

# HEINL RADIO BUSINESS LETTER

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INDEX TO ISSUE OF JULY 28, 1936.

Cairo Group Urges Wider Broadcast Band To 1600 Kc.....	2
Lohr Picks Assistant, Washington Hears.....	4
Three New Stations Recommended By FCC Examiners.....	4
Radio Again Plays Role In Spanish Revolution.....	5
Sponsored News Commentators Rapped As G.O.P. Hires Hard.....	6
FCC Pacifies Purdue And NTC On Television.....	7
SEC Bares Crosley And Radio City Holdings.....	8
Role Of Radio Reporter At Olympics Made Easy.....	8
Industry Notes.....	10
FCC Deletes Rule Re Extra First Class Operator.....	11
Schenck Bargains For British Television Rights.....	12
Court Denies Writ For 20 RCA Strikers.....	12

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July 28, 1936.

## CAIRO GROUP URGES WIDER BROADCAST BAND TO 1600 KC.

Broadening of the aural broadcast band by extension from 1500 to 1600 kc. will be recommended by the Committee on Allocation to the general meeting of committees preparing for the Cairo International Radio Conference on August 5th.

The Committee on Allocation adopted, in part, the recommendation of James W. Baldwin, Managing Director of the National Association of Broadcasters, in endorsing the move. The 1500-1600 kc. channel is now used for aural broadcasting but on an experimental scale.

Despite the prolonged engineering hearing held in June on ultra-high frequencies, the Committee decided to recommend to the general meeting that the United States make no proposals with respect to any changes in the present allocation table for the frequencies above 30,000 kc.

Leaving a loophole, however, for subsequent action, the Allocation Committee's recommendation stated:

"If any recommendations are to be made concerning specific reallocation of the ultra high frequency bands for inclusion in the Cairo General Radio Regulations, such proposals be not formally submitted to other nations through the Berne Bureau before the Book of Proposals of other nations has been received from Berne and, in any event, not prior to October 1, 1937."

Other proposals of the Committee are:

"The United States should make no proposals at this time with respect to broadcasting between 6000 and 30,000 kc. However, in order that the United States Government may have full data to guide it in ascertaining the proper position to take at Cairo, the Federal Communications Commission should act as a centralizing agency and cooperate with the various government departments and commercial companies in making an analysis of international high frequency broadcasting, including such items as existing use of channels, operation and regulation.

"That efforts be continued toward the eventual elimination of spark sets."

The Committee rejected the request of Mr. Baldwin that it recommend that the following frequencies below 550 kc. be made available for aural and facsimile broadcasting: 180 to 210 kc.,

7/28/36

and 520 to 540 kc., both inclusive. The NAB Managing Director called attention to his testimony before the FCC hearing but to no avail. He was given permission to file a minority report.

During his testimony before the FCC, Mr. Baldwin said that such extension below 550 kc. would be in agreement with the policy of other nations of the world and would "enable broadcasters to greatly improve the service in rural areas."

Mr. Baldwin also made a motion to increase the high frequency bands allocated to international broadcasting in accordance with a table he presented, but he subsequently withdrew the proposal and substituted a motion that the FCC be requested to cooperate with the commercial companies and other governmental agencies in making a study of the problem for recommendation to the Cairo delegation.

Gerald C. Gross, FCC engineer, in making the motion that for the present the United States make no proposals with regard to the frequencies above 30,000 kc., pointed out that although a great deal of experimental work is being carried on in these bands "no final conclusions can yet be drawn."

"It is understood that a cooperative effort will be made by the industry and the government departments", he explained, "to be centralized by the Federal Communications Commission, on the useful characteristics and interfering ranges of these ultra-high frequencies."

K. B. Warner, of the American Radio Relay League, made a plea for the widening of the bands assigned to the radio amateurs, pioneers in the ultra-high frequencies, but his request was rejected.

Alluding to testimony at the FCC hearing, Mr. Warner said, "We believe we established for all time that the national policy of providing properly for radio amateurs has paid national dividends of inestimable value."

