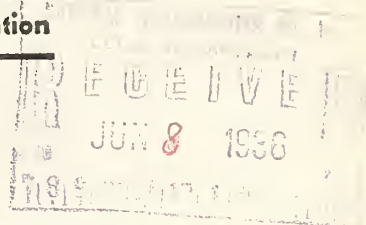


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication



INDEX TO ISSUE OF JUNE 5, 1936

Payne Is Reappointed For 7-Year Term On FCC.....	2	✓
Atwater Kent Dropping Radio Set Manufacturing.....	3	✓
Hearing Set On Zenith's Grigsby-Grunow Bid.....	4	—
Higher Power For Hearst's WISN Urged By Examiner.....	4	—
NBC Official Mentioned For New Canadian Radio Job.....	4	—
Mackay Denied Oslo Application; Appeal Is Expected.....	5	
Broadcast Advertising In April Still Above 1935.....	6	
First Women Television Announcers Hired; Men Sought.....	7	
Radio Waves Sometimes Slow, Scientist Finds.....	7	
WGBF Power Increase Urged; Radio-Phone Station Blocked.....	9	
Japan Reviews Progress Of Broadcasting.....	9	
NBC Raises Rates For Time On WEEI And WCKY.....	10	
FCC Approves New Antenna For WJZ.....	10	
"Queen Mary's" Arrival Sets RCA Record.....	11	
Many All-Wave Radio Sets At Paris Trade Fair.....	12	
NBC-Chicago Studios Get Master Control Desk.....	12	

No. 934

Copy
W P

PAYNE IS REAPPOINTED FOR 7-YEAR TERM ON FCC

Definitely ending all rumors to the contrary, President Roosevelt on Wednesday, June 3rd, sent to the Senate the renomination of George Henry Payne, of New York, as a member of the Federal Communications Commission for a seven-year term.

Although it was generally conceded that Mr. Payne would get the reappointment after Senator Borah, Idaho Republican gave him his endorsement, rumors continued to circulate occasionally that the New York liberal might be blocked by a combination of Democrats and Western Republicans who wanted a representative from their section of the country on the Commission.

Early confirmation of the appointment is expected in view of the move in Congress to adjourn before the Republican National Convention, if possible.

The reappointment places Commissioner Payne in a much stronger position on the FCC than ever before. From being the junior member, with only a 2-year term, he now becomes the member with the longest certain term. Only Chairman Anning S. Prall ranks second as he was renamed for a seven-year term last year.

Last Fall and Winter the New Yorker, a former friend of Theodore Roosevelt and long a Liberal Republican, made a series of addresses at universities in which he was tartly critical of the past policies of the Commission. So aroused did some of the more conservative colleagues become that Chairman Prall and he were not on speaking terms for some weeks. It was then that reports were circulated, and published, that a Western bloc of Senators was seeking to get a Westerner named for the position which Commissioner Payne was due to vacate July 1, 1936. This bubble soon faded, however, when several of the more prominent Western Republicans stated they favored Mr. Payne's reappointment, providing he wanted the job.

The relations thereafter between Messrs. Payne and Prall became obviously improved, but Mr. Payne ceased for the time his critical speech-making although he published in book form the addresses he had previously made.

Mr. Payne has had a varied and colorful career. Starting as a student of pharmacy, he has been editor, editorial writer, music and dramatic critic, political writer, lecturer, author, and politician.

He was one of the aides of Henry L. Stimson during the latter's campaign for New York Governor in 1910. Two years later he was one of the New York campaign managers for Theodore

6/5/36

Roosevelt. In 1920 he was a candidate for Republican Senator from New York, being defeated by James W. Wadsworth, now a member of the House of Representatives.

Following the confirmation of his nomination by the Senate observers expect to see him take a more pronounced lead in helping to direct the policies of the Federal Communications Commission in the future.

X X X X X X X X

ATWATER KENT DROPPING RADIO SET MANUFACTURING

The Atwater Kent Manufacturing Company, of Philadelphia, one of the pioneer organizations in the radio field, will no longer manufacture radio receiving sets or equipment, according to authoritative information received in Washington.

A brief statement was issued early this week in New York by the advertising firm of Barton, Durstine & Osborn. It said:

"The Atwater Kent Manufacturing Co. has decided less actively to promote its radio lines and has so informed its distributors. It is believed that less than 100 employees will be affected by this decision at this time. It is not in a position to state what new lines of activities it has planned for the future."

Sources close to A. Atwater Kent, founder and president of the concern, believe that he may be preparing to retire from business entirely as he already has accumulated a large fortune.

