

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL**—Not for Publication

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No. 940

## FIRST U. S. PUBLIC TELEVISION DIRECTOR TALKS

The man who on June 4th inaugurated the first public demonstration in America of cathode ray television was a witness this week at the Federal Communications Commission engineering hearing.

Harry R. Lubcke, Director of Television of the Don Lee Broadcasting System, Los Angeles, who had charge of the demonstration was the witness.

"The ultimate social and economic importance of a television service is certainly appreciated and understood", he said. "That the service will be established, and that the public will support it will also be appreciated and understood. On the fourth of this month high-definition television broadcasting was inaugurated by our organization in Los Angeles, California. Daily four-hour demonstrations were made available to the public. The public and the press have evidenced a deep interest in, and a favorable reaction to, the images that have been displayed to them.

"We believe that, in so far as possible, television should be made available to the public on an extended comparative scale, with wide frequency bands and with provision for television service to every city of appreciable size in our country.

"Our experience has shown that the ultra-short wave, and perhaps later, the microwave regions of the radio spectrum are the only suitable regions for television broadcasting. The wide possible channel width, the absence of fading, of multiple and variable transmission paths, and of static, makes this so. These conclusions are based upon simultaneous operation on both the ultra-short waves and on the former long waves, over a period of several years. The same images were broadcast over the same area by two transmitters; the present W6XA0, and the former W6XS.

"In the matter of channel widths, we recommend six channels, each six megacycles wide, extending from 42 to 84 megacycles. This includes the Commission designated groups A and B. In group C, three groups of channels of greater width are suggested; group C1, comprising six channels, 8 megacycles wide, extending from 130 to 178 megacycles; group C2, comprising five channels, 10 megacycles wide, extending from 300 to 350 megacycles; and group C3, comprising five channels, 100 megacycles wide, extending from 3000 to 3500 megacycles. These channel widths are somewhat in excess of the capabilities of the present art, but should be reserved to accommodate future expansion.

"It is evident that television channels should be arranged in groups, and that each group should contain five or more channels in order that the design of receivers may be simple and economical. Television channels should not be shared with other services. The aural channel for each visual channel should properly be adjacent thereto, although existing broadcast band transmitters and receivers constitute an already established channel for this purpose, which use should be allowed.

"Some time will undoubtedly pass before the value of the C3 group of frequencies for television is established or disproved. This is because of the microwave nature of the waves, which are less than 10 centimeters in length. It is the purpose of our organization, however, to explore this untried band for television use, and to compare its capabilities with our regular operations in the group A band.

"Five years of continuous television broadcasting points to the use of the cathode ray, or other type of, as yet, undeveloped electronic method of television. This is particularly true at the receiver, where a reasonable variation in standards of operation can be accommodated almost automatically.

"A high frequency scanning characteristic of 300 lines per frame was selected (at Los Angeles) as the result of considerations taken from the motion picture industry.

"It is obvious that any object, so small as to be wholly included within one scanning line may lose much of its identity. An image containing a number of scanning lines proportional to the precision previously stated would therefore be of the same clarity as the motion picture.

"One scanning line should thus be one-third of one per cent of the picture height. This is to say that the image should contain three hundred lines (the reciprocal of one-third of one per cent).

"This represents a precision that is within the grasp of the television art. The television presentations of the present day are, of course, defective in other respects, but the standard of 300 lines need not be exceeded, if all other parts of the television system are brought, as they will be, to ultimate perfection."

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Station WEEI, The Edison Electric Illuminating Co., of Boston, Boston, Mass., has filed an application for a construction permit to install a new transmitter and directional antenna for day and night, increase power from 1 kilowatt to 1 kilowatt night, 5 kilowatts day, move transmitter from Bridge Street, Weymouth, Mass. to Mystic Valley Parkway, Medford, Mass.

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## THREE COMMISSIONERS (ONE A REPUBLICAN) AT PHILADELPHIA

Three members of the Federal Communications Commission, one of them a Republican, deserted Washington and an engineering hearing at which the FCC was sitting en banc, to attend the Democratic National Convention in Philadelphia this week.

Anning S. Prall, Chairman of the Commission, was an alternate delegate from a Tammany district in New York City. He spoke over the Mutual Broadcasting System on Tuesday after being introduced by Alfred J. McCosker, President of WOR and Chairman of the Board of Mutual.

