

# HEINL RADIO BUSINESS LETTER

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No. 947

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## LANDON'S RADIO VOICE IS O.K.

The acceptance speech of Governor Landon dispelled dire prophecies as to whether or not he would be able to make the grade as a radio speaker. It was a foregone conclusion that he would not be in a class with President Roosevelt who is conceded to be a past-master at the art and who has had years of practice. One of the first opinions heard was from a critical Washington listener who said, "Landon is not as bad on the radio as I had been led to believe."

As a matter of fairness, the Republican candidate deserved a decidedly higher rating even at the start and unless this writer misses his guess will become more and more popular over the air as the campaign progresses and as he gets into the swing of the thing.

George W. Harris, the famous photographer of notables, once said that a plain picture of a man wore better than that of one animated and smiling.

"You like the latter at first but after you look at it a few times you get tired of the smiles", Mr. Harris added.

This is probably just as true of a voice over the radio. Landon's was as plain as an old shoe. Yet it was clear and natural, easy to understand, and aided by his simple language and by newspaper pictures and movies, really seemed to bring the man himself into your presence.

Not so fortunate was Representative Bertrand Snell, of New York, Chairman of the Notification Committee. Of raucous voice, he made an old-time introductory speech which would probably have laid them in the aisles in 1888 but which was creaky and out-of-date for a 1936 radio presentation. Snell talked so long and used up so much valuable time that when he finally got around to introducing Governor Landon a terrific electrical rainstorm had broken in eastern parts of the country, and in Washington, D.C., where perhaps interest was the keenest as to how the new candidate would get over, the thunder and lightning becoming so terrifying, that many had to turn off their radios without hearing the principal speaker of the evening.

Another weak spot at the notification, in the opinion of this writer, was the excitable NBC-Red Network announcer. He sounded as if he were trying for the questionable laurels of the Joe Louis-Schmelling fight commentators. There was no need for him to tell the listeners how hard the audience was cheering or

what tune the band was playing. They could hear it as well as he could. The less said by an announcer, on an occasion such as this the better. It was a program already overburdened with talk.

While Chairman Hamilton didn't by any means measure up to his convention radio effort, he was at least brief. Aside from Governor Landon being 8 minutes late, which is a long-time in radio, if indeed that was his fault, the Governor easily measured up as the star in a great broadcast and really looms as a foe worthy of President Roosevelt's ethereal steel.

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### SHAKE-UP IN CAPITAL STATIONS LOOMS AFTER WOL GRANT

A realignment of at least two of the four broadcasting stations in Washington, D. C., may occur as the result of action taken this week by the Federal Communications Commission granting an application to WOL for a change in location and frequency.

Over-riding its Examiner's recommendation, the FCC voted to allow WOL to move its transmitter from 1111 H Street, N.W., to nearby Maryland and to change its frequency from 1310 to 1230 kc. and to increase its power from 100 watts to 1 KW, unlimited time. The change is effective October 13th. Studios will be expanded but retained in Washington.

Three Washington publishers are now seeking radio outlets in the National Capital, and a fourth is believed ready to step in if forced to by competition.

The transfer of WOL to Maryland and to a new wavelength makes available more facilities for Capital applicants. Scripps-Howard, the newspaper chain which publishes the Daily News, has applied for WOL's present facilities, but it faces a formidable rival in William Dolph, an executive of WOL, who is also handling radio assignments for the Democratic National Committee. He also has applied for the wave to be abandoned by WOL.

The facilities of WMAL, now affiliated with the National Broadcasting Company, are being sought by Eugene Meyer, wealthy publisher of the Washington Post, and William Randolph Hearst, publisher of the Washington Herald and Times. Hearst recently lost a court fight, however, to force the heirs of M. A. Leese to sell WMAL to him.

The Evening Star is believed to have the inside track should any deal for WMAL be made. However, Mr. Meyer has applied also for an auxiliary wavelength in case he should be turned down on the request for WMAL's facilities.

As the repeal of the Davis Amendment has done away with the old quota system, it would not be surprising if Washington were allowed a fifth broadcasting outlet.