The Atwater Kent Manufacturing Company, which was a large producer of automotive ignition equipment for 20 years prior to the advent of radio, began making receiving sets in 1923 and for the first several years dominated the field. A trade report is that they have sold \$128,000,000 worth of radio merchandise during the last 13 years.

The Atwater Kent Sunday evening concerts and the annual Atwater Kent contests to select promising musical amateurs became traditions in the broadcasting industry.

A native of Vermont, with ancestry extending back to pre-Colonial days, Mr. Kent owns palatial homes in Ardmore, Philadelphia suburb, Bar Harbor, Me., and Palm Beach, Fla. He recently celebrated his sixty-second birthday.

X X X X X X X X

HEARING SET ON ZENITH'S GRIGSBY-GRUNOW BID

Because rapidly expanding business made the acquisition of additional equipment necessary, the Zenith Radio Corporation, of Chicago, has made a bid for all of the new plants of the defunct Grigsby-Grunow Company, west of Austin Avenue in Chicago.

Frank M. McKey, Trustee in Bankruptcy, of Grigsby-Grunow Company, on June 2nd filed the bid and asked that an order be entered requiring all creditors of Grigsby-Grunow to show cause why the bid should not be accepted. The Referee in Bankruptcy scheduled a hearing for June 17th at 11 A.M. The amount of the Zenith offer was not disclosed.

"Acquisition of this property was made necessary because of the greatly increased business of Zenith Radio Corporation", Hugh L. Robertson, Vice-President and Treasurer, said, "and will be occupied as soon as necessary alterations can be made. The property will hereafter be known as Zenith plants 5, 6 and 7."

Negotiations for the purchase were carried on by Irving Herriott, Zenith counsel.

X X X X X X X X X X

HIGHER POWER FOR HEARST'S WISN URGED BY EXAMINER

An increase in nighttime power from 250 watts to 1 kilowatt for WISN, Milwaukee, owned by Hearst Radio, Inc., was recommended to the Federal Communications Commission this week by Examiner Melvin H. Dalberg. WISN is the only CBS outlet in Wisconsin. The station also would be authorized to change the location of its transmitter.

An unfavorable report was filed by Examiner Ralph L. Walker on the application of the Union-Tribune Publishing Co., San Diego, Calif., for a construction permit to erect a station for operation on 1420 kc. with 100 watts night, 250 watts daytime, unlimited hours.

X X X X X X X X X X

NBC OFFICIAL MENTIONED FOR NEW CANADIAN RADIO JOB

Reginald Brophy, NBC Station Relations Manager, was mentioned as a possible General Manager of the Canadian radio system under the proposed new set-up recommended by the Special Parliamentary Committee, according to a Toronto correspondent of Variety. Brophy is a native of Montreal.

Another candidate mentioned for the post is Major Gladstone Murray, London Program Director for the British Broadcasting Corporation and formerly of Toronto.

X X X X X X X X X X

MACKAY DENIED OSLO APPLICATION; APPEAL IS EXPECTED

After almost three months' deliberation, the Federal Communications Commission on June 4th denied the application of the Mackay Radio and Telegraph Company to establish a commercial radio circuit between New York and Oslo, Norway, in competition with R.C.A. Communications, Inc. Mackay is expected to appeal the decision to the courts.

The FCC decision is of far greater significance than might be seen in the single application, as the Mackay Company planned to establish similar foreign circuits at strategic points over the world where RCA now exercises virtual control. The ruling is a distinct victory for RCA.

The Commission, in announcing its decision, expressed the belief that this country's measure of control of world radio communications would be jeopardized if permission were granted to two companies to establish competing circuits where financial returns do not appear to warrant such a step.

Five specific reasons were given for the ruling. The Commission declared:

"(1) That radio and cable facilities between the United States and Norway are adequate, competition is keen and there is no complaint of the service rendered;

"(2) That the proposed new circuit would not offer new or improved service, reduce rates or create traffic;

"(3) That the proposed new circuit, while increasing the revenues of the applicant, would decrease the revenues of all other established competing carriers, and would decrease the total revenues of the American-owned companies;

"(4) That the increase in applicant's revenue is not shown to be necessary for the continued operation of applicant or of its associated companies comprising the International System;

"(5) That the proposed circuit would result in the practical withdrawal of an associated cable company from competition."

The Commission further stated that:

"Inasmuch as the telegraph administration controls every word of outgoing radio-telegraph traffic, the competing American radio companies would be dependent upon it for their traffic from Norway. Each would be interested in increasing its share of the total traffic.

"To expect the telegraph administration to play the competing companies against each other is simply to expect that the administration will be headed by good business men, loyal to their national interests.