Mr. Warner said he had no detailed plan to present, however, relative to the shifting of frequency assignments for all stations now occupying the channels involved and that he considered that reallocation outside the League's province.

Dr. C. B. Jolliffe, former FCC Chief Engineer, and now with the Radio Corporation of America, pointed out that the fixed services have very high standards of engineering practice and that he desired more information as to where the existing station assignments in the bands 4000-4500 kc. and 7300-7500 kc. would be moved in view of the congestion now existing in other bands.

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7/28/36

## LOHR PICKS ASSISTANT, WASHINGTON HEARS

Maj. Lenox Lohr, President of the National Broadcasting Company, has selected a retired Army officer, Col. C. W. Fitch, now Assistant Director of the PWA Housing Division, to be his assistant, effective about August 15th, according to a reliable authority in Washington.

While no confirmation of the appointment could be obtained at NBC Public Relations offices in New York, it was learned in the Capital that all arrangements have been made for Colonel Fitch's transfer.

Colonel Fitch was associated with Major Lohr in the Chicago World Fair administration and is a friend of many years' standing.

The move, following several dismissals at NBC headquarters, was seen in broadcasting circles as a strengthening of Major Lohr's hand in the control of the NBC network.

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## THREE NEW STATIONS RECOMMENDED BY FCC EXAMINERS

With the quota system scrapped by Congressional action, Examiners of the Federal Communications Commission have become very generous in recommending the allocation of new broadcasting frequencies.

Within the last week they have recommended the granting of three applications, bringing almost to a score the favorable reports filed since the Davis Amendment was repealed.

The latest applicants favored are: Wilton Harvey Pollard, Huntsville, Ala., for 1200 kc., 100 watts, unlimited time; Fred A. Baxter, Superior, Wis., 1200 kc., 100 watts, unlimited time; Marysville-Yuba City Publishers, Inc., Marysville, Cal., 1140 kc., 250 watts, daytime only.

Better facilities also were recommended for KRLC, Lewiston, Idaho, a shift from 1420 to 1390 kc., with an increase in power from 100 to 250 watts, unlimited time, and to WJBO, Baton Rouge, La., from 1420 to 1120 kc., and increase in power from 100 to 500 watts, with specified hours.

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## RADIO AGAIN PLAYS ROLE IN SPANISH REVOLUTION

Just as history repeats itself, radio again served a highly important role in the latest Spanish revolution as it did during the previous uprising.

The first definite contact made by the State Department with Ambassador Claude G. Bowers was via radio telephone after fears had been expressed that the American envoy might have come to harm. Mr. Bowers was not in Madrid when the Fascist revolt started but in San Sebastian, where he has a Summer villa.

After several days of anxiety and unconfirmed rumors, Assistant Secretary of State, seated at his office in Washington, was relieved to hear Bowers' voice over a radiotelephone.

A State Department announcement, after describing the Ambassador's report on conditions in Spain, added:

"The Ambassador explained that he was unable to cross the (French) border to submit telegraphic reports, since all traffic, even in diplomatic cars, was closed, and that he was depending entirely on radio."

It was not the first experience of Ambassador Bowers with the radio as a means of direct communication during similar circumstances. During the previous uprising he had established diplomatic precedents by calling Secretary of State Hull directly on the radio telephone, instead of risking the loss of either message or life by sending a messenger to a telegraph office.

So impressed was Secretary Hull by the direct contact, during which he could hear gunfire on the streets of Madrid, that he had special equipment installed in his office with extra headphones so that his aides could listen in on important diplomatic conversations.

Although Ambassador Bowers could not be reached last week for several days by the State Department, Secretary Hull talked via radio telephone with Eric G. Wendelin, Third Secretary of the Embassy at Madrid, and so obtained first-hand reports of the danger confronting Americans in Spain.