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## FCC OUTLINES SCOPE OF BROADCAST BAND HEARING

All general phases of operation in the broadcast band, 550-1600 kc., will be open for discussion at the informal hearing before the Broadcast Division of the Federal Communications Commission beginning October 5th, a prospectus disclosed this week.

The purpose of the hearing, it was explained, is to determine "what principles should guide the Commission in matters relating or affecting the allocation of frequencies and the prevention of interference in the band 550-1600 kc. and, in particular, what changes, if any should be made in the Commission's existing regulations or in the standards heretofore applied by it and its engineering department in order to give effect to those principles."

John B. Reynolds, acting FCC Secretary, also revealed that the almost-forgotten clear channel survey conducted by the Engineer Division some months ago has been completed and that the results will be made available prior to the hearing.

Individual applications, individual assignments, and requests for allocation of broadcast facilities to particular groups or organizations will not be considered at the October hearing.

"The Broadcast Division of the Commission desires to obtain the most complete information available with respect to this broad subject of allocation, not only in its engineering but also in its corollary social and economic phases, to the end that such regulations and standards as it may retain or adopt will make possible such use of the band 550-1600 kc. as will provide maximum service (both transmission and reception) in the public interest", the prospectus stated. "The improvements in and the increased knowledge of, the engineering aspects of broadcasting since the inauguration of the present allocation system in 1928 will be taken into consideration; also the amendment of June 5, 1936, to the Communications Act of 1934, repealing Sec. 302 and modifying Sec. 307(b).

"Specifically, the Broadcast Division will consider proposals and evidence for or against such proposals, as to the principles that should guide it with respect to its regulations and standards on such subjects as the following:

"I. Classification of broadcast stations

1. Desirability of establishing new classes, or of subdividing, modifying or abolishing any existing class.
2. Proper definition of each class with respect to purpose and character of service.
3. Number of frequencies to be allocated to each class.
4. Suitability of various bands of frequencies (e.g., propagation characteristics and noise levels) in the range 550-1600 kc. for the service to be rendered by each class.



5. Extent to which freedom from interference is to be secured to each class and extent to which duplicated use, night or day, of frequencies allocated to each class is to be permitted, including
  - (a) number of stations to be permitted to operate simultaneously in frequencies of each class;
  - (b) mileage-frequency separation tables as a method for determining permissible duplications;
  - (c) advisability of establishing subclassifications of any of the principal classes;
  - (d) use of frequencies allocated to one class by stations of another class;
  - (e) possibility of duplicated use of a frequency by two 50 KW stations separated by a substantial distance;
  - (f) consideration of hour of sunset as the dividing line between daytime and nighttime permissible duplications, and location at which sunset or other hour should be taken as such dividing line;
  - (g) application of directional antennas; and
  - (h) application of synchronization.
6. Maximum and minimum power requirements with respect to each class, including
  - (a) increases in power above 50 KW on any class of frequency;
  - (b) horizontal increases in power on frequencies on which nighttime duplicated operation is permitted, and
  - (c) differentiation in maximum power at day and at night.

"II. Standards to be applied in determining coverage and the presence or absence of objectionable interference

1. Propagation characteristics of the various frequencies in the range 550-1600 kc., including comparison of east-west and north-south transmission, effect of intervening mountain ranges and seasonal variations.
2. Prevailing attenuation in various parts of the country.
3. Proper ratio of desired to undesired signal.
4. Signal intensity necessary to render satisfactory service in various types of community (e.g., urban, residential, rural, etc.).
5. Relative electrical noise levels, natural and man-made, in the range 550-1600 kc. and in various types of communities.
6. Frequency separation, including
  - (a) the prescribed 10 kc. separation between frequencies used by broadcast stations;
  - (b) the customary 50 kc. separation between frequencies used by broadcast stations in the same community;

6. (c) mileage- frequency separation tables as a method for determining minimum geographical separation between stations using frequencies separated by from 10 to 40 kc. ;
- (d) permissible disparity in power between stations on adjacent frequencies;
- (e) practicable standards of receiver selectivity, and
- (f) practicable standards of receiver fidelity.
7. Proper definition of blanketing signal.
8. Legitimate assumptions with respect to Heaviside layer and sunspot cycle.

