more stations is operated on the same frequency. In Germany there are two networks, one in the North and one in the South, each comprising several stations. The United States, although in the forefront from the standpoint of technical development, has lagged behind in the commercial application of common frequency broadcasting. There are at present in operation in this country only three pairs of synchronized stations. These are WBZ and WBZA in Massachusetts, WJZ and WBAL in New Jersey and Maryland, and KFAB and WBBM in Nebraska and Illinois, respectively. The common frequency operation of two other pairs of stations which were previously synchronized has been discontinued. These are WHO and WOC in Iowa, and WEA and WTIC in New York and Connecticut. In addition to these, a test was made for a short time involving the operation on the same frequency of a number of other eastern stations.

"Over the past five or ten years the Bell System has done a considerable amount of work in determining the technical requirements and limitations of common frequency broadcasting. In addition to laboratory work, a large volume of data was collected from measurements in the field including a series of measurements in the neighborhood of WHO and WOC, an extended series of tests in cooperation with the Columbia Broadcasting System involving the experimental synchronization during early morning hours of stations WHK, WKBW, and WABC, and some cooperative work with the National Broadcasting Company. Similar work has also been done in England, Germany and elsewhere. The investigators in the various countries have arrived at very closely the same results.

"Surrounding a broadcasting station is a 'normal service area' within which good reception can be counted upon, and outside of which the reception is not good for at least part of the time either because the signal is too weak or because there is fading and distortion due to interference between the ground wave and the sky wave. The radius of the normal service area is a function of the station power and of the particular characteristics of the territory such as noise level and radio attenuation. When two stations are operated on the same frequency assignment, there will be an interference zone, where reception is characterized by fading and distortion, in the intermediate region where the fields laid down by the two stations are of nearly the same strength. The desired requirement is that the interference zone shall not infringe on the normal service areas of either station, but shall lie wholly between them.

"From this, two things are evident. First, there is a limit on how close together it is satisfactory to operate stations on the same frequency. The distance which should separate the stations is dependent upon the station powers and the other factors which affect the size of the normal service areas, and also on the size of the interference zones. Secondly, since the service areas of two stations operating on the same frequency cannot be contiguous, a given geographical area cannot be completely served by a network of stations operation on a single frequency. At least two, and theoretically three, frequencies must be used, the stations being so staggered that the normal service areas of the stations on one frequency fall on the interference zones of the others.

"A further matter which affects the size of the interference zone and therefore the spacing of the stations is the equalization of the program delays. If, because of the propagation time of the program circuit, the program reaches one station slightly later than another, an additional source of interference to the listener who can hear both stations is produced, which tends to increase the size of the interference zone. The experimental work showed a definite improvement in certain regions on the fringes of the interference zone when the program delays were equalized, but opinion differs as to whether as a practical matter the improvement justifies the expense. It may be noted that the program delays are equalized in the case of

the Columbia stations KFAB and WBBM. However, the difficulty of doing this increases with the number of stations on the network, in view of the desired flexibility as to possible points of origin of the program.

"There are four principal methods of obtaining common frequency operation of broadcasting stations:

- "(1) Equipping the stations with carrier generators of sufficient stability to permit independent operation with the necessary accuracy on the same frequency.
- "(2) Adjusting the frequency of one station to that of another, the adjustment being based upon or controlled by the carrier beat at some intermediate monitoring point. This method is probably not adaptable to a system of more than two stations.
- "(3) The derivation of the station carriers directly by frequency multiplication from control or reference currents transmitted to the stations by wire from the same source.
- "(4) The control of the frequency of the locally generated carriers, by automatic comparison with control or reference currents transmitted to the stations by wire.

"The first method is the one in use in England. The second was used with considerable success in the case of WOC and WHO. The third is used by one of the German networks, by the pair of stations WBZ and WBZA, and by the pair WJZ and WBAL, while the fourth is employed in the other German network, and in this country in the case of Stations KFAB and WBBM.

"We have in mind a variation of method (4) in which instead of furnishing continuous control to the stations over special control circuits, intermittent control may be furnished over the program circuits themselves for a few seconds every 15 minutes during the station announcements. With the present day stability of crystal oscillators, a correction every 15 minutes should suffice to meet the requirements. This would considerably reduce the cost. The development of this method has not been carried through to completion because of the lack of activity in common frequency broadcasting in this country.