Among the interested non-government observers of the status of communications to and from Spain during the rebellion was Col. Sosthenes Behn, President of the International Telephone and Telegraph Corporation, which owns a controlling interest in the Spanish National Telephone Company.

On July 28th, the I. T. & T. announced in New York that radio telegraph and cable communications with Spain had reached normal proportions again.

## SPONSORED NEWS COMMENTATORS RAPPED AS G.O.P. HIRES HARD

Coincident, though without connection, with the announcement by the Republican National Committee that William Hard, noted newspaper correspondent and commentator, had been hired to do a daily radio program, Editor & Publisher, in an editorial warned broadcasters of the effect that sponsored news broadcasts may have ultimately on their credibility.

The Republican National headquarters, in announcing the employment of Mr. Hard, said:

"No strings have been placed upon him, and indeed no instructions have been given him. The program is on the NBC-Blue network daily at 8:15 p.m. EST.

Commenting on the report that the Republican National Committee intended engaging noted radio news commentators, Editor & Publisher said:

"Presumably the Democratic National Committee will also marshal a squad of soothsayers to comb the news for omens auspicious to their cause. The commentators will be paid, their time on the air will be bought from the networks and stations, in addition to facilities for less eminent or eloquent spokesmen for the candidates. The Republican advertising expert 'hopes' that some newspaper space can also be purchased.

"It is the old set-up with new trimmings. The dear public, which believes that radio news commentators perform the purely editorial function of interpreting the day's news in the light of yesterday and tomorrow, won't receive any engraved notice of the changed status. The same voice tones, suave or truculent, will glide from dateline to dateline, deftly slipping their politics between the layers of the news cake. If the listener holds on to the finish, he may learn that the program was sponsored not by Samson's Unbustable Shoelaces, but by one of the national committees. All that the sponsors hope is that he got a whiff of their little story. A couple of nights will do.

"Newspaper political columnists protested strongly and with justice against the Democratic charge that they were under sponsorship, or even approval, of the Republican organization. Their opinions were their own, and the fact that several of them were hostile to the Democrats did not warrant the slightest implication that they were, or hoped to be, in the pay of the G.O.P. If that were an establishable fact, they knew their field as newspaper writers was greatly narrowed.

"Are radio news commentators on another plane? If so, that fact ought to be made utterly clear, for the majority of radio listeners and newspaper readers believe that columnists and commentators are expressing their own opinions. If the radio



commentator is to be a honky-tonk phonograph, playing whatever tune the customer's nickel calls for, let that be known.

"If their views on politics are purchaseable, why should they be regarded as impartial and reliable on other topics? Who, it will be asked, is paying for a viewpoint on the Danzig controversy, the A. F. of L. schism, divergent views on banking, utility and security regulation, social security, O.A.R.P. or the million other perplexities of the 1936 picture?

"No matter how learned and unbiased their future expressions on any controversy, news, commentators who become propagandists for any political party should, and will, be suspected as 'ex-parte' advocates.

"The radio news interpreters have created a following by the sound of their voices, as much as by the philosophies they expound. Their appeal is made unconsciously through intonation, diction, mannerism, humor, irony, indignation, and ability to sustain a story. The nature of their task does not permit a departure from their normal paths into propaganda to be instantly recognized by the listener. It can't be labeled 'advertising' to be noted at a glance as on the printed page and valued accordingly. It is a subtle perversion of the news and editorial function that radio assumes to perform, and it would justify the distrust that has been often expressed of radio's strength as a medium of public information. To protect their goodwill with intelligent listeners, the rulers of broadcasting should head this scheme off before it starts. There is no health in it."

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#### FCC PACIFIES PURDUE AND NTC ON TELEVISION

Through a shifting of radio channels, the Federal Communications Commission has pacified two objectors to the recent order reallocating the experimental television channels.

Under the Commission's action, Purdue University may broadcast television on a frequency from 2,000 to 2,100 kilocycles, instead of its former 2,750 to 2,850 channel.

