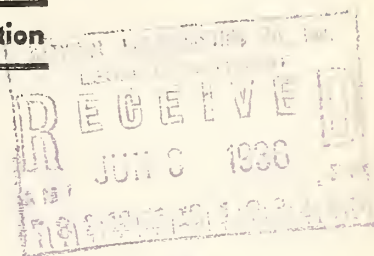


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June 2, 1936.

U. S. PUBLIC RADIO BOARD URGED BY EDUCATORS

A new move to promote adoption of the American Public Radio Board plan has been launched as the result of an indorsement of the proposal in principal by the National Committee on Education by Radio.

Although the newer Radio Education Committee appointed by the Federal Communications Commission has yet to suggest a program, the Public Radio Board plan at present appears in the ascendancy among the varied proposals made for getting more educational programs on the air.

The National Committee on Education by Radio was organized in 1930 for the specific purpose of inducing the Federal Government to set aside 15 percent of all broadcasting channels for the exclusive use of education. The Committee, in endorsing the new idea, admits the impossibility of persuading the Government to adopt the other plan.

A bulletin issued by the Committee explains the new idea as follows:

"The details of the plan can be set forth concisely. It involves four major objectives:

"(1) The formation of boards, national, state and possibly regional, to direct programs in the public interest.

"(2) The securing of allocations of broadcast time to such boards by any and all stations.

"(3) The promotion of allocations of funds to such boards for program making purposes. These funds might come from philanthropy, from public and private institutions, from radio station budgets, or from contributions by civic bodies. The aim would be to establish the boards on a basis of assured self-support.

"(4) The experimental demonstration of socially profitable broadcasts in such fields as public affairs, adult education, school instruction, and the like.

"The procedure for creating a national board consists of having each State Board select from its own membership a single representative. Manifestly, a national control group so constituted ultimately might have forty-eight members. For administrative purposes this would require the appointment of a smaller directing committee empowered to employ an expert staff to handle specified national broadcasts. The character of the National Board would thus be determined by the various State Radio Boards.

"There are other ways of creating State Boards. Its members might be representatives of agencies selected because of their inherent interest in cultural and educational broadcasting. Whatever the method used, it should provide for safeguarding democracy by selecting only organizations, not handpicking individuals.

"Regional Boards, as found necessary, could be constituted on the same basis as the National Board, that is, of members selected by the State Boards.

"The plan for an American Public Radio Board is in harmony with the interests of that class of commercial broadcasters which is desirous of giving time on their stations to education, social welfare, and public affairs. In some cases, their experience has been disappointing, but this has been due largely to the fact that those to whom they have given time were inexperienced in the art of broadcasting and were unable to employ expert assistance. The system of radio boards should obviate this difficulty by retaining the service of experts to produce non-commercial programs of a quality comparable to that of advertising programs. Such a service would relieve commercial stations of many of the difficulties which now beset them with regard to both the choice of programs and the selection of groups or individuals who should put them on the air.

"The promotion of allocations of funds for use by such Boards, is not as difficult as it might at first appear. The Radio Board plan offers advantages which more than pay its way. To educational, cultural, and civic institutions or agencies it offers the opportunity to pool their radio interests in a single cooperating unit which could produce quality programs much more cheaply than could each constituent member operating independently. To station owners it offers the advantage of a better series of broadcasts than any of them could produce singly. It might take selected portions of programs from various stations and combine them with other superior programs for general use in filling surplus hours."

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JUDGE SYKES TO ADDRESS NAB CONVENTION

Judge Eugene O. Sykes, Chairman of the Broadcast Division of the Federal Communications Commission, will be the principal speaker at the annual convention of the National Association of Broadcasters in Chicago, July 5-8. His address, to deal with Federal regulation of broadcasting, will be made at the opening business session July 6th.

Copyright problems, including the plan to set up a Copyright Bureau within the NAB, and the proposal of the NAB Directors to increase membership dues 50 percent in order to meet a larger budget are expected to consume the major time of the convention.