"It appears to us that the advantages of common frequency broadcasting warrant its further development with the aid of the broadcasting companies and of the Federal Communications Commission."

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WARNER BROTHERS REPORTED THREATENING TO FORM NETWORK

Warner Brothers, now engaged in a dual scrap with the American Society of Composers and the major networks over copyright issues, is reported to be threatening to organize a radio network of its own to form not only an outlet for its motion picture talent but for the popularization of the songs it controls as well.

Harry Warner was reported to have made an indefinite statement at Kansas City last week that Warner Brothers would establish a coast-to-coast broadcasting chain.

Commenting on the report, Billboard, under a Los Angeles dateline said:

"The rumors of a planned third chain backed by Warner Brothers' money, has been in circulation for many weeks; in fact, ever since the break with ASCAP. Rumor has been gaining impetus on the Coast with the presumption that Warners seek greater outlet for their music from films and product from several publishing subsidiaries.

"It appears that the deals now on tap will be consummated within several months, in time for agencies and sponsors to buy time for the Fall. Inside tips are linking WOR, Newark, 50,000 watt, as a possibility for the Eastern big station which will stretch a web to KFNB here, which is owned by Warners."

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ZENITH BIDS \$750,000 FOR GRIGSBY-GRUNOW PROPERTY

At a Receiver's Sale, Irving Herriott, General Counsel for Zenith Radio Corporation, on March 10th, bid \$750,000 cash for the real estate, good-will, patents, trademarks, machinery, personal property, etc., of the Grigsby-Grunow Company, according to the Dow-Jones Exchange.

Frank McKey, Trustee in Bankruptcy for Grigsby, recommended to the Referee that the Zenith bid be rejected. The Referee continued the hearing until 11 o'clock Monday, March 16.

John Ready, whose principals are unknown, was the only other bidder for the property. Bidding started at \$600,000 and Mr. Ready's last bid was \$725,000.

Zenith is known to be considering moving into larger quarters because the substantial improvement in business it has enjoyed in the past year has taxed the present facilities, the Dow-Jones report stated.

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STEWART PROBABLY NOT GOAT IN FCC PROBE

The Federal Communications Commission is preparing its defense of the aid given the Senate Lobby Committee in examining thousands of telegrams in the Washington offices of telegraph and radio-telegraph companies last Fall.

The defense, it is said, will point out that the procedure was merely incidental and supplementary. The FCC will assert that Senator Black (D.), of Alabama, has no telegrams in his possession not obtained under subpoenas issued by his Committee and that telegraph companies were not ordered by the Commission to permit Lobby Committee investigators to inspect messages.

Minutes of an FCC meeting of September 25, 1935, show that the full Commission gave Irvin Stewart authority to cooperate with the Senate Committee. This, it is believed, will prevent Commissioner Stewart from becoming the goat of the inquiry as it appeared after Anning S. Prall, Chairman, denied having anything to do with the investigation.

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SARNOFF TALKS ON "RADIO AS FORCE IN CRIME CONTROL"

"What is the relationship of radio to crime?" David Sarnoff, President of the Radio Corporation of America, asked in an address on "Radio as a Force in Crime Control" before the Herald-Tribune Round Table in New York March 12th. The address was broadcast by the NBC-WJZ network.

"Radio is the greatest means of mass communication at our command", he said. "It is a distributor of knowledge, of culture and of entertainment. Radio, therefore, can contribute the moral and mental enlightenment which should be the most effective deterrent of crime.

"But once the crime has been committed, radio takes its place as the longest arm of the police department, the speediest method of capturing the fleeing criminal.

"The part which radio plays in the detection and apprehension of the criminal is of recent date, but despite its youth, radio equipped police cars now patrol the principal cities of forty-three States. These cities have an area of 61,000 square miles, and more than 40,000,000 inhabitants. Such police cars are as closely in touch with headquarters as if a wire connected each one of them with their central police station.