6/5/36

"The fact that telegraph services in Norway are operated as a monopoly by the government telegraph administration cannot be disregarded in connection with the situation presented by the other facts in the case. That administration controls the bulk of the outgoing international traffic.

"For the most part, it can route the traffic as it will. The telegraph administration receives a greater financial advantage from radio than from cable, and it sends the bulk of the traffic to the United States by radio.

"If the administration should have the choice of two competing direct radio circuits, it is only natural to expect that it would favor that circuit from which it would derive the greatest financial advantage.

"Changes in the division of tolls between American carriers and foreign administrations or companies which diminish the income of the American carriers as a whole without reducing rates or improving service, and especially without the additional patronage which can be expected from such a reduction in rates or improvement in service, must be weighed against applicant by a Commission charged with the duty both of the development of a nation-wide and world-wide wire and radio communication service and with the duty of seeing that the rates for that service are reasonable."

Commissioner Irvin Stewart made clear, however, that future cases would be decided on their individual merits.

X X X X X X X X

BROADCAST ADVERTISING IN APRIL STILL ABOVE 1935

While experiencing the usual seasonal decline, broadcast advertising in April continued to show a gain over the corresponding period for 1935, the National Association of Broadcasters reports.

The total volume of radio advertising in April was \$8,829,488. This was 5.4 percent below March's record but 9.5 percent above April, 1935. Local broadcast advertising, however, jumped 12.5 percent ahead of March, while the use of electrical transcriptions showed the greatest gain as compared with both March and April a year ago.

X X X X X X X X

FIRST WOMEN TELEVISION ANNOUNCERS HIRED; MEN SOUGHT

The British Broadcasting Corporation, which is preparing to launch a regular television transmission service shortly, has hired the world's first women television announcers, but is still looking for the proper type of male announcers.

Describing a recent meeting with the young women, a BBC commentator said:

"Miss Jasmine Blight and Miss Elizabeth Cowell have been appointed as the first women television announcers in the world. They will shortly take up their duties at the new BBC Television Station at the Alexandra Palace. Very charming we found them. Miss Bligh, who is twenty-two years of age, has already had three years' stage and film experience. She plays tennis, golf and squash rackets, and has traveled widely. Miss Cowell, one year her senior, has worked as a mannequin, and specialized in dress design and display. Miss Bligh and Miss Cowell were chosen from 1,122 applicants. They will spend some weeks in intensive training preparatory to the opening of the new television service. Television artists will require slight facial make-up in colors of yellow and blue.

"Meanwhile, the search still goes on for the ideal man announcer for television purposes. Chief qualification is a 'photogenic' face of masculine type."

X X X X X X X X

RADIO WAVES SOMETIMES SLOW, SCIENTIST FINDS

Radio waves are not always the speedy messengers of constant velocity that most scientists have believed them to be, but sometimes "doddle along in second gear" at about half their normal rate as they skip from place to place over the earth, according to Dr. Harlan T. Stetson of the Institute of Geographical Exploration, Harvard University.

At a joint meeting June 3rd of the Institute of Radio Engineers and the Radio Club of America, held at the American Museum of Natural History and the Hayden Planetarium, in New York City, Dr. Stetson told an audience of several hundred engineers and guests that radio waves recently had been found to travel as slowly as 90,000 miles a second.

Radio men have regarded the speed of radio in space as virtually constant. International observations, however, have recently shown otherwise, Dr. Stetson said.

6/5/36

The normal speed of radio energy through space, he said, is about 186,000 miles a second, or 300,000 kilometers, equal to the velocity of light waves. His deductions as to the diminished speed of radio waves on certain occasions, he said, are drawn from a long series of day-to-day comparisons of international time signals exchanged between the Naval Observatory, Washington, D. C., Royal Observatory, Greenwich, England, and the Paris Observatory in France. Dr. Stetson laid the discrepancy in the speed of travel of radio waves to "unknown cosmic phenomena."

"Some days the waves skip across the Atlantic Ocean on scheduled time, traveling apparently, with the velocity of light", said Dr. Stetson. "This would take the waves around the earth seven times in a second. Other days they 'doddle' along at a mere 90,000 miles per second, consuming twice as long as they should for a trans-Atlantic trip.

"Careful comparisons of the times consumed by the ethereal messengers appear to indicate the waves are seriously affected by the magnetic field of the earth, which varies in different regions of the globe.