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ZENITH SHOWS \$1,212,752.07 NET FOR PAST YEAR

Completing the most successful year in its history, the Zenith Radio Corporation, of Chicago, on April 30th had made a net profit after depreciation and taxes, of \$1,212,752.07 for the previous 12 months, E. F. McDonald, Jr., President, last week reported to Zenith shareholders. Income from sales, after deducting excise taxes, royalties, and cost of sales, was \$2,558,123.15.

Commander McDonald called attention to the receipt of more than \$4,000,000 in orders for 1937 receiving sets at the Chicago convention May 14-16. This compared with orders for \$2,200,000 at the Zenith meeting a year ago.

His report continued, in part:

"The products of your Company enjoyed the greatest increase in public acceptance this year of any manufacturer in the radio industry. This was due in a large measure to merit of product, which included many practical and outstanding features and was virtually service free, also to an effective half-million dollar advertising program carried out during the year.

"The introduction of an advanced and revolutionary type of economical farm radio receiving set gave your Company a dominant position of leadership in that field. The amount of business done on farm receiving sets contributed substantially to the total volume throughout the year and to the profits for the year.

"Conservative financial policies and production control were maintained throughout the year with the result that despite the large increase in business and the steady demand for the Company's products, we closed our fiscal year with no surplus merchandise or distress stocks. Our inventory consisted primarily of materials for the new line and some models of that line which had already been completed at inventory time.

"The principal business of the industry is now being done by relatively few manufacturers. By consistently producing a superior product and adhering to sound policies of merchandising that protect the customers' purchase, as well as the dealers' profits, your Company has done much to stabilize conditions within the industry. As a result it has created for itself good-will of an inestimable value and which may well be considered a guarantee of continued progress.

"The steadily increasing volume of business makes it necessary for the Company to secure larger and permanent quarters. Since such an arrangement could not have been made before the start of production on the new line, it became necessary for the Company to lease, on a temporary basis, an additional building in the vicinity of its main plants. We now have adequate facilities to take care of a much larger increase in volume this year and

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negotiations are being carried on for suitable permanent quarters which will be ready for occupancy when the present production season is finished.

"The Company now has over 13,000 dealers as against 3,500 a year ago and its objective is to materially increase this number."

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CHARGES FCC WITH S-W CENSORSHIP

Charging the Federal Communications Commission with an attempt to establish a censorship over broadcasting, the Short Wave Institute of Washington, last week filed a protest with the Commission against Rule 177 (d), effective July 1, providing:

"No licensee of any class of broadcast station shall rebroadcast the programs of any foreign radio station without written authority first having been obtained from the Commission."

In a letter to the Commission, Oswald F. Schuette, President of the Short Wave Institute, says this rule would create a censorship over the rebroadcast of foreign programs, in violation of the Communications Act, and would be a step toward the censorship of domestic programs.

"As a practical matter", says the protest, "this censorship would deprive 20,000,000 owners of standard broadcast sets of the right to hear the prohibited programs, while the owners of 6,000,000 short-wave sets would hear the same programs direct from the originating stations, unless it be the intent of the Commission to extend this prohibition to the receiving sets themselves and thus prevent the reception of the censored programs in the United States."

Up to this time about the only attempt to rebroadcast foreign programs into this country has been made by Germany. German programs, picked up by Col. Frank R. Curtis in Washington, have, through the cooperation of Kurt Sell, Washington representative of the German Broadcasting Company, been rebroadcast in the Capital by Station WOL.

Mr. Sell recently offered a special short-wave program direct from Germany to other stations throughout the country with which the assurance was given that the German station would play no music about which there could be copyright difficulties in America.

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SENATE PASSES BILL MODERNIZING LAW ON SHIP RADIOS

Seeking to insure greater safety at sea for passengers and crews and to avoid such disasters as those of the "Vestris" and "Morro Castle", the Senate on Monday, June 1st, passed the Copeland Bill amending the Communications Act relating to the use of radio equipment at sea.

Because of the lateness of the session, however, its passage by the House at this time is extremely doubtful.

The purpose of the measure is explained fully in a report submitted to the Senate by Senator Wallace H. White, Jr., (R.), of Maine, a veteran in radio legislation, for the Committee on Commerce.