"Radio has been used effectively against kidnapping, the most terrible of all crimes. Strangely enough, one of the

earliest instances of this use was in the kidnapping of the four year old son of Dr. E. F. W. Alexanderson, inventor of the famous Alexanderson alternator, one of the most important developments in the history of radio. When his child was abducted in 1923, Station WGY in Schenectady broadcast a description of the boy for several days and Dr. Alexanderson personally used the microphone and asked the public to help in the search. Four days later, a man who heard the broadcasts in a nearby town was passing what he supposed to be an abandoned shack when he heard a child singing. He investigated and found the Alexanderson boy in the custody of an old woman, who, it was determined later, had no idea that she was taking care of an abducted child.

"What is believed to be the first use of radio to capture a fugitive from justice took place in a short-to-ship transmission in 1910. The criminal was the famous Dr. H. H. Crippen of England, who had murdered his wife and was caught on the high seas.

"Today, if a criminal is known to have escaped by ship, a warning and description can be put into the hands of the master of every ship, whether it is an hour or a week out of port. Recently, the police of Poland flashed by radio, a photograph of a suspected forger. As he walked down the gang-plank in New York, he was quickly identified and arrested.

"Among other radio aids now at the command of the police are such devices as the photoelectric cell activated by a beam of invisible, or infra-red light, thus forming a surprise 'crime alarm' which an intruder on the protected premises cannot circumvent. Then there is the so-called 'gun detector', now in use in an increasing number of prisons, to prevent the smuggling of weapons or tools by convicts from workshops to their cells.

"Many other radio devices aid the work of the police. By means of facsimile transmission, rogues' gallery pictures and finger-prints can be flashed instantly across the continent or across the sea."

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PRALL BEGINS SECOND TERM AS FCC CHAIRMAN

Anning S. Prall, of New York, who on March 11th began his second year as Chairman of the Federal Communications Commission, issued the following statement:

"Naturally, I am gratified over my reappointment by President Roosevelt to serve as Chairman of the Commission for another year. It will be my constant effort to justify his trust in me by equipping my office in the best interests of the people of the United States.

"In appraising the work of the Federal Communications Commission it should be kept in mind that, except for radio, the Commission has undertaken an entirely new work. It is breaking new ground in the regulation of telephones and telegraphs. Of necessity, this work has been slow and arduous. The Commission was desirous of avoiding mistakes that might result from undue haste.

"The Commission has not been infallible. It may have made errors of judgment but, I am confident, if it has made any they are inherent in the functioning of any new organization and it will profit by them in its future work."

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ELLIOTT ROOSEVELT IS NEW DIRECTOR OF KTSA

Elliott Roosevelt, who has taken the leading role in the Hearst acquisition of two Texas stations - KTSA, San Antonio, and KNOW, Austin - was recorded in Austin this week as a Director of the KTSA Broadcasting Company, which is the Hearst subsidiary.

The Southwest Broadcasting Company, of San Antonio, at the same time filed an application with the Federal Communications Commission, for permission to assign the license for KTSA to the KTSA Broadcasting Co.

The latter organization was chartered with a capital stock of \$500,000 paid in 500 shares. R. F. McCauley, of New York City, holds 498 shares, and W. L. Mathews and Clinton G. Brown, Jr., of San Antonio, one each.

A report meanwhile came from Philadelphia that Hearst is angling for WFIL, Philadelphia. Apparently engaged in forming a new radio chain, the publisher now controls eight stations, subject to FCC approval of the Texas purchases, and is seeking to buy WMAL, one of the NBC outlets in Washington.

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HEARING IN "BROOKLYN CASES" AGAIN POSTPONED

The Federal Communications Commission this week again postponed the new hearings on the so-called "Brooklyn" cases until May 7, 1936. The hearing had been scheduled to start April 6.

Involved in the cases are the former FCC proposal to delete WLTH, WARD, and WVFW and to increase the time of WBBC on 1300 kc. and to grant a new construction permit to the Brooklyn Daily Eagle for operation part-time on the same frequency.

The cases have become deeply involved in politics since the Commission agreed to rescind its order for deletion and to hold new hearings.

