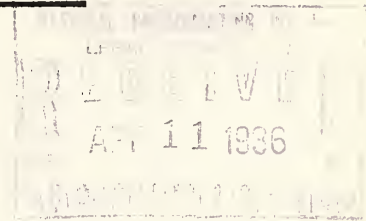


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ACCEPTANCE OF "ALL-WAVE" DESIGNATION BY FTC SEEN

An outstanding point of discussion at a three-hour hearing at the Federal Trade Commission last Tuesday morning on proposed trade-practice rules submitted by the Radio Manufacturers' Association was whether or not the advertising of radio sets as "all-wave", covering a continuous spectrum of frequencies from 540 to 18,000 kc. conveyed the proper impression of their performance to the buying public. The proponents of the all-wave designation claimed that while there were a few programs broadcast outside of the 540-18,000 kc. range that this was a fair designation in the present state of the art. This was almost unanimously borne out by testimony of Government officials and radio industry representatives.

That the proposed trade practice rules would be adopted with few changes was indicated by their endorsement by Secretary of Commerce Daniel C. Roper, and Andrew Ring, Acting Chief Engineer of the Federal Communications Commission. Secretary Roper urged that they be adopted without change. Mr. Ring wrote that the 540-18,000 kc. designation was proper at this time.

The RMA committee in charge of the proceeding before the Trade Commission consisted of James M. Skinner, of Philadelphia, Chairman, and James L. Schwank, of Philadelphia, Commander E. F. McDonald, Jr., and A. S. Wells, of Chicago, and George A. Scoville, of Rochester, N. Y. Leslie F. Muter, of Chicago, President of the Association, was present. Witnesses for the industry were presented by Bond Geddes, Executive Vice-President, and Judge John W. Van Allen, counsel, of Buffalo, also participated in the proceedings.

Mr. Skinner, the first witness, who is President of the Philadelphia Storage Battery Company, said that the 540-18,000 kc. range was a correct definition of an all-wave set. W. W. Bays, Commission Attorney, asked him how he knew a set could bring in those frequencies. Mr. Skinner replied because that was the way it was designed. Mr. Bays wanted to know if each set was tested individually and how. He asked if a five-tube set would be able to pick up Japan and Australia.

"Yes", Mr. Skinner replied, "but not as well as a 12-tube set."

A provision was urged by H. J. Kenner, of the New York City Better Business Bureau which would prohibit disparagement of or attacking competitors. As an "unfortunate" example of this he cited the recent controversy between the metal and glass tube manufacturers. Mr. Kenner said that the manufacturer should set the good example to the dealer. He declared that certain radio

advertising copy was misleading. As an instance, the speaker referred to the RCA Victor advertising of the "Magic Brain" and "Magic Eye" sets in which the impression was conveyed that the buyer could get these in the lower priced receivers.

The endorsement of the proposed rules by Secretary of Commerce Roper was read by Andrew W. Cruse, Chief of the Commerce Department Electrical Division. "I approve the recommendations submitted", Secretary Roper wrote, "and hope they will be adopted without change, provided the radio manufacturers have no objection."

While the 540-18,000 kc. designation "all-wave" description might do for the present, H. Diamond, an engineer of the Bureau of Standards, believed it would have to be revised later. He suggested that the designation be "Standard All-Wave" set. R. L. Clark, of the Federal Communications Commission, said he considered the all-wave designation satisfactory.

Dr. J. H. Dellinger, of the Bureau of Standards, said that technically "he couldn't see" the 540-18,000 all-wave designation but inferred that as a commercial designation it was probably fair. During the course of his remarks Dr. Dellinger spoke of a noise suppressor which had been invented by J. J. Lamb for high frequency sets. "It is an ingenious device for sharp sudden impulses", Dr. Dellinger explained with apparent enthusiasm, and it deals especially with such interference as automobile ignition."

Asked by Dr. W. R. G. Baker, Vice-President of RCA Victor, what his specification of an "all-wave" set was, Dr. Dellinger replied, "That varies with the viewpoint. To me an all-wave set would range from 15 kc. to 2,000,000 kc." Dr. Baker replied that the Commission was trying to define the term for the consumer adding: "It is not practicable to build a radio set to cover the technical term of 'all-wave'." The Bureau of Standards expert agreed to this. However harking back to the suggestion of Mr. Diamond, Dr. Dellinger observed, "The word 'standard' is good. The word 'all' isn't." Dr. Baker contended that "all-wave" was understood and accepted by the consumer, that it had been adopted upon the recommendation of the Federal Communications Commission, and that the definition was adequate in the present state of the art.