"III. Geographical distribution of broadcast facilities

1. Weight to be given to such factors as area, population and economic support.
2. Desirability of establishing a system for evaluating facilities (e.g., a quota system) in order to comply with Sec. 307(b) of the Communications Act of 1934, as amended, and "to provide a fair, efficient, and equitable distribution of radio service" among the several States and communities.
3. Feasibility of allowing adherence to sound engineering principles automatically to effect the distribution required by Sec. 307 (b).

"IV. Standards and methods of measurement with respect to

1. Power
2. Tolerance
3. Field intensity
4. Determination of service
5. Determination of interference.

"V. Apparatus performance requirements to be imposed on broadcast stations

1. Frequency stability
2. Antenna efficiency
3. Modulation
4. Suppression of harmonics
5. Fidelity of transmission
6. Transmitter location

"VI. Effect of any proposals regarding the foregoing subjects

1. Socially and economically, upon the public and the industry.
2. Internationally, upon use of the band 550-1600 kc. by other countries in North and Central America.
3. Upon possible future use of frequencies in the band 6000-30,000 kc. and in the band above 30,000 kc. for broadcasting.



"This outline is not to be taken as excluding evidence and proposals bearing on allocation matters not specifically enumerated, provided such evidence and proposals otherwise come within the limitations set forth in this notice.

"Cross-examination of witnesses will be limited to questions by Commissioners and members of the Commission's legal and technical staffs.

"Persons or organizations desiring to appear and testify should notify the Commission of such intention on or before September 15. In such notification the number of witnesses who will appear and the time estimated to be occupied by each should be stated. This information is necessary in order more efficiently to organize the hearing. Proposals seeking amendment of existing regulations should be accompanied by written drafts of the amendments desired, to be submitted at the time such proposals are made during the hearing."

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#### NBC-RED NETWORK PASSES CBS IN JUNE AD REPORT

For the first time in several months the NBC-Red (WEAF) network for June reported slightly more gross revenue from the sale of time than did the Columbia Broadcasting System.

The two networks were close, however, with the CBS figure at \$1,502,768 and the NBC-Red at \$1,505,520.

Nevertheless, CBS was 40.8 per cent above its record for June, 1935, whereas NBC for its two networks was 1.5 per cent below the corresponding month of last year. The NBC-Blue (WJZ) return was \$843,323.

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#### COMMERCE DEPARTMENT ISSUES REPORT ON RADIO SET COUNT

The Electrical Division of the Bureau of Foreign and Domestic Commerce has just released in its Radio Markets Supplement series the complete tabulation of the Joint Committee on Radio Research of the number of families owning radio receiving sets over the United States by States and counties.

Copies of the report may be obtained from the Department of Commerce at 25 cents.

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## CENSUS BUREAU COMPLETES SURVEY OF BROADCAST BUSINESS

Uncontestable proof that the broadcasting business, just an infant a little more than a decade ago, has become one of the leaders in American industry was furnished by the U. S. Census Bureau this week in a summary of its sectional survey.

Major findings of the report were that:

Total net revenue of broadcast stations and networks for 1935 amounted to \$86,492,653.

Five States accounted for 42 per cent of this station revenue with New York in the lead.

An average of 14,561 persons were employed directly by radio stations and networks with an annual payroll of \$26,911,392. Unofficial estimates on expenditures for performers by advertisers and agencies amount to an additional \$50,000,000.

The Census Bureau report is a part of the current Census of Business. It includes 8 national and regional networks and 561 stations, and covers all broadcast stations and networks which sold time during 1935, except 3 small stations which failed to submit schedules of their 1935 operations.

Revenue from the sale of radio time was divided as follows: national and regional networks, \$39,737,867; national and regional spot advertising (non-network), \$13,805,200; local advertising, \$26,074,476. Thus, almost one-half (49.9 percent) of all radio time sales, when measured in terms of revenue, were made through radio networks. Of this, \$27,216,035, or 68.5 percent was available to them to cover cost of programs, wire, and other network facilities. The balance was paid to broadcast stations for the use of station facilities in broadcasting network programs.

