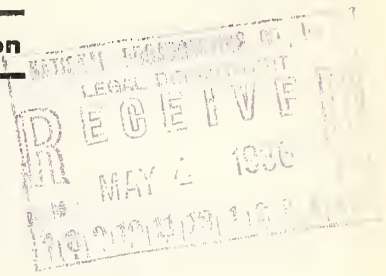


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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CONFIDENTIAL—Not for Publication



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FCC PASES COMMUNICATIONS POLICY BACK TO F.D.R.

Cognizant of the far-reaching consequences of its decision, the Federal Communications Commission this week asked for advice from President Roosevelt as to United States communications policy with regard to foreign service.

Unable to come to an amicable conclusion after three months, the FCC is expected to make an announcement shortly on the case involving the foreign circuits of the Mackay Radio and Telegraph Company and the RCA Communications Company, Inc., and any other commercial wireless services that may maintain foreign offices.

Anning S. Prall, Chairman of the Communications Commission, after a conference at the White House on Wednesday, said no decision had been reached. It is expected, however, that an announcement may be made by the Commission within a week or ten days at most.

Some members of the FCC are reported in favor of re-opening the case, while others are divided on whether to grant or reject the application of the Mackay Company to establish a communications office at Oslo, Norway. The application was vigorously opposed by RCA.

Whichever way the Commission decides the case, the aggrieved party will doubtless appeal to the District of Columbia Supreme Court and probably will carry the fight through to the highest tribunal.

The hearing, which started on January 13 and continued until the end of the month, started out innocently enough but soon developed into a bitter battle between Mackay and RCA with a significant question of policy raised and left unanswered.

The FCC decision is likely to have diplomatic, as well as commercial consequences in that the neutrality of the United States in case of a European war may well be at stake.

That the Commission considered the inquiry as broader than a mere matter of commercial rivalry between competing radio companies was indicated during the hearing when Irvin Stewart, the Chairman, agreed with a statement by Frank W. Wozencraft, attorney for the RCA, that the hearing was "perhaps the first, perhaps an early major step" toward establishing "an American communication policy for the first time." On this basis, Chairman Stewart admitted in evidence much testimony regarding the

history of radio communications, its development and the competitive situation now existing.

Mackay Radio's object in bringing the whole competitive situation into the picture was to prove that the RCA is virtually a monopoly. Ellery W. Stone, Operating Vice-President of the Mackay Radio and Telegraph Company of Delaware, the chief witness for Mackay, further clarified the motives of his company by stating, with reference to the RCA, that "you people have taken the business from our system and we are going to do everything we can with the help of this Commission to get it back."

RCA responded to this challenge by raising the issue of whether it is good policy for the United States to have its communications channels controlled by companies that are partly foreign owned and affiliated with alien communications systems. The Mackay Radio Company is owned by the International Telegraph and Telephone Company, much of the stock of which is owned by European interests. It has affiliations with foreign telegraph and cable companies.

The spokesmen for the RCA frankly admitted that they considered the whole matter a question of survival in the radio communications field. Their contention was that there is not now sufficient commercial radio business to make possible the profitable operation of two companies in the field. They denied they were a monopoly, but insisted there was no room in the field for a competitor.

With equal frankness the representatives of Mackay Radio stated they were willing to operate "in the red" if they could get radio communications facilities to primary points in key foreign countries. They made it clear they were desirous of establishing radio communications facilities to practically every important country. In most cases where they indicated a desire to have facilities, the RCA already has established circuits.

The question of American-controlled radio communications was brought into the hearing through the testimony of W. A. Winterbottom, Vice-President and General Manager of R.C.A. Communications, Inc.

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A bill has been introduced in the South Carolina Legislature to prohibit short-wave radio sets in automobiles without a permit from the Secretary of State. No restrictions on use of other automobile radios is provided. The South Carolina bill would require a permit for an auto-radio set receiving frequencies less than 50 meters.