Mr. Geddes in presenting data on all-wave sets throughout the world to the Trade Commission, included magazines of foreign countries carrying references to "all-wave" sets showing that the expression was universally used. Mr. Skinner said, in conclusion, that all the manufacturers wanted to do was to prevent dealers calling sets which didn't have the 540-18,000 kc. range "all-wave" sets.

Mrs. S. P. Muchmore, Assistant Manager of the Washington Better Business Bureau, said that in trade practice in other industries that tolerances were allowed from 2% to 15% such as the expression "all-wool". This she said had been approved by the Federal Trade Commission and that like tolerance, she believed, should be shown in the expression "all-wave".

At the conclusion of the hearing, Judge George McCorkle, Director of Trade Practice Conferences, said the proposed rules would be submitted to the Federal Trade Commission, along with their recommendations, and later, after the Commission has given the matter its attention the rules, if changed, will be sent to the Radio Manufacturers' Association for acceptance. When an agreement is reached by those two bodies, then a copy of the revised rules will be sent to every member of the industry requesting their acceptance.

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RMA MEMBERSHIP MEETING JUNE 18-19 IN CHICAGO

Directors of the Radio Manufacturers' Association, meeting in Washington this week, scheduled the Twelfth Annual Meeting of RMA for June 18-19 at the Stevens Hotel in Chicago. The meeting will come between the Republican and Democratic National Conventions.

Bond Geddes, Executive Vice-President, said the program will include the usual business sessions, election of officers, a golf tournament, and a concluding banquet.

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PUBLISHERS' BATTLE SEEN OVER RADIO-PRESS BUREAU

A spirited battle among members of the American Newspaper Publishers' Association is expected at the annual meeting on April 20th because of widening divergences of opinion on the relationship of broadcasting and newspaper publishing. Whether the Press-Radio Bureau will be continued and whether the publishers will try to enforce a ban against the sale of wire news reports to stations for sponsorship are questions that may split the association.

E. H. Harris, Chairman of the Publishers' National Radio Committee, is leading the fight to force United Press and International News Service out of the field of marketing their services to radio stations. Aligned with him is the Associated Press, which is prohibited by his charter from selling news.

Stating that the two independent press associations will resist any restrictive ANPS policies, Newsdom said, in an editorial:

"It is now an old story that radio flashes help rather than hinder the progressive newspaper. We only hope that the publishers attending the convention will realize it and will put their thumbs down on the Press-Radio Bureau.

"In the final analysis, the bureau is a veiled monopoly aimed at the independent press associations."

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KVOS-AP CASES CARRIED TO U. S. SUPREME COURT

The United States Supreme Court has been asked to review an injunction granted by the Ninth Circuit Court of Appeals restraining Station KVOS, Bellingham, Wash., from broadcasting Associated Press news reports until 18 hours after publication.

An appeal filed by KVOS asserted "the Circuit Court has erroneously and improvidently usurped the functions of Congress" in granting the temporary restraining order.

"Newspapers", its petition said, "are entitled to protection up to the time of publication, but no longer; they are entitled to protection as long as news events remain confidential and within their own circle, as against competitive news gathering agencies and others, but never past the point of publication, and in no case, after distribution and sale."

The litigation was started by the Associated Press, which contended the radio station was "pirating" news dispatches from the Seattle Post-Intelligencer, the Seattle Times and the Bellingham Herald, all Associated Press members.

The Federal District Court for Western Washington dismissed the press association's bill of complaint, but was reversed by the Appellate Court. The Supreme Court probably will announce within a month whether it will review the controversy.

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CBS MAKES DEAL WITH MCA AFTER AFM DIFFICULTIES

Columbia Broadcasting System is turning over the job of orchestral bookings to the Music Corporation of America as soon as present contracts expire. The deal, it is reported, was inspired by the demands of the American Federation of Musicians.

Joseph Weber, President of AFM, is reported to have advised CBS it would have to give up its booking of bands because of unfair competition created by the network being able to sell broadcast periods in conjunction with bands booked at night clubs or hotels. CBS also is said to have had trouble with James Petrillo, head of the Chicago branch of the AFM.

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RADIO INDUSTRY STUDIES IMPLICATIONS IN CRAVEN REPORT

Engineers in all branches of the radio industry were closely scrutinizing this week the general report of Commdr. T.A.M. Craven, Chief Engineer of the Federal Communications Commission, which led the FCC to call a public hearing for a sweeping inquiry into radio problems and policies on June 15th.