The other two FCC attendants at Philadelphia were George Henry Payne, Progressive New York Republican, just re-appointed for seven years, and Frank Walker, Chairman of the Telephone Division.

At Commissioner Payne's office, it was said that he was the guest of Ralph Beaver Strassburger, owner of the Norristown (Pa.) Times-Herald, and a wealthy horse breeder at Normandy Farm, Gwynedd Valley, just outside of Philadelphia.

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## NEW LAW FIRM FORMED BY ASSOCIATES OF BURKAN

Former associates of the late Nathan Burkan, general counsel of the American Society of Composers, have formed the firm of Schwartz & Frohlich to continue the practice previously conducted under the name of Nathan Burkan. It is presumed that they will handle the business of ASCAP.

Max D. Steuer will be special counsel of the firm. The offices will remain at 1450 Broadway, New York. Members of the firm are: Charles Schwartz, Louis D. Frohlich, Herman Finkelstein, Arthur H. Schwartz, and David Fogelson.

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## WJR JOINS APPLICANTS FOR SUPER-POWER PERMITS

WJR, Detroit, this week joined the applicants for construction permits to operate with the super-power of 500,000 watts, now used by only one broadcasting station in the United States, WLW, Cincinnati. WJR now operates with 50,000 watts.

The other applicants, for whom a general hearing has been scheduled September 24, are: KNX, Los Angeles; WHAS, Louisville; WGN, Chicago; WHO, Des Moines; and WJZ, New York.

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## MOVE MADE TO PUT RCA-INDEPENDENT FIGHT INTO POLITICS

A move was launched this week at the Democratic National Convention to inject the old battle between the Radio Corporation of America and independent radio manufacturers over patent control into the 1936 political campaign.

Shortly after Boake Carter, news commentator for the Philco Radio & Television Corporation, had made reference to the radio industry fight in speaking of the anti-monopoly plank in the G.O.P. platform, Samuel E. Darby, Jr., counsel for the independents, sent a telegram to James A. Farley, in Philadelphia, urging Democratic adoption of a similar plank. Darby appeared before the Federal Communications Commission last week and attacked RCA as a "monopoly".

Darby's telegram to Farley follows:

"I am instructed on behalf of a number of manufacturers of radio broadcast receivers employing many thousands employees and who combined have made and sold approximately three-quarters of all of the radio broadcast receivers in use in the United States today and who are and have for a number of years been subjected to the onus of an outstanding example of monopoly which has thus far resulted in the exaction of a tribute of approximately fifty million dollars from the American public and unless relieved promises to continue to exact a tribute of many millions of dollars annually, not only for radio broadcast receivers but also in the forthcoming television field as well, to earnestly urge your adoption of an anti-monopoly plank as strong as that adopted at the Republican convention to ensure that the subject of improper monopolies will be non-partisan and that free speech on the radio, as well as freedom of television in its development and presentation to the public, will be safeguarded from continued or expanded monopoly effected by a pooling of patent rights such as is today held and enforced by Radio Corporation of America."

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## MOVIE MAN SUGGESTS FEES ON TELEVISION RECEIVERS

Fearing that too prompt development of television may impair the investments in the motion picture industry, Robert Robins, of New York City, told the Federal Communications Commission this week that television program service should be placed on a non-commercial fee basis as radio programs are abroad.

"The combined introduction of combined visual and aural programs into the home", he said, "places the entire investments in the talking motion picture industry in a very precarious position."

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## NAB NAMES FITZGERALD DIRECTOR OF COPYRIGHT BUREAU

Edward J. Fitzgerald, of Long Island City, N. Y., and recently General Musical Director of WLW and WSAI, Cincinnati, this week was appointed Director of the NAB Copyright Bureau by James W. Baldwin, Managing Director.

The new Director will immediately undertake the task of (1) making available to broadcasters a complete and accurate catalogue of active musical compositions and (2) creating a standard library of musical compositions taken, for the most part, from the public domain of music.

Meanwhile conferences were occurring in New York, it was reported, that may lead to new alignments in the copyright battle and may prevent a rupture among the broadcasters at the National Association of Broadcasters' convention.

Negotiations were under way between Warner Brothers and the networks which may lead to the return of WB to the ranks of the American Society of Composers, Authors and Publishers. The terms of the discussions have not been revealed but are understood to involve a readjustment of the copyright fees paid by the two major radio chains.