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PRALL WARNS THAT TELEVISION HAS NOT "ARRIVED"

Speaking at the semi-annual coordination meeting of the Philadelphia National Emergency Council April 30, Annith S. Prall, Chairman of the Federal Communications Commission, warned against undue optimism over the immediate future of television and outlined briefly the purposes of the FCC engineering conference on June 15th.

Asserting that "visual broadcasting has not 'arrived'" and that the FCC will insist that it be kept in an experimental stage for a while, Mr. Prall said, in part:

"The FCC does not want to excite the nation's populace into the belief that television is 'here', or even that it will soon be here. Many people might then become the prey of unscrupulous stock promoters who always attempt to ride on the crest of publicity waves created by new inventions, developments or discoveries. I am going to step outside of my province tonight by advising against investments in unknown companies which claim to have basic patents in television. They cannot conscientiously or honestly promise returns on investments in visual radio because they do not know when or how it will arrive. Nor do we. And I reiterate, there cannot be commercial, practical television until we say the word by lifting the experimental requirements. That regulation will not be altered until we, of the Federal Communications Commission, are certain beyond any shadow of doubt that visual radio is technically perfected, that the many economic hurdles have been overcome, and that it will be sufficiently good to warrant public reception. When that will happen I cannot predict, because I am not endowed with clairvoyant powers.

"To chart the course for the future we of the FCC have called a general engineering hearing in Washington, to be held beginning June 15. At that hearing we expect the leading radio scientists of the nation to come forward. They will analyze present day radio, take a glimpse into the future and make recommendations as to what radio facilities should be assigned to particular types of services.

"This information will be placed before the seven members of the Federal Communications Commission. Upon the advice of our Engineers and Lawyers we will later decide what to do about providing for future needs.

"The problem of future allocations of facilities has crystallized in recent months because of the tremendous strides made by radio scientists in harnessing the so-called ultra high frequencies. These are the channels which only a few years ago were regarded as utterly worthless for communications purposes.

"Now, however, experimental television is going on in these upper reaches of the ether - the old 'no man's land' of radio. So is facsimile transmission and even experimental

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broadcasting over short distance. All of these services want large portions of the range from 30,000 to 100,000 kc. All of them cannot be accommodated to the extent they wish.

"Moreover, many engineers believe that some existing services like the transoceanic communications, aviation, police radio, government and even broadcasting, might be better off if they were shifted about on different wave bands, the characteristics of which seem better suited to the respective types of communication.

"Thus, you will readily appreciate that there will face the Federal Communications Commission a problem of determining whether it will be advisable to reallocate the entire spectrum. To this I say, - perish the thought as it would mean throwing into obsolescence millions of dollars invested in radio transmitting and receiving equipment of all kinds. It would also affect broadcast listeners by changing their dialing habits, inasmuch as stations picked up at one point of the dial would be switched to others under such a general realignment.

"Before the FCC will approve anything of so radical a nature, however, it would have to be convinced that a great amount of good would inure to the people of the country. While I am not a technician, I feel that many improvements can be made in the existing radio structure, but I cannot see why it should be necessary to alter the entire spectrum to make these improvements. Rather, it seems to me, they cannot be accomplished by gradual adjustments after a definite policy is laid down."

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ALABAMA TRADE FIGHTS THREAT OF TAX ON RADIO SETS

Vigorous protests from radio and electrical appliance dealers and distributors of Alabama have been sent to members of the State Legislature against a proposal to impose a \$1-a-year tax on all radio receiving sets in the State not now assessed as personal property.

The proposal was included in a revenue plan drafted by a special committee of State Senators.

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NEW NAVAL RADIO STATION PROVIDED IN MONEY BILL

Completion of a modern radio receiving station by the Navy Department in the vicinity of the National Capital is made possible by an appropriation of \$125,000 in the Naval Supply Bill reported to the House of Representatives this week.

The station is being built at Cheltenham, Md., about 15 miles from Washington. The site is removed from street cars, power lines, and the like that have disturbed reception at the present naval receiving station in the District of Columbia.