"This bill's great purpose is to modernize our law with respect to radio installations and radio operations aboard ship to the end that safety at sea may be further assured", the report says. "America has fallen far behind the principal maritime nations of the world in this regard. We here seek to bring about that leadership to which we should aspire.

"In 1912 the loss of the 'Titanic' shocked the world. She was a monster ship of 46,000 tons, and she carried on this, her first and last voyage, 2,200 of passengers and crew, of whom only 711 were saved. In the year following this disaster a conference was held in London for the consideration of the general question of safety at sea, and in an endeavor to work out international agreements which would raise world standards, great progress was made. The United States, however, ratified that convention with such reservations as to defeat the effect and spirit of ratification.

"The World War taught many lessons with respect to the stability and floatability of ships, and great progress was made during that time and thereafter, both in radio equipment and in the navigational uses to which it was put. In 1927 there came renewed agitation for a world agreement on these subjects, and in 1929 the maritime nations again met at London to consider how the experience and enlightened desires of the world might make contribution to safety at sea. The United States participated in this conference. With a single exception its delegation represented the highest technical authority of our country. The conference labored with these problems through many weeks, and a treaty was signed at the conclusion of the efforts, a treaty now adhered to by 34 maritime nations. The United States has deferred ratification of this treaty and our country stands alone among the great nations as unwilling to make contribution or sacrifice through agreement with other nations to the humane ends sought in this convention.

"Disasters such as the sinking of the 'Vestris', the horror of the 'Morro Castle', and the loss of the 'Mohawk' have kept the subject before the American people and have emphasized the fact that the laws of the United States in these respects leave us far below the standards of the major powers and even those of many lesser consequence in world affairs.

"This legislation seeks to restore some of the lost prestige which has come through our failure to effectively co-operate with other nations, and through the inadequacy of our own statutory provisions.

"Today there are probably all of 1,200 ships of the United States of substantial tonnage carrying many persons as passengers and crews, which by our law are not required to carry radio. No more pointed illustration of the danger and of the tragedy of this inadequacy of law can be found than in the fact that there was an American ship not required to be equipped with radio within 30 miles of the 'Vestris' and which sailed away because it did not receive the SOS signals of that doomed vessel. We are told that that ship was so near to the 'Vestris' that it might have saved all.

"The 'Morro Castle' and the 'Mohawk' disasters moved the Senate of the United States to adopt a resolution requesting the Committee on Commerce of the Senate or a subcommittee thereof to conduct a study of the causes of these disasters, to make studies which might throw light on the question of safety of life at sea, and to make recommendations to the Congress for greater security of persons and property at sea. The Committee on Commerce authorized its Chairman to organize a Subcommittee on Department of Commerce and Merchant Marine, and this subcommittee authorized its Chairman, Senator Copeland, to solicit the aid of technical experts in the work directed by the Senate resolution. A technical committee of such experts was appointed. This general technical committee gave special consideration to the problem of radio, to the part radio plays in the navigation and operation of ships, and to its contribution to safety. As a result of this study of the problem the bill, which the Commerce Committee now report, was prepared and introduced by Senator Copeland.

"The bill has many technical aspects. Its major provisions which do not involve technical considerations may be summarized as follows:

"1. Unver present United States law the requirement of radio equipment is based on the number of persons carried on board a vessel. The bill proposes that every ship of the United States and every foreign ship leaving a port of the United States other than a cargo ship of less than 1,600 gross tons shall be equipped with an efficient radio installation in operating condition in charge of and operated by a qualified operator or operators. It further requires that any passenger ship of the United States of 5,000 gross tons or over shall be equipped with an efficient radio direction-finder apparatus. These provisions and especially that relating to cargo ships will bring within the terms of the law a substantial number of ships not now compulsorily equipped with radio. There will be nearly 1,800 cargo ships not now required to carry radio which must be so equipped, and there will be in excess of 50 passenger ships which by statute will be required to install radio apparatus. This will make an addition of about 1,850 ships required to have such installations.