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## RADIO LAWYERS FORM BAR ASSOCIATION

Radio attorneys practicing before the Federal Communications Commission have formed the FCC Bar Association. Louis G. Caldwell, former General Counsel of the old Federal Radio Commission, is President. Other officers are:

Ralph H. Gimball, Vice-President, George O. Sutton, Secretary-Treasurer. They will act as ex-officio members of an Executive Committee comprising the following: Duke M. Patrick and Frank D. Scott, both of Washington, for three years; Frank Quigley, New York City and Paul D. P. Spearman, Washington, for two years; and Ben S. Fisher and Philip J. Hennessey, Jr., of Washington, for one year.

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## NEW DEAL PLEDGES FREEDOM OF RADIO

Continued freedom of radio was pledged in the platform adopted by the Democratic National Convention June 25th. It was the only plank which referred specifically to radio. It read:

"We shall continue to guard the freedom of speech, press, radio, religion and assembly which our Constitution guarantees; with equal rights to all and special privileges to none."

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## EDITOR URGES HIGHER BROADCAST POWER AT HEARING

Increased power for broadcasting stations, providing strict technical regulations are enforced, was urged upon the Federal Communications Commission this week by A. H. Kirchofer, Vice-President of WBEN, Inc., Buffalo, and Managing Editor of the Buffalo Evening News, at the engineering hearing.

"A broad policy, it would seem to be in the public interest not only to insist upon the highest possible technical installation upon the part of radio stations but to accompany it, wherever it can be done without interfering with the service others receive, with permission to increase the amount of power allowed for broadcasting", he said.

"This is stated as a general conclusion, without regard to any individual situation. It follows, of course, that if the premise is sound, it will apply to all alike.

"Besides that point, I wish to make two others based upon our observations, experiments and studies. They are:

"1. There seems to be a definite field of usefulness of a distinctly local character in high frequency broadcasting; either to supplement the present broadcast service, or to allow smaller communities now without their own service to enjoy local radio facilities. Due to the comparatively low cost of installation and operation, such high frequency broadcasting might be allowed as an addition to community facilities and would seem almost as necessary as a local newspaper or similar community services.

"2. Furthermore, there is a very definite field of usefulness, probably in the high frequency range, for facsimile reproduction facilities. The possibilities of this service cannot be realized unless facsimile is viewed as a full-time service. Its usefulness will be hampered, if not destroyed, by any theory of auxiliary operation. Auxiliary operation may serve for some uses, but generally there must be full time provision for facsimile broadcasting and reception. That is not to say, in any sense, that facsimile broadcasting will be carried on, without interruption, for ten or sixteen hours a day. It does mean, however, that the opportunity to give service must be flexible enough to allow the operator to transmit signals either on a continuous program or on a fixed schedule that will not interfere with aural broadcasting."

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## CENSUS BUREAU REPORTS ON MIDDLE ATLANTIC STATIONS

Total receipts of 82 broadcast stations in the Middle Atlantic States, from sale of radio time during the year 1935, amounted to \$11,422,747, it was revealed June 24th by Director William L. Austin, Bureau of the Census, Department of Commerce, in the fifth report of the new Census of Business series on the broadcasting business.

The report includes all broadcast stations in the three Middle Atlantic States which sold time and were in operation December 31, 1935. There were 10 such stations in New Jersey, 39 in New York, and 33 in Pennsylvania.

Slightly less than one-half (46 per cent) of the time sales of stations in the 3 States was derived from local advertisers, and the remainder from national and regional advertisers as payment for commercial programs carried by the stations.

Almost one-half (48.5 percent) of the total time sales of stations in the 3 Middle Atlantic States was accounted for by the New York stations. Total time sales of these 39 stations amounted to \$5,546,064 of which \$2,625,439 (47.3 percent) was local advertising. Pennsylvania stations were second with \$3,484,647 revenue from the sale of time, and New Jersey last with time sales of \$2,392,036.

Revenue as reported by the stations is the net billings for advertising time on the air, including the stations' proportion of network billings. It is computed after deducting quantity and time discounts.

The 82 Middle Atlantic stations employed a total of 2,415 persons (monthly average) with an annual pay roll in 1935 of \$4,554,179. More than 92 percent of this payroll was paid to full-time employees.