Testifying before the Sub-Committee, Rear Admiral Norman M. Smith, said:

"In order to provide positive communication with the fleet, it is necessary that there be constructed an urgently needed, modern, receiving station in the vicinity of Washington, D. C., to replace the present unsatisfactory facilities which now exist, for this most important link in the Navy's communication system. For years the Navy has struggled along with a makeshift receiving station in its most important communication center, Washington, D. C. The existing arrangement includes a monitor station at the Naval Research Laboratory, Bellevue, by means of which most of the radio signals are received and relayed by telephone wire to the Navy Department Communication Office. Modern receiving methods require diversity receiving antenna and when this requirements developed, the Naval Research Laboratory offered the only immediate solution of the problem. This arrangement, however, is highly unsatisfactory.

"The need for an adequate receiving station in Washington, D. C., area has long been recognized and the execution of this project has been deferred solely on account of lack of funds and the more urgent necessity of providing modern transmitting facilities in the Navy's two important strategic localities, Hawaii and the Canal Zone.

"The facilities to be provided consist of a master receiving station, including a modern operating building, receivers, operating tables, control panels, keys, measuring equipment, switchboards, automatic operating devices, emergency power supply, diversity receiving antennas, electric power transmission and telephone lines, control and other necessary land wires to and from the high-power transmitter station, and quarters for the operating personnel.

"The total estimated cost of the station is \$300,000, \$175,000 of which represents the projects authorized by congressional act of April 15, 1935. The work under this authorization

is being proceeded with, under funds made available from past Public Works balances. The remaining \$125,000 comprises those features which do not require authorization, but which are needed to place the station in commission."

The Committee appropriated a total of \$249,450 for improvements in radio facilities over the country.

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GENE BUCK AGAIN ELECTED PRESIDENT OF ASCAP

Gene Buck was re-elected President of the American Society of Authors, Composers, and Publishers last week at the annual meeting of the Directors in New York City. He has held the same position for more than a decade.

E. C. Mills, General Manager, was re-elected also, as was Nathan Burkan, General Counsel.

Others elected are: Louis Bernstein and Otto Harbach, Vice-Presidents; Joe Young, Secretary; Robert Crawford, Assistant Secretary; Gustave Schimer, Treasurer, and Sigmund Romberg, Assistant Treasurer.

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RMA NAMES COMMITTEE FOR FCC HEARING

The Radio Manufacturers' Association will have a large committee of outstanding engineers present at the hearing ordered by the Federal Communications Commission in Washington beginning June 15 on future allocations for radio services.

Dr. W. R. G. Baker, of Bridgeport, Conn., Chairman of the RMA Engineering Division, is in charge of RMA preparations for the hearing and has appointed on a special RMA committee the following members: L.C.F. Horle, C. B. Jolliffe, R. H. Manson, A. F. Murray, F. E. Johnston, Sarkes Tarzian, Dorman D. Israel and H. B. Marvin. A meeting of the RMA committee will be held in New York next Wednesday, May 6th, for intensive preparation of material to present to the Commission.

A committee report on the Commission hearings, which are expected to continue about two weeks and for which all other radio interests are making elaborate preparation, will be received during the annual RMA Convention in Chicago, June 18-19.

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SCIENTISTS DESCRIBE RADIO TRANSMISSION VIA PIPES

What may prove a revolutionary method of radio transmission among the ultra-high frequencies was described April 30 before a joint meeting of the American Physical Society and the Institute of Radio Engineers in Washington.

The new form of electrical transmission is by way of a hollow metal pipe and resembles the old fashioned speaking tube now largely discarded. The system was developed simultaneously in independent research at the Bell Telephone Laboratories and at the Massachusetts Institute of Technology. Papers describing the work were read by Dr. George C. Southworth, of Bell Laboratories, and Dr. Wilmer L. Barrow, of M.I.T.

The new electro-magnetic "pipe line", it was stated, "opens new prospects for the transmission of television, telephone and telegraph signals at high efficiency." The commercial application of the system, however, must await the development of apparatus for the generation, amplification and utilization of the extremely short radio waves, a vast and relatively unexplored field of communication.