Broadcast stations sold \$39,879,676 worth of time and received \$12,521,832 from networks as payment for carrying network commercial programs. They received \$26,074,476 from local advertisers and \$13,805,200 from national and regional advertisers who "spotted" their advertising, i.e., purchased time directly from individual stations. Such "spot" advertising accounted for 24.6 percent of station revenue, in contrast to 46.3 percent from local advertisers and 22.2 percent from networks.

Revenue from sources other than the sale of time amounted to \$6,875,110. Of this sum \$2,983,245 was received by networks and \$3,891,865 by broadcast stations. This revenue was derived largely from the sale of regular network and station talent, program-building for advertisers, and line charges for carrying programs to a number of stations.

It is significant to note the high percentage of revenue received by stations located in the larger cities. The 91 stations located in 12 of the 13 cities of more than 500,000



population shown in this report received \$20,584,297 from the sale of time. Thus these stations, numbering 16.3 percent of all stations, accounted for almost 40 percent of total station business.

Five States accounted for 42 percent of total station revenue. New York led with 10.6 percent, followed closely by California with 8.9 percent; Ohio with 8.5 percent; Illinois with 7.4 percent, and Pennsylvania with 6.6 percent. In local advertising, however, New York and California were almost identical, these two States accounting for one-fifth of total local advertising revenue.

The networks and stations together employed an average of 14,561 persons with an annual payroll in 1935 of \$26,911,392. Only 5 of the 8 networks reported separate employment, the other 3 allocating their personnel to affiliated stations. The 5 networks making separate reports for personnel employed 2,001 persons with an annual payroll of \$5,420,279.

The 561 broadcast stations employed 12,560 persons with an annual payroll of \$21,491,113. About 92 percent of this sum was paid to full-time and 8 percent to part-time employees.

Station talent, consisting of artists and announcers, totaled 5,864, or nearly one-half (44.6 percent) of total station employees. Of these, however, 2,309 were employed on a part-time basis, and they accounted for 81 percent of all part-time employees. Artists alone accounted for 76.1 percent of all part-time employees. Station talent, including both full-time and part-time artists and announcers, received 37.4 percent of the total payroll for the week. Artists employed directly by advertisers are not included in station or network personnel.

Technicians engaged in the operation and maintenance of broadcast stations made up the second largest functional group in numbers and payroll. They accounted for 18.4 percent of all employees and received 19.8 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.

The average weekly pay of full-time station employees in different functional groups ranged from \$24 for office and clerical workers, to \$96 for executives. Supervisors received an average of \$62 per week, station artists \$41 per week, and station technicians \$35 per week. The average weekly income of "other" employees is relatively high because of the inclusion of salesmen in this group.

The analysis for the representative week does not include network personnel. In general, the average weekly salary is higher for persons employed by networks than for those employed by stations. The average full-time station employee was paid \$38, and the average network employee was paid \$53 per week. Network technicians received \$60, artists \$91, and office and clerical workers \$39.

Eight organizations were classified as national or regional networks, and network data given in this report apply to these eight companies. Other organizations frequently listed as radio networks but which serve only as informal sales organizations were not classified as networks.

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## CARTER AND HOFFMAN CONTINUE DEBATE OVER LIBEL SUIT

Boake Carter, Philco-sponsored news commentator over WCAU, Philadelphia, and the CBS network, made another attack on Governor Hoffman, of New Jersey, last week after the Governor had issued a statement to the press explaining why he filed the \$100,000 slander suit.

Besides insisting that the suit must be tried in the residence of the plaintiff, Middlesex County, N. J., rather than in Pennsylvania, as suggested by Mr. Carter, Governor Hoffman was quoted as follows on freedom of speech over the air:

The Governor said Carter cried "sanctuary" in the name of the freedom of the press, but Mr. Carter is not a newspaper. If that point be waived, it is still true that he is not an editorial, but an advertisement. No reputable newspaper would permit an advertiser to seek to sell merchandise in its advertising columns through personal attacks upon the integrity or reputation of individuals. I do not think the radio should permit that either.