Stations talent, consisting of artists and announcers, totaled 989, or about two-fifths (39 percent) of total station employees. Of these, however, 374 (or 37.8 percent) were employed on a part-time basis, and they accounted for 74 percent of all part-time employees. Artists alone accounted for 68.1 percent of all part-time employees. Station talent, including both full-time and part-time artists and announcers, received 31.5 percent of the total payroll for the week.

Technicians engaged in the operation and maintenance of broadcast stations made up the second largest functional group both in numbers and payroll. They accounted for 20.4 percent of all employees and received 21.8 percent of the total payroll for the week. Other functional groups reported by the stations include office and clerical workers, supervisors, and executives. Salesmen, continuity writers, and persons performing a variety of functions, have been grouped together as "other" employees.

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All employment data herein apply strictly to persons employed and paid by the stations. In addition there are artists and others employed by advertisers and radio networks who contribute to radio programs, but are not a part of station personnel. No figures are available on the former, but the latter will be included in the final summary of the broadcasting business in the United States.

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#### NAB CONVENTION PROGRAM IS ANNOUNCED

The complete program of the Fourteenth Annual Convention of the National Association of Broadcasters, to be held July 5, 6, 7 and 8 at the Stevens Hotel, Chicago, was released this week by James W. Baldwin, Managing Director.

Mayor Edward J. Kelly will deliver the address of welcome on Monday, July 6th. Addresses by Leo J. Fitzpatrick, President of NAB; Federal Communications Commissioner Eugene O. Sykes; and Isaac D. Levy, Treasurer, and a report by Mr. Baldwin will follow the same day.

On Tuesday morning papers will be read by the following: Arthur B. Church, KMBC, Kansas City, Mo., on "Cooperative Bureau of Radio Research"; C. H. Sandage, Bureau of Census, on "What the Radio Business Census Means to the Radio Broadcasting Industry"; and H. K. Carpenter, WHK, Cleveland, on "Organizing a Station for Selling Radio Advertising."

The annual banquet will be held Tuesday night and the election of officers Wednesday morning.

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#### FCC CALLS PARLEY ON TELEGRAPH TOPICS

A meeting will be held in the offices of the Federal Communications Commission at 10 A.M., on Wednesday, July 8th, in Room 1413, New Post Office Building, for the purpose of considering preparatory work for the conference of the International Consulting Committee on Telegraph to be held in Warsaw, October 19, 1936, Commissioner Irvin Stewart announced this week.

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## NEW FRENCH STATION NEARS COMPLETION

Installation of the new French radio broadcasting station at Muret is nearing completion, according to a report to the Commerce Department from its Paris office. This station, it is pointed out, will be one of the most important in France as it will reach a power of 120 kilowatts. It is expected that broadcasting from Muret will begin during the current month.

With the Muret station in operation, the report states, the general plan of broadcasting in France will be practically completed. For the last few months, the stations at Lille, Strasbourg, Lyons, Marseilles, Nice and the Paris station PTT have been broadcasting on a power of 60 to 120 kilowatts and the stations under construction in the region of Moulins of Radib-Paris and the Centre d'Emissbus Coloniales will be among the most powerful in Europe. Plans are also being made for the installation of stations in the region of Limoges and Grenoble.

With the full realization of this plan, France hopes to be able to successfully compete with other European countries in the broadcasting field, according to the report.

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## ENGLISHMAN ADMITS U. S. COMMERCIAL SYSTEM O.K.

Colorless as much of Britain's broadcasting fare is reported under the government controlled BBC, one seldom encounters an Englishman who is willing to admit that radio under the highly competitive American commercial system has any points in its favor. An exception, however, is John Macdonell, a former production man at BBC, according to Larry Wolters, Radio Editor of the Chicago Tribune.

"Though commercial broadcasting is prohibited by BBC, the country is nevertheless getting used to sponsored programs which are brought in from the continent in English, Mr. Macdonell said. An American advertising agency blankets England from Luxembourg and Normandy with programs by advertisers who have Bing Crosby, CBS Radio theater and several other shows on the air in America.

These programs are spotted at the Sunday dinner hour (before British stations come on the air) and at 10:30 at night (after they go off). The Sunday radio fare is duller than during the week. Hence sprightly musical programs from Luxembourg are welcomed.

Mr. Macdonell further revealed that many of America's big sponsored programs are widely followed now in England by way of short wave receivers. Thus, if the products advertised are merchandised in England they get free plugging from across the seas. The British amusement world has developed quite a habit of tuning in our programs - Jack Benny, Fred Allen, Major Bowes, Rudy Vallee, and Bing Crosby.