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COMMITTEE WRANGLES AS COPYRIGHT HEARINGS CONTINUE

The House Patents Committee ended its third week of hearings on the Duffy, Sirovich and Daly Copyright Bills March 12th in a row between Senator Duffy (D.), of Wisconsin, and Representative Daly (D.), of Pennsylvania, with Representative Deen (D.), of Georgia, threatening to withdraw from the Committee.

Although James W. Baldwin, Managing Director of the National Association of Broadcasters, had expected to be called early in the week, the only witnesses heard were Senator Duffy and Dr. Walter McClure, of the State Department. Mr. Baldwin hopes to be heard next Tuesday, when the hearings are resumed.

Congressman Deen's threat to withdraw from the hearings was made after Messrs. Duffy and Daly had exchanged sharp words and the Senator had complained that he was being "badgered".

Senator Duffy had reiterated previous charges of "racketeering" on the part of the American Society of Composers, Authors and Publishers, particularly in their dealings with inn and tavern keepers.

On Tuesday Senator Duffy characterized as "silly" charges that the power trusts had influenced the preparation of his copyright bill. He said the measure had been drafted by two State Department employees, two Government copyright experts, and a Department of Commerce authority in a series of meetings with him. In answer to a question, he said the bill had the approval of the Administration at its inception and he believed it still had.

Most of his testimony had to do with the provision eliminating the \$250 minimum copyright infringement penalty. He spoke of officials of ASCAP as "arbitrary and arrogant" in their dealing with hotel and inn owners.

Dr. McClure, who was one of the State Department men who aided in drafting the Duffy Bill, appeared to defend the measure. Speaking on the exclusion of the \$250 infringement penalty, he said:

"It is a question of whether there is to exist in American law protection for the thousands of Americans who own radio sets or the 1,000 members of the American Society of Composers, Authors and Publishers.

"Owners of radio sets, even if they do use them incidentally for profit, should be free to use them without this type of molestation."

Under cross-examination neither Mr. Duffy nor Dr. McClure offered any specific instances of alleged extortion by ASCAP and both said they were unfamiliar with the rates and fees charged by the Society.

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::: INDUSTRY NOTES :::
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Because of delay in printing report forms required under Section 219 of the Communications Act of 1934, the Federal Communications Commission has extended the period for filing such reports by carriers and persons directly or indirectly controlling carriers for 45 days. The reports would have been due April 1 without the extension.

The Old Dominion Broadcasting Co., CBD subsidiary which operates Station WJSV, has filed an application with the Federal Communications Commission for a construction permit for a new general experimental station to be operated on 31,600, 35,600, 38,600, 41,000, 86,000-4000,000, 401,000 kc. and above, 100 watts, A3 and special emission.

The National Broadcasting Company has applied to the Federal Communications Commission for a construction permit to install new equipment for Station KGO, San Francisco, and to increase its power from $7\frac{1}{2}$ KW to 50 KW and to move transmitter to near Belmont, Cal.

Sutton Laboratories, Inc., Chapel Hill, N. C., is charged in a Federal Trade Commission complaint with unfair competition in the sale of "Linoil", offered as a remedy for treating diseases of the feet. The respondent's representations, allegedly made in radio broadcasts and in advertising matter, to the effect that "Linoil" will cure exzema, that it is effective in the treatment of athlete's foot, ringworm, or other fungus infections of the feet, in all cases, and that it is an adequate and safe treatment for toe itch of all forms, are untrue, according to the complaint.

With the acquisition of two new men, the NBC Radio City announcers staff officially attains its full complement of twenty-six. These latest recruits are Jack Costello, formerly of KSTP, St. Paul, and John Fraser, who received his microphone training at Massachusetts and Connecticut stations.

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ASCAP ISSUES FIRST INTERNATIONAL COMPOSERS' DIRECTORY

A directory of composers, authors and publishers of musical works and of performing rights societies throughout the world, as of January 1, 1936, has just been compiled by E. C. Mills, General Manager of the American Society of Composers. A copy of this work, which contains the names of 45,000 composers and publishers in twenty-five countries, and which is about the size of a telephone directory of one of our large cities, has been sent to every licensed broadcaster in the country with the compliments of the Composers. The directory is not for sale.

It is believed to be the first publication of its kind ever issued and, according to Mr. Mills, has received 100% approbation of the broadcasters and other users of the works.