While radio broadcasting stations use waves hundreds of meters in length in the highly congested region of transmission channels, the hollow tube method operates on waves only a few hundredths of a meter long. In this method, as described, the radio waves travel within and on the infinitesimally thin "skin" of the inside wall of the hollow metal tube, without interference from external signals or static.

Another feature of the system, Dr. Barrow's report states, is that the end of the conducting tube may be flared to form an electromagnetic horn to send directive radio waves into the atmosphere in much the same manner as an acoustic horn produces a beam of sound. The hollow tube may also be used as a filter to cut out low-frequency signals and pass high-frequency waves.

"Transmission of television signals from point to point, or between cities", the M.I.T. report stated, "offers a most promising field for this electromagnetic pipe line, provided apparatus capable of utilizing the very short waves can be developed for general commercial use. The unusual characteristics of the method are well adapted for transmitting the wide-frequency range demanded by television.

"The tube system of transmission also opens up stimulating prospects in other fields, including the possibilities of its use in direct broadcast, or as a connecting link between the sending apparatus and antenna, or perhaps as the antenna itself in the form of an electromagnetic horn.

"Indications are that the hollow tube is better suited to the transmission of one-centimeter waves than wires or cable."

The Bell Laboratories report describes the new system as "wave-guide transmission."

The "wave-guide", the report states, may take any one of several different forms. It may be a hollow copper pipe, which for the higher frequencies now available would be about three or four inches in diameter; or possibly a somewhat smaller conducting tube, filled with some insulating material, combining high dielectric constant and low loss; or it may conceivably be a rod or wire of dielectric material.

The new waves, Dr. Southworth stated, were neither radio waves nor electricity, but were something in between the two. Unlike electricity which travels on electrically conducting wires, these waves are guided on insulating material, such as rubber, which does not conduct electric current in the ordinary sense. Unlike radio waves, which travel in space in all directions, these "pipeline" waves travel along in a line.

"While the waves travel through the pipe in the manner of sound waves through a speaking tube, they travel with speeds approaching that of light, 186,000 miles per second, instead of with the speed of sound.

"The phenomena involved in this form of transmission", the Bell report states, "are exceedingly interesting and at first sight paradoxical for, in some cases, transmission is effected through a single wire of insulating material surrounded by metal, in place of a pair of metal wires surrounded by insulation."

A distinguishing feature, the Bell report adds, is that for wave-guide transmission of moderate size the frequency must be exceedingly high - two thousand million cycles per second or higher. At those frequencies the wave length is only about one-third of an inch, as contrasted with a wave length of 656 feet (200 meters) at the highest broadcast frequency.

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WARNER BROS. MAKE BID FOR MUTUAL

Warner Bros. has made a definite bid to buy into the Mutual Broadcasting System, according to Variety. "The producing company is prepared to put up \$1,000,000 for an expansion program which would have another \$1,000,000 contributed by the present or added holders of Mutual stock", the organ said. "For its investment Warner will take a 40% interest in the network and give the latter a purchase option on the WB music publishing combine.

"Under the network operating project which Warners contemplate, the members of Mutual would be charged a flat 30% commission for the sale of their time. Special studios would be built in New York to accommodate both sustaining and commercial broadcasts, although an appreciable portion of the sustaining programs could, as now happens, originate from the various stations in the group. Warner would also make available from its Hollywood studios specially framed programs containing names from WB's film roster. Where Warner would look to for its return on the \$1,000,000 investment is the residue on the 30% commission after all charges have been deducted."

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LANHAM SEES COPYRIGHT BILL BEFORE ADJOURNMENT

Representative Lanham (Do.), of Texas, Chairman of a special sub-committee of the House Patents Committee charged with drafting a new copyright control bill, predicted this week that a compromise measure will be reported to the House in time for passage before adjournment of Congress.

Whether the bill will be accepted by the House and whether it will be approved by the Senate, which last session adopted the controversial Duffy Bill, are questions which Mr. Lanham did not answer.

The sub-committee, he said, has not yet reached any definite conclusions on any of the three bills pending before it - the Duffy, Sirovich, and Daly measures - nor has it decided any matters of policy.