The consensus was that the report is an excellent bit of diplomatic writing in that it adopts both the conservative and the progressive views of the industry at once. While proposing to protect the status quo, it suggests that experiments and evolution be allowed free rein.

The industry will await with keen interest the subsequent reports, which Commander Craven explained will go into more detailed recommendations for the benefit of the several divisions charged with control of communications.

Finally, the decisions as to policies must come from the Commission itself, the report indicated, and they must be flexible enough to be changed as technical progress in the art of radio transmission continues.

The report should serve a dual purpose in this presidential election year in that it will please most of the industry, including established wire services who are threatened with radio competition, and it should forestall any further demands from Congress for an investigation or a reallocation of broadcasting facilities at least until next year.

Several days after the report was submitted to the FCC, mimeographed digests were made available to the press with recommendations renumbered so that the deletion of two controversial proposals would not be apparent.

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RADIO COLUMNS REAPPEAR IN HEARST NEWSPAPERS

After abruptly ordering all radio columns eliminated from his string of newspapers, William Randolph Hearst is apparently letting them creep back in one by one, just as often occurs on Hearst papers after an efficiency man has dismissed employees in an economy drive.

Radio columns have reappeared in the New York American and the Baltimore American and are expected to return to other Hearst papers shortly.

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NBC DROPS HOSTESSES, BONUSES IN ECONOMY MOVE

Continuing the economy curtailments instituted when Maj. Lenox Lohr became President, the National Broadcasting Company is making further reductions almost weekly in the New York headquarters. The reported goal is a saving of \$1,000,000 a year in operating expenses.

About 25 hostesses, constituting the entire force, were given two weeks' salary and dismissed this week following a consolidation of office personnel and service units. Pages will replace the hostesses and will do messenger service as well. NBC has employed hostesses since 1925, when WEAH hired the first, at 195 Broadway.

In another reduction, NBC is reported to have placed all time salesmen on a strict salary basis, withdrawing all previous bonuses and commissions. Salaries were said to have been raised, however, as a partial compensation.

Major Lohr meanwhile resumed direct supervision of station relations in a move to make more personal contacts with station executives. He is planning to make a tour this Summer of NBC owned and affiliated outlets over the country.

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INSULL CHAIN SIGNS 20TH STATION

Radio station WKBB, Dubuque, Iowa, will serve the Affiliated Broadcasting Company as the outlet for ABC programs in the Dubuque area when this newest of regional networks begins operations the latter part of this month, it was announced April 9th at the network headquarters in the Civic Opera Building, Chicago. WKBB, which will be connected with the Wisconsin group of ABC stations, is the twentieth station to affiliate itself with the new radio chain of which Samuel Insull is President,

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RCA TELEVISION PROJECT PROGRESSING

The Radio Corporation of America's three-point plan for television development is proceeding on schedule, according to an RCA announcement. The transmitter, located in the Empire State Building, New York City, is being installed. The television studio, which is located in the NBC plant at Radio City, and which will be connected by radio with the transmitter, is nearing completion.

When everything is in readiness for emission of pictures, a number of test receivers will be operated by technicians of the RCA Engineering organization, throughout the New York area. These field tests will begin toward the latter part of the year. In this way, the various problems involved in television transmission and reception, from the technical standpoint, will be studied.

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MILLS DENIES BAN ON MARION DAVIES' SONG PLUGS

The American Society of Composers, Authors, and Publishers is not blocking song plugs of the new Marion Davies motion picture, as reported by an amusements periodical, according to E. C. Mills, General Manager of ASCAP. The refuted report which was reprinted in this letter last week was that ASCAP's ban was an outgrowth of the copyright fight because Warner Brothers released the motion picture.

The report also inferred that Warner Brothers and Hearst might align themselves against NBC and CBS and ASCAP.

"ASCAP is not 'blocking' any song plugs on any music at any time or under any circumstances", Mr. Mills said. "Broadcasters themselves, individually, who do not hold license of the Music Publishers Holding Corporation are not including any compositions controlled by that corporation in their programs and quite properly, as to do so in the absence of a license from the copyright owner would constitute infringements of copyrights.

"ASCAP has nothing whatever to do with the matter, directly or indirectly. The Music Publishers Holding Corporation and its respective subsidiaries are not members of ASCAP. Therefore, broadcasters who do not hold the license of the Music Publishers Holding Corporation very properly refrain from the public performance of any of their respective copyrighted musical works.

"As a matter of fact, ASCAP enjoys the very friendliest relationship with all of the radio stations presently affiliated with the Hearst interests."