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"2. The bill deals in detail with the technical requirements with respect to the radio installation on board the ship. These technical requirements conform generally to those found in the International Convention on Safety of Life at Sea and to those required by the International Telecommunication Convention to which the United States is a party. It gives to the Communications Commission authority of inspection and approval of the required apparatus.

"3. The bill amends the provisions of present law with respect to the suspension of operators' licenses. It seeks so far as statutes may encompass this end to assure the highest type of character and qualification in the operators on ships of the United States. It also deals with the number of operators required on ships. It requires every passenger ship to have at least two qualified operators.

"Another interesting and important requirement contained in the bill is that specifying that every motorized lifeboat which is required by treaty or statute shall be fitted with an efficient radio installation. The underlying thought of this requirement is that the motorized lifeboat with radio equipment can act as a mother ship for all other lifeboats and can in event of disaster requiring the abandonment of ship continue SOS calls, can give the position of the lifeboats and can by transmitting allow the rescuing vessels to take bearings by radio direction finders giving the position of the lifeboat.

"Other provisions of the bill are either redrafts of existing law or involve in the main controversial matters."

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BETTER FACILITIES URGED FOR WIRE AND WHB

Favorable reports were filed with the Federal Communications Commission this week by Examiners upon the applications of WIRE, Indianapolis, for permission to increase its nighttime power from 500 watts to 1 KW and the daytime power from 1 KW to 5 KW, and of WHB, Kansas City, Mo., for a shift from 850 to 1120 kc. with 500 watts at night and 1 KW daytime, unlimited hours.

Examiners recommended denial of applications of the Farmers & Bankers Life Insurance Co., Wichita, Kans., for a construction permit to operate on 1210 kc. with 100 watts, unlimited hours, and of KGDM, Stockton, Calif., to operate specified hours instead of daytime only.

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RADIO ZONE ALLOCATION SYSTEM ENDED BY CONGRESS

With the passage by the House on Monday, June 1st, of the bill to repeal the 8-year old Davis Equalization Amendment, the Federal Communications Commission will soon be in a position to allocate broadcasting facilities in accordance with modern engineering practices rather than a rigid zone system.

The measure, which now awaits the signature of President Roosevelt, will lead to a gradual reallocation of the limited broadcasting channels although no drastic shakeup is anticipated. The FCC has found the Davis Amendment, enacted in 1928 and subsequently made a part of the 1934 Communications Act, is unworkable and consequently has already made departures from its own quota tables for the 48 States and the five Zones into which the country was divided.

The new Act reads as follows:

"That section 302 of the Communications Act of 1934 is hereby repealed.

"Sec. 2. Subsection (b) of Section 307 of such Act is amended to read as follows:

"(b) In considering applications for licenses, and modifications and renewals thereof, when and insofar as there is demand for the same, the Commission shall make such distribution of licenses, frequencies, hours of operation, and of power among the several States and communities as to provide a fair, efficient, and equitable distribution of radio service to each of the same."

The House Committee on Interstate and Foreign Commerce in its report recommending passage of the bill, previously adopted by the Senate, stated:

"The legislation is recommended for practical reasons of administration by the Communications Commission, which has found that the drawing of artificial zone lines for guides in allocating radio facilities cannot satisfactorily be applied because of the physical laws governing radio transmission. As a consequence, the policy of Congress, to so distribute radio facilities that every section of the country will be adequately supplied, has been very difficult of effectuating."

The Chairman of the Communications Commission wrote the Chairman of the Senate Interstate Commerce Committee as follows:

"With further reference to S.2243, which was introduced by you March 13, 1935, I beg to advise that this Commission favors its adoption for the following reasons:

"The existing law, which S.2243 seeks to repeal, is contrary to natural laws and has resulted in the concentration of the use of frequencies in centers of population, and the restriction of facilities in sparsely populated States, even though interference consideration would permit the operation of one or more additional stations. Because of the size of the zones provided for by existing law, the distribution required by the Davis amendment has resulted in providing ample broadcast service in small zones and lack of service in large zones. The experience of the Federal Radio Commission and this Commission has proved that the Davis amendment is very difficult of administration and cannot result in an equality of radio broadcasting service."