He declined to confirm a report that the sub-committee has agreed to scrap all punitive damage proposals submitted at the Committee hearings and to substitute a provision permitting courts to levy punitive damages up to \$500 against copyright violators. Such a change would constitute a partial victory for the broadcasters.

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LOHR TELLS AD MEN TELEVISION SHOULD BE WELCOMED

The development of television and facsimile should be welcomed rather than feared by the American Association of Advertising Agencies, Lenox H. Lohr, President of the National Broadcasting Company, told its members at the closing session in White Sulphur Springs April 30.

"Radio has always been a changing art", he said, "and the future holds in store many revolutionary developments. Super-

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power, with its increased circulation, is undoubtedly before us and the possibilities of short-wave transmission not far behind. These will affect the present status of the art only by amplifying its usefulness. Other developments of our parent company, the Radio Corporation of America, will come out of the laboratory for field tests this Spring.

"Television and 'facsimile' are to be welcomed, rather than feared, for they will make available to you further means of reaching the American public with perhaps an even more convincing sales message than is possible today by sound alone. As soon as it has demonstrated their usefulness, the National Broadcasting Co. will have these facilities available for your use.

"We will not attempt to predict the time of their expansion to a point where they become economically a commercial possibility, nor can I envisage the new problems which their advance will create, but I feel safe in saying that the present method of broadcasting will continue unaffected for several years to come and remain during this next period an unrivaled means of conveying a rapid and convincing sales message to untold millions of people."

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RMA ANNOUNCES PROGRAM FOR ITS CHICAGO CONVENTION

The Radio Manufacturers' Association this week announced through its Executive Vice-President, Bond Geddes, the program for the Annual RMA Convention in Chicago, June 17-19, at the Stevens Hotel.

Sales promotion, national and in export trade, together with plans for improved radio merchandising will be emphasized. The program is being arranged by President Leslie F. Muter, and the Convention Committee, of which A. S. Wells, of Chicago, is Chairman.

Another "RMA Cabaret" dinner for Association and membership guests will be held June 18. The RMA meetings will open with a preliminary golf tournament on Wednesday, June 17, under the auspices of the Radio Industries Golf Club of Chicago at the Calumet Country Club.

At the RMA Convention and Membership meetings on June 18 and 19, there will be RMA Committee meetings and four RMA Division sessions. Election of a President, Directors and other officers will be held June 19.

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FCC ASKS \$400,000 MORE FOR PHONE PROBE

The Federal Communications Commission disclosed this week that it had requested an additional \$400,000 from Congress to continue the many-sided investigation of the \$5,000,000,000 American Telephone and Telegraph Company.

The Commission received \$750,000 last year for the investigation, of which about \$500,000 has been spent. Unless additional funds are granted, the inquiry will end July 1. Should the new appropriation be voted, it would continue until February, 1937.

Commission officials said that by the latter date a broad picture of the A. T. & T. operations could be developed and a foundation laid for providing regulatory bodies with any information they might need in rate cases.

At a hearing April 29 the Commission received a report from its investigating staff, which described the A. T. & T. pension plan as being "favorable" to executives of the Bell System. J. A. Krug, a Commission accountant, introduced the report.

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 ::: INDUSTRY NOTES :::
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An interesting booklet reviewing the history of WLW, Cincinnati, and tracing its development from a 50-watt station to the nation's most powerful outlet with 500,000 watts. The original WLW went on the air in March, 1922.

Unfair methods of competition in the sale of furs and fur garments are alleged in a Federal Trade Commission complaint issued against Bernard Licht, trading as Licht's Fur Factory, 102 West 29th St., New York City. Licht is alleged to represent in radio broadcasts and advertising matter that he is the owner of a factory and the manufacturer of the fur garments he sells, etc., such assertions not being true.

David Sarnoff, President of the Radio Corporation of America, states that the Board of Directors of the Corporation has fixed May 22 as the date to and including which the remaining unexchanged "B" Preferred stock of the Corporation may be exchanged under the Corporation's Plan of Recapitalization.

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