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RCA RECAPITALIZATION APPROVED; KENNEDY GETS \$150,000

The recapitalization plan of the Radio Corporation of America was approved by a stockholders' vote of 11,341,635 to 11,312 or 1,000 to 1 at a special meeting April 7th in New York City. At a Directors' session after the meeting of stockholders the plan was declared operative, and the time for the deposit of Class B Preferred shares in exchange for the new \$3.50 dividend in First Preferred shares was extended to May 1st.

Joseph P. Kennedy, former Chairman of the Securities and Exchange Commission, disclosed that he received a fee of \$150,000 to devise the recapitalization plan. He said \$30,000 of this was used to pay for statistical and accounting services.

The Recapitalization Plan provides for the redemption of all the outstanding 7 per cent. "A" Preferred stock of RCA at the redemption value of \$55 a share, plus accrued dividends. Cash in the treasury and ten million dollars borrowed from banks at an interest rate of 2-1/2 per cent a year is to be used for this.

The bank loans are for five years with the right of prepayment at any time. Redemption of the "A" Preferred stock will eliminate annual dividend requirements of \$1,734,600. The interest on the ten million dollar bank loan amounts to only \$250,000 a year.

The second principal provision of the Receptitalization Plan is for the exchange of "B" Preferred shares at the rate of 1-1/5 shares of a new \$3.50 Cumulative Convertible First Preferred and one share of Common for each share of "B" Preferred. The new First Preferred will bear dividends from April 1, 1936. It will rank ahead of all other classes of stock, will have one vote per share, and will be callable at \$100. For a period of 5 years it will be convertible at the rate of 5 shares of Common stock for each share of First Preferred.

David Sarnoff, President of RCA, in a report to the stockholders called attention to the progress made by RCA in research, development, and organization and cited the need for an American communications policy.

Speaking of RCA experiments in television, he said that tests of the visual broadcasting transmitter being installed atop the Empire State Building will start June 29th.

Newton D. Baker, Cornelius N. Bliss, Bertram Cutler and General James G. Harbord were unanimously re-elected Directors for three-year terms. Although Rockefeller Center has sold its entire holdings of 100,000 shares of Class A stock, Mr. Cutler, who owns 200 Class B Preferred shares and who is considered to be a representative of the Rockefeller interests, remains on the Board.

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AUSTRALIAN RADIO INDUSTRY PREFERS AMERICAN TUBES

While the sale of American-made radio receiving sets in Australia in any volume is impossible under existing tariff conditions, there is a substantial demand in that market for American-made parts, especially tubes, according to a report to the Department of Commerce from Assistant Trade Commissioner W. C. Flake, Sydney.

In the fiscal year ended June 30, 1935, Australian imports of tubes were valued at £327,390 (\$11,272,000) against £191,122 (\$765,000) in the preceding fiscal year. American makes accounted for £135,055 (\$524,000) and £125,364 (\$501,000), respectively, in the two periods. Total imports of other radio parts were valued at £73,232 (\$284,140) in the 1934-35 period compared with £41,207 (\$164,828) in the preceding fiscal year of which the United States accounted for £43,034 (\$167,000) and £27,253 (\$109,000) respectively.

Domestic production of receiving sets in Australia in 1935 is estimated to have amounted to approximately 145,000 units, a total of 30 per cent less than the preceding year's output. However, the outlook for 1936 is more promising, the report points out. Manufacturers are now giving much attention to the all-wave receiver and it is anticipated that a substantial demand will develop for this type. Another favorable factor is the establishment of broadcasting stations in smaller cities and towns, thus providing better reception for the four-tube sets popular in the farming communities. The sale of automobile radios is also increasing and it is predicted in trade circles that domestic production in 1936 may approximate 175,000 receiving sets, it was stated.

At the end of 1935 there were 770,152 licensed radio sets in operation in Australia compared with 681,634 at the close of 1934 and 337,654 in 1931. The number of new listeners' licenses issued during 1935 totaled 169,621.

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Federal Communications Commission hearings in the American Telephone and Telegraph investigation will not be resumed before 10 A.M., April 20th, instead of April 14th, as previously scheduled, it was announced this week.

Dorman D. Israel has been appointed Chief Engineer of the Emerson Radio & Phonograph Company, New York. He was formerly connected with Crosley Radio Corp.

The Daily News Corporation, St. Paul, Minn., has filed an appeal in the United States Court of Appeals of the District of Columbia against an order of the FCC of March 19th granting a construction permit for the erection of a new station at St. Paul to use 1370 kc., 100 watts, unlimited time. The plaintiff contends it had a similar application pending since August 14, 1935.