"Near the magnetic equator the waves travel fastest. When they are sent over paths further north, or near a magnetic pole, they are much more reluctant about expediting their messages. Thus in the region near the equator, where the earth's horizontal intensity is greatest, they travel with a velocity apparently equal to that of light. This velocity diminishes over the more northern routes and in high latitudes. Where they must pass near the magnetic pole a velocity of only 200,000 kilometers is indicated. The pole, itself, is so disliked by the waves that sometimes they utterly refuse to pass it."

Dr. Stetson's topic was "Cosmic Cycles and Radio Transmission." Concerning pure cosmic and solar phenomena, he said, radio reception during the last sun-spot cycle indicated that the next few years might present new trouble for long-distance tuning in the broadcast band.

"Scientists are still searching for more accurate methods of predicting the sun's activity so those engaged in communication may anticipate conditions under which radio operators will have to work. The possibility that there may be other astronomical sources which change the electrical balance of the ionosphere offers further opportunity for speculation."

X X X X X X X X

WGBF POWER INCREASE URGED; RADIO-PHONE STATION BLOCKED

Increase of the daytime power of WGBF, Evansville, Ind., from 500 watts to 1 KW was recommended to the Federal Communications Commission this week by Examiner R. H. Hyde.

Denial of an application from Albert L. Brown for a construction permit to build a 100-watt radio-telephone station at Hallowell, Me., for operation on 9710 kc. was recommended by Examiner Ralph L. Walker. The station was to have been used to transmit stock quotations and bulletins direct to a brokerage house in Hamilton, Bermuda.

X X X X X X X X X X

JAPAN REVIEWS PROGRESS OF BROADCASTING

In a booklet published recently, the Broadcasting Corporation of Japan reviewed briefly the progress made by broadcasting in that country since a program service began, eleven years ago, and outlined its plans for the immediate future.

The first experimental transmitter, erected at Shibaura, in Tokyo, was JOAK, which started operating on March 22, 1925, with a power of 220 watts. In the following July this was replaced by 1 KW transmitter at Atagoyama, Tokyo; and the station building is still used for studio work - the nerve-centre of the Japanese network. In June of the same year JOBK, at Osaka, with 500 watts, and JOCK, at Nagoya, began broadcasting. These three stations were taken over, in August 1926, by the Nippon Horo Kyokai (Broadcasting Corporation of Japan), and that organization, under the Ministry of Communications, is the only body authorized to broadcast in that country. In May, 1928, the Corporation increased the power of the existing stations to 10 KW, and shortly afterwards five further transmitters were erected.

Today, 10 KW main stations are situated at Tokyo, Osaka, Nagoya, Hiroshima, Kumamoto, Sendai, and Sapporo, linked by twenty-two supplementary stations, with power ranging from 300 watts to 3 KW. During the current year five more stations are to be added; the power of Tokyo is to be increased to 150 KW, and that of other stations in Osaka and Kyushu to 100 KW.

The official list of subscribers shows a total of 2,385,000. The Corporation's revenue is obtained from the listeners license fee of 50 sen per month. Each listener pays, in addition, an initial fee of one yen to the Ministry of Communications. No broadcast advertising of any kind is permitted.

Under the head of television, it is stated that research work has been going on for some years, and the Corporation is giving consideration to the recommendation of the Television Society of Japan - formed in 1934 - that experimental television broadcasting should be started as soon as possible.

X X X X X X X X

NBC RAISES RATES FOR TIME ON WEEI AND WCKY

Increased network rates for two NBC stations - WEEI, Boston, and WCKY, Cincinnati - were announced this week by Roy C. Witmer, Vice-President in Charge of Sales for the National Broadcasting Company.

Effective July 1st, the rates will be:

WEEI - \$400 an hour, \$240 half-hour, and \$160 quarter-hour.
WCKY - \$320 an hour, \$192 half-hour, and \$128 quarter-hour.

These are the gross rates for periods between 6 and 11 P.M., Mr. Witmer said, and supersede the rates for these stations published in the NBC rate card No. 21, dated May 1, 1936. Rates are the other times of day increased in proportion.

X X X X X X X X X

FCC APPROVES NEW ANTENNA FOR WJZ

The Federal Communications Commission this week approved plans for the erection of an ultra-modern 640-foot antenna for Station WJZ, the NBC-Blue network station at Bound Brook, N. J.

The Aviation Division of the Department of Commerce concurred in the permission for the new antenna, after engineers of the Department of Commerce, the National Broadcasting Company and the major airlines had collaborated in working out what is expected to be one of the most effective systems of night lighting ever provided for a radio tower.

An application to increase WJZ's power from 50,000 to 500,000 watts is now pending before the Commission.