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## THREE HURT IN RCA CAMDEN PLANT STRIKE

Three men were hurt and thirty-two persons arrested in clashes between pickets and strike-breakers at the Victor division factory of the RCA Manufacturing Company in Camden, N.J. June 24th, during the first full day of the organizational strike of Local 103, United Electrical and Radio Workers of America.

Statements as to the number of workers on strike varied widely, E. T. Hamilton, Vice-President of the company, said 7,000 of the 12,000 employees remained at work. A. C. Levay, Chairman of the Strikers' Legal Committee, declared 8,250 employees had gone on strike, and that 5,400 had participated in the mass picketing.

The strike was called after a week's negotiations between union leaders and company executives. The workers demand a closed shop, recognition of their Union, abolition of the company union, arbitration of grievances, a 20 per cent wage increase for day workers and a 30 per cent rise for night workers.

John L. Lewis, President of the United Mine Workers and leader of the movement for industrial unionism, went to New York to confer with officers of the Radio Corporation of America, including General Hugh S. Johnson, Special Labor Adviser of the Company, on the Camden strike situation.

James B. Carey, President of the United Electrical and Radio Workers, an industrial union, said that 9,000 workers had joined the walkout. He said that the Union was eager to continue negotiations with the management, with a view to early termination of the strike.

Elmer T. Cunningham, President of the Company, in a statement addressed to "the people of Camden and Philadelphia and all our employees" said that "during the week ending June 13, the Victor Division of the RCA Manufacturing Company provided employment for 12,244 men and women in the Camden-Philadelphia area and that the wage rates of this company in each classification are equal to, if not greater than, the wage rates prevailing in this area."

Mr. Cunningham said the Union made its demands to him "under threat" on June 15th.

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Microphone-hardened delegates at the Democratic National Convention in Philadelphia were treated to a new experience in broadcasting when NBC's new micro-wave transmitter was carried about the floor of the big auditorium to pick up on-the-spot reports direct from the various State delegations. For the first time, the delegates did not have to be escorted to a microphone; the microphone came to them.

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## PHILCO CLAIMS IMPROVED SHORT-WAVE RECEPTION

Short-wave reception of powerful foreign radio stations has now become as reliable as the tuning-in of nearby American stations, through several important scientific inventions which have been incorporated in the new foreign tuning system of the 1937 Philco line, according to a statement by the Philco Radio & Television Corporation, Philadelphia.

Some of the outward features are the Colored Spread-Band Dial, the Glowing Beam Tuning Range Indicator, and the 2-speed Vernier Tuning Knob.

An important internal feature is "Magnetic Tuning", whereby the set automatically pulls powerful foreign or domestic stations into perfect tune, and holds them there, once the listener has turned the dial to the approximate setting.

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## ZENITH SHOWS PROFITS EVERY MONTH FOR YEAR

The Zenith Radio Corporation has shown a profit in each of the last 12 months, stockholders were told by E. F. McDonald, Jr., President, at the annual meeting in Chicago June 24th.

Mr. McDonald said that was unprecedented in the corporation's history. It was due, he said, not only to results of an advertising campaign, but also to the shift in automobile production, which has tended to eliminate the dull season in radio. He said that by transferring manufacturing operations to the recently acquired Grisby-Grunow plant, consolidating work done in three separate units, a saving of ten cents a set would be effected. The company proposes to spend between \$150,000 and \$200,000 for alterations on the Grigsby property, acquired in bankruptcy proceedings for \$410,000.

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## G. E. ANNOUNCES NEW "FOCUSED TONE" RADIO SETS

General Electric has just announced its new radio line, embracing 18 "Focused Tone", metal-tube receivers and featuring a new simplified color tuning control, an automatic frequency control, and a silent tuning control, together with other advances contributing to fidelity of reproduction and peak performances.

The line includes 8 table models, 8 consoles and 2 radio-phonographs, built around five basic chassis using 6, 7, 8, 12, and 15 tubes. All of the sets are equipped for both standard broadcast and short-wave reception and several have extended tuning ranges for ultra-short waves. One, the 15-tube de luxe model, offers complete service from 150 to 70,000 kilocycles, providing the most extensive coverage of any home receiver available today.

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