The composers are identified by nationality, and the society to which they belong. There is a foreword containing a resume of the copyright laws of the United States and the copyright relations of this country with all foreign countries as well as an extensive bibliography of copyright and citation of leading decisions throughout the world under litigation affecting copyright.

"It is our hope that a substantial service will be rendered to licensees of the American Society of Composers through publication of this listing", Mr. Mills said in the foreword. "So far as we know, it is the first publication of such a listing that has ever been attempted, and errors incident to translation and unavoidable delays conducting correspondence with foreign countries may have occurred. We shall be grateful to have any such called promptly to our attention."

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RCA "B" STOCK REPLACEMENTS IN N. Y. EXCHANGE

Holders of "B" stock in the Radio Corporation of America are being advised that the certificates of deposit which they will receive in exchange for their stock under the company's plan of recapitalization have been listed on the New York Stock Exchange.

In making that announcement, David Sarnoff, President of the RCA, added that the corporation had received from its counsel an opinion that stockholders exchanging their "B" stock under the plan will not realize taxable gain or deductible loss under the present Federal Revenue Act.

The Radio Corporation will issue the new First Preferred Stock, bearing dividends from April 1, 1936, as soon as the recapitalization plan has been declared operative. A special meeting of stockholders to vote upon the plan has been called for April 7, the date of the annual stockholders' meeting.

The recapitalization plan provides for the redemption of all the outstanding 7 per cent "A" Preferred stock of the Radio Corporation at the call price plus accrued dividends, and for the exchange of its "B" Preferred stock for a new \$3.50 Convertible First Preferred stock and Common stock, at the rate of one and one-fifth shares of the new Preferred stock and one share of Common stock for each share of the present "B" stock.

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WARNER MUSIC FIRMS FILE 21 MORE DAMAGE SUITS

With 239 radio stations throughout the country licensed to broadcast songs copyrighted by the Warner Bros. music publishing companies, additional actions against non-licensed stations continue to be filed. Twenty-one new infringement suits have just been filed throughout the country by correspondent attorneys for the music companies, bringing the total number of actions against unlicensed radio stations to ninety-seven.

The twenty-one latest suits filed include seventeen against radio stations KSCJ KTRH WHAS KVOR WBRC WALA KLRA WSBT WREC WCAO WBT KWKH WQAM WFBL WSJS WWL and WJR for the alleged infringement on January 23rd of "That Old Fashioned Mother of Mine." The suits are being brought by Harms, Inc., publishers of the song, and damages of \$5,000 are being sought from each of the seventeen stations. Other stations named in similar suits are: KWKH, \$5,000 damages Station KWKH for alleged infringement on February 17th of song "Three Little Words; Remick Music Corp., another Warner music publishing subsidiary, bringing suit against Station WOCL, Jamestown, N.Y., for alleged infringement Feb. 26th of "Whistle and Blow Your Blues Away"; M. Witmark & Sons is also suing WOCL for alleged infringement of "The Words Are In My Heart" on February 26th; Witmarks have also filed an action against WSOC, Charlotte, N. C., for the alleged infringement on February 23rd of Victor Herbert's "Gypsy Love Song".

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APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WDBJ, Times-World Corp., Roanoke, Va., CP to install new equipment, increase day power from 1 to 5 KW, move transmitter and studio locally in Roanoke; WIOD-WMBF, Isle of Dreams Brdstg. Corp., Miami, Fla., CP to install new equipment; WRJN, Racine Brdstg. Corp., Racine, Wis., Mod. of CP covering changes in equipment, approval of antenna and transmitter site from Racine to Mt. Pleasant, Wis.; KBIX, Oklahoma Press Pub. Co., Muskogee, Okla., Mod. of CP approving transmitter site and studio in Muskogee, and proposed antenna system; KYA, Pacific Brdstg. Corp., San Francisco, Cal., Consent to voluntary assignment of license to Hearst Radio, Inc.; KWBG, W. B. Greenwald, Hutchinson, Kans., consent to voluntary assignment of license to The Nation's Center Broadcasting Co., Inc.; WHBL, Press Pub. Co., Sheboygan, Wis., CP to move station locally and make changes in equipment and antenna system.

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