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RADIO PIONEER DIES IN NATIONAL CAPITAL

William T. Pierson, pioneer in the radio field, music composer and publisher, died May 31st after a long illness at his home in Washington, D. C. He would have been 57 July 1.

Mr. Pierson, who had given many singers and musicians their start, as radio entertainers, was Program Director of old Station WCAP, the first large commercial radio station in the National Capital. It was owned and conducted by the Chesapeake & Potomac Telephone Co.

He remained with the station until 1926 when he became Program Director of Station WMAL, and continued there until 1933.

Mr. Pierson had given Kate Smith her first audition, and also Hazel Arth, who won the national Atwater Kent audition.

Before taking up song writing, he was first assistant to the engineer of the telephone company in the Washington and Baltimore area. With the establishment of WCAP, Mr. Pierson had charge of the broadcasts of many important national events - when radio was just coming into general use.

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A more powerful transmitting station is to be constructed this Summer by WLXAL, short-wave station at Boston. Regular programs will consequently be suspended during July.

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THAD BROWN GIVEN DOCTOR OF LAWS DEGREE

Decrying a philosophy of doom, despair, and lack of opportunity, and speaking great encouragement for the youth of today, Colonel Thad H. Brown, member of the Federal Communications Commission, on June 1st addressed 45 graduates of the Class of 1936 of Lincoln Memorial University at their annual commencement exercises at Harrogate, Tennessee.

Following his address, Lincoln Memorial University officials conferred upon Colonel Brown the honorary degree of Doctor of Laws and also made him a member of the Board of Directors of the University.

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CONVENTION COVERAGE CITED IN PROGRAM FORECAST

Attention is called to the important part to be played by radio in the forthcoming presidential campaign, in the June bulletin of Selected Radio Programs, issued by Philco's Radio Institute of the Audible Arts, two pages of which are devoted to a detailed account of broadcasting arrangements made for the Republican National Convention, which opens in Cleveland on June 9, and the Democratic National Convention to be held in Philadelphia, beginning June 23.

"This year, more than ever before, the entire picture of both conventions will be given to the public in greater detail by radio", the Institute states. "To a great extent, the convention programs have been arranged so as to permit the maximum utilization of radio in bringing the message of both parties to a great electorate that, through radio, is better informed on national problems than ever before."

The program bulletin, which is now in its second year of publication, lists as usual recommended programs in the fields of music, informative talks, variety, comedy, drama and news, to be broadcast regularly in June by the major networks. These are supplemented by broadcasts of noteworthy special events to be heard during the month.

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INDUSTRY NOTES

Ultra-short-wave radio communication equipment has just been installed by General Electric engineers in 13 police prowl cars and at police headquarters in Gary, Ind.

Alleging unfair competition in the sale of packaged mineral salts, the Federal Trade Commission has issued a complaint against Soal Lake Products Corporation, Seattle, Wash., distributor of "Mother Nature Soap Lake Salts", and other products obtained from Soal Lake, Wash., which advertises on the radio.

The Federal Communications Commission on Tuesday resumed the hearing of the American Telephone & Telegraph investigation.

Invitations have been sent by Louis G. Caldwell, prominent Washington radio attorney, and Mrs. Caldwell, for a reception to be held the evening before the informal Federal Communications Commission engineering conference which opens on Monday morning, June 15th.

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KNX LIBEL SUIT REVERSED ON APPEAL

Taking an opposite view from the trial court which ruled that a Los Angeles Times editorial was libelous per se, the California District Court of Appeals has reversed the judgment whereby the Western Broadcast Company, owner of radio station KNX, was awarded \$2500 actual and \$1 punitive damages by a jury. The suit was based on the Times editorial "A Plain Statement", published to explain the newspaper's stand in omitting KNX from the radio log when the station refused to come into the Press-Radio agreement.

"Since a corporation has no character to be affected by libel and no feelings to be injured, an article to be libelous of the corporation must have a tendency to directly affect the credit or property of the corporation or occasion it pecuniary injury", the appellate opinion states. "The mere fact that an article is unpleasant or hostile does not make it defamatory."

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