The Mutual Broadcasting System is negotiating with WOL, Washington, to join its network.

C. Ellsworth Wylie, General Manager and Sales Manager of the Don Lee Broadcasting System for several years, has opened his own advertising agency under the name of C. Ellsworth Wylie Co., with offices in the Beau Arts Building, Los Angeles. Mr. Wylie resigned from the Don Lee organization the first of March.

Four music publishing subsidiaries of Warner Bros. Pictures, Inc., Harms, Inc., M. Witmark & Sons, Remick Music Corp. and T. B. Harms Co., have filed 36 more suits for alleged infringement of their copyrights against radio stations, night clubs, hotels and restaurants in and out of New York. The smallest amount of damages demanded is \$250, the largest \$10,000.

The final performance of the Philco Amateur Series, which has been broadcast over Station WIP, Philadelphia, during the past Winter, was presented Saturday, April 4th. So popular were these programs with the Philco employees, and so great was the demand for tickets, that it was necessary to engage the Metropolitan Opera House, the largest theater in Philadelphia, for the last show in order to accommodate the crowd.

John T. Rose, of Endicott, N. Y., was elected President of the Institute of Radio Service Men, Inc., last week at the Association's Fourth Annual Convention and Trade Show held at the Hotel Sherman in Chicago. He succeeds Edgar C. Arnold as head of the IRSM. Elected Vice-President was Harold Nitze, of Sheboygan, Wis., who succeeds Victor Gassere. Joseph E. Kamys of Chicago was re-elected Secretary-Treasurer. Ken Hathaway is Executive Secretary of the IRSM.

Harry E. Lawrence, 32-year-old electrical engineer employed by the National Broadcasting Company, was killed by an electric shock April 8th, while experimenting with a charged condenser in the broadcasting company's experimental television transmitting station on the eighty-fifth floor of the Empire State Building, New York City.

A new high-power broadcasting station at Lahti, Finland, was completed just before Christmas. It is broadcasting on a wavelength of 1,807 meters, with an aerial output of 220 kw. Subsequent to field strength measurements which are at the moment being carried out in the East Karelia province, it will be decided whether the output should be increased to 500 kw. or a new station (50 Kw) erected in Karelia.

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REDUCTION OF ELECTRICAL INTERFERENCE DISCUSSED

A general plan for reducing and possibly eliminating electrical interference to radio reception at its source is discussed in a preliminary draft of the United States report to be made at the Fourth Meeting of the International Broadcasting Union next year at Bucharest.

The suggested report, as released by the Federal Communications Commission, states, in part:

"Interference to radio reception caused by electrical machinery is assuming greater importance daily because of the increasing use of electrical equipment in industry and the professions, as evidenced by the recent widespread interference caused by diathermy equipment. The problem is one which naturally involves the manufacturers and users of electrical equipment, the manufacturers of radio apparatus, radio operating companies, and all government regulatory bodies, as well as the branches of the engineering profession, responsible for the design and operation of such equipment.

"Radio dealers and manufacturers, because of the affects on the sale of receivers and the satisfaction which customers derive from their use, are particularly interested in the reduction of electrical interference. Public utilities and operating companies are also interested because of their natural desire to retain the confidence and good will of the public. All users of electrical apparatus capable of causing interference to radio reception are similarly interested.

"Although theoretically it would be possible to equip all appliances and electrical devices in such manner as to prevent interference to radio reception, this would involve increased cost to the public and would not be entirely satisfactory, since devices entirely free from radio interferences when new must be maintained in first-class condition as long as they are in use if interference is to be completely prevented.

"Although it appears impossible and impracticable to eliminate all possible sources of interference, it is appreciated that some general method of approach should be established for use as a guide in adjusting specific cases as they arise. In the United States this work has been coordinated in a Committee on Radio Electrical Coordination of the American Standards Association, an effort being made to assure representation of all organizations interested in radio electrical interference problems.

"The scope of work undertaken by this committee includes the general subject of this question which is limited particularly to methods of eliminating radio electrical interference at its source. The problem may be divided into two separate parts:

"1. The inclusion of interference suppression devices in the design of electrical apparatus so as to prevent the continued manufacture, distribution, and sale of equipment causing interference.

"2. The locating of existing interference caused by apparatus already in use, and the determination of the necessary corrective measures to eliminate it.

"The first problem requires collaboration on the part of engineers and manufacturers of radio and electrical devices; the second, collaboration between manufacturers, users of electrical apparatus, organizations engaged in radio service, the manufacturers of radio interference suppression protective devices, and regulatory bodies.