"The right of criticism is free to every American. The right to abuse is free to no one. I do not think that the right of free speech includes the privilege of commercializing slander by using it as an article to sell merchandise at profit.

"In the case of newspapers, the right of freedom of the press carries with it the responsibility to be answerable for public stations; the radio commentator is not free from that responsibility."

On the same evening Mr. Carter replied to the press statement during his radio period. He said, in part:

"After five days of silence, New Jersey's Governor Hoffman announced how he believes news should be disseminated over the radio in the United States, inferentially struck at the nation's press itself - but not once in his rambling statement gave one hint, or indication that he is prepared to take action against me directly for what I said regarding his official acts in connection with the Hauptmann case. Briefly and in a nutshell, Governor Hoffman, in his statement to the press, declared that in his estimation, I am not a newspaper - but an advertisement and because I am an advertisement, I have no right



to criticize him or anyone else. By the same queer logic, it must appear then that the Governor must also hold that the nation's press because it accepts advertisements, should not hold him to account for his official acts - or anyone else for that matter. Which would therefore indicate that we were right last Thursday when we observed that the main issue is one of Hoffman versus freedom of the radio and freedom of the press.

"I might point out once again to the Governor to look abroad to those nations where no advertising is permitted - where radio is owned by the bureaucrats and political parties - and where radio is used to beat down any sign and all signs of any democratic form of government. It has been the glory of America that the radio has had advertisers who have been willing to spend money to bring the best programs on the air, provide the greatest of artists and pay to get coverage of the greatest news events of our day."

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#### BROOKLYN CASE HEARING AGAIN POSTPONED BY COMMISSION

Already postponed several times, the so-called Brooklyn case rehearing was delayed again this week as the Federal Communications Commission voted to move up the date from September 9 to October 26.

The case involves Stations WLTH, WEVD, WBBC, WVFW and the Brooklyn Daily Eagle.

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#### RCA GIVEN TIME TO OPPOSE REHEARING IN OSLO CASE

R.C.A. Communications, Inc., of New York, this week was granted permission to file a statement not later than September 1st with the Federal Communications Commission in opposition to the application of Mackay Radio & Telegraph Co., Inc., for a rehearing in the Oslo case.

The FCC recently rejected the Mackay application to establish a radio communication point at Oslo in competition with RCA.

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Polish authorities, who are chiefly women in the radio division, want residents to listen to radio throughout the Summer. A contest has been inaugurated to attract attention and prizes will be given, including cash, a trip to the United States, or an automobile.

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## RADIO EXPORTS FROM 1926-1935 LISTED IN U. S. REPORT

A tabulation of United States exports of radio sets from 1926-1935 inclusive, has just been prepared and released by the Electrical Division of the Bureau of Foreign and Domestic Commerce.

The analysis sets forth both the number of sets and their value as exported to each country for each year. Copies may be obtained at 25 cents from the Commerce Department.

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## RCA PLANT STRIKE ENDS IN AGREEMENT

The four-week-old strike at the RCA Manufacturing Company's plant at Camden, N. J., marked by repeated rioting and several hundred arrests, was ended late Tuesday when strikers voted unanimously to accept a five-point agreement approved earlier in the day by the RCA management.

As a result of the agreement the strike was called off immediately and a "consent election" will be conducted next Tuesday by the National Labor Relations Board in order to determine which Union inside the plant is to be recognized as the sole collective bargaining agency for the workers.

Other terms of the agreement, in brief, are as follows:

RCA will continue to recognize Local 103, Union of Electrical and Radio Workers, as a collective bargaining agency for its members employed in the Camden plant.

The company will maintain the policy of paying as high wages under as favorable hours and working conditions as prevail in Camden-Philadelphia manufacturing establishments engaged in similar classes of work.

The company agrees that all employees absent for strike or other reasons who desire re-employment shall be re-employed as rapidly as work for them becomes available and without discrimination as regards their union affiliations.

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