The new antenna will bring to radio listeners a great improvement in tone and reliable reception, NBC engineers said. Bids for construction will be received at once, and the new antenna, it is hoped, will be in operation within from four to five months.

The new design for the tower is a steel structure 640 feet high, of constant cross-sections of approximately 8 feet in width, which in itself is the radiating element. No supplementary wires are used.

The single tower will be supported from the earth by two sets of steel guy stays. Directly in the earth beneath it will be a copper screen 150 feet in diameter, to minimize any losses in the earth which might occur at this point. Extending for more than 600 feet in every direction from the base of the tower will be more than 85,000 feet of heavy copper ribbon, placed radially from the tower, thus concentrating all radio transmission into the most powerful signal possible.

Power from the transmitting station will be transferred to the antenna through a 10-inch copper transmission line which will run to the base of the triangular tower. This line consists of two pipes, one within the other, the outer being grounded to the earth and the other insulated and carrying the power itself. The new antenna is designed to prevent fading in certain areas where unreliable reception has existed heretofore.

The new WJZ tower will be painted in alternate stripes of orange and white, making it clearly visible for miles. At night it will be silhouetted by lights placed at spaced intervals all the way to the top. On top of the antenna will be a flashing red aviation beacon.

X X X X X X X X X

"QUEEN MARY'S" ARRIVAL SETS RCA RECORD

British interest in the arrival of the "SS. Queen Mary" in New York has resulted in a new record for news picture transmission by radio, according to William A. Winterbottom, Vice-President and General Manager of R.C.A. Communications, Inc.

"At no time before have we sent so many pictures overseas in a twenty-four hour period", he said, "and the file resulting from this single news event eclipses anything within our experience since the service was inaugurated in 1926."

X X X X X X X X X

Use by Cushing Refining & Gasoline Co., Cushing, Okla., of false and misleading advertising to prejudice the public against "Ethyl" gasoline and to build up a preference for its own competitive product, is alleged in a complaint issued by the Federal Trade Commission against that company. The respondent corporation has branch offices in Minneapolis.

Advertising in newspapers and other publications, and in radio broadcasts, the respondent corporation is alleged to unfairly disparage and to discourage the use of "Ethyl" gasoline by making representations which cause purchasers to believe that gasoline treated with tetraethyl lead is dangerous, poisonous, injurious to the life or health of users, and that the respondent's product is safe and superior to gasoline chemically treated.

- - - - -

Felix Green, special representative for the British Broadcasting Corporation in this country and Canada, was scheduled to sail for London on Friday to make a report on radio conditions as he found them on a recent motor tour.

X X X X X X X X X

MANY ALL-WAVE RADIO SETS AT PARIS TRADE FAIR

Following is a report on the radio exhibition at the Paris International Trade Fair, which opened in mid-May, as carried in World-Radio, official organ of the British Broadcasting Corporation from a special correspondent:

"'All-wave' set was to be found on practically every stand, but, judging from remarks I heard from visitors, is likely to fall somewhat in popularity in the future, the sporting character of the reception from the short-waves not appealing to many listeners who only require entertainment. The range covered, with one or two rare exceptions, was from 19 meters either way according to the manufacturer's fancy. The price had decreased considerably, being in some cases as low as from Frs. 600-700. The better-known firms still maintain their prices between Frs. 1,500 and 2,000; but there are so many below Frs. 1,500 that we may expect to see these firms down about Frs. 500 by the Autumn because of the competition. There were perhaps a few more battery sets, and I saw only one make of crystal set (Frs. 50 to 150). Most of the sets were within the range of three valves to six valves, but there were a few of from seven to nine valves."

X X X X X X X X X

NBC-CHICAGO STUDIOS GET MASTER CONTROL DESK

Without a hitch in normal operations, a new, giant master control desk and new studio control panels have been installed and placed in operation in the NBC Chicago studios, according to Howard C. Luttgens, NBC Central Division Engineer.

The new Master Control Desk, more than fifteen feet in length and six feet high, containing 575 lights and more than 500 keys and connected by more than 250,000 feet of wire with 650 relays in a nearby room, will enable the supervising engineer in the main control room to present the network channels in such a manner that the announcer may cut this studio in or out of a circuit merely by pressing a button.

Heretofore the intricate routing of a program into the proper channels for distribution to various legs of the NBC networks has been a responsibility resting primarily on the announcer in the studio in which the program originated. Last minute routing changes have required notification of numerous persons at switching points in the studios and control room, raising as many possibilities of error.

By means of the new control desk, a companion to the one in the NBC Radio City studios, circuits may be set up by an engineer while the preceding broadcast is on the air.

X X X X X X X X X