The National Television Corporation of New York may use the 2,000 to 2,100 band for field tests until September 15th, when a final decision on its application for permanent operation will be made.

Both Purdue and the NTC had protested against the proposed shift.

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## SEC BARES CROSLLEY AND RADIO CITY HOLDINGS

Holdings of 280,000 shares of Crosley Radio Corp. common stock, by two members of the family were revealed last week by the Securities and Exchange Commission, coincidental with disclosure that Rockefeller Center is largest inside stockowner in Radio Corp. of America.

Crosley's report, reflecting financial interests of officers and directors at the end of 1935, showed Powel Crosley, Jr., one of owners of more than 10% of the company's securities, holding 152,699 shares of common and Gwendolyn A. Crosley having 130,910 in her name. In addition, Lewis M. Crosley had 4,094 shares.

Other insiders in company which owns WLW, Cincinnati's 500 KW transmitter, held as follows: J. Augustus Barnard, New York, 1,000; James Heekin, Cincinnati, 218; Louise K. Kellogg, Cincinnati, 154; and Charles Sawyer, 1,104.

Investment of 15 officers and directors of RCA did not total much over one-quarter of the amount listed in name of Rockefeller Center, which was shown to be beneficial owner of more than 10% of the corporation. By virtue of the Center's investment, Midtown Development and John D. Rockefeller, Jr., also appeared as insiders with an interest in the concern. Other common holdings were:

Newton D. Baker, 10; Cornelius N. Bliss, 2,833; Arthur E. Braun, 19,532; Manton Davis, 50; George S. DeSousa, 100; Edward W. Harden, 1,000; David Sarnoff, 2,000; Otto S. Schairer, 47; James R. Sheffield, 1,190.

The Center accounted for 100,000 shares of 7% cumulative preferred A with remainder distributed as follows: Newton D. Baker, 10; Arthur E. Braun, 6,300; Bertram Cutler, 200; Lewis MacConnach, 50; Edward J. Nally, 10; Sheffield, James R., 400; and H. A. Sullivan, 50. The \$5 cumulative B was held as follows: J. G. Harbord, 1,030; Lewis MacConnach, 54; Otto S. Schairer, 20; H. A. Sullivan 27.

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## ROLE OF RADIO REPORTER AT OLYMPICS MADE EASY

The job of reporting via radio the gigantic Olympic Games is being made as easy as possible by the German Broadcasting Company, which is in charge of the greatest international broadcasting event yet attempted.

With the world listening in, the horde of announcers and sports authorities will be accorded every convenience at Berlin so that no time will be lost in transmission of the reports.

Explaining what it has done for the radio reporter, the German Broadcasting Company stated:

"To press and film the Olympic Games are not unknown territory. Los Angeles and Amsterdam - to name only the two last - afforded for both in organization and content a rich field of practical experience. Radio on the other hand underwent its baptism of fire - it was the first time in human history that an Olympiad was broadcast to the world - at Garmisch-Partenkirchen. On that occasion 37 reporters from 17 countries daily transmitted accounts of the Olympic Winter Games over the ether to all parts of the world. On the basis of the manifold experience gained at Garmisch-Partenkirchen, German Radio is facing the Summer Games, the requirements for which will far surpass those made by the Winter Games, thoroughly equipped both from the organizing and the technical point of view.

"What does that mean for the broadcaster who comes from other countries to report the games? Already before he sets out on his journey to Berlin he gets from his Olympic Committee an Olympia-Passport placing him for the first time on equal terms with the press representatives entitling him to special advantages in point of reduced fares, customs examination, etc., ensuring him access gratis at all times to every Olympic sports ground and place of contest, and securing him the use of the microphone provided for his service and - something for which no provision was made at Garmisch - his own special seating accommodation that will enable him - even when he is not actually broadcasting - to enjoy a full view of the contests concerning which he will have later to compose a report.

"Every broadcaster will find ready for him on his arrival at Berlin dwelling accommodation for the procuring of which the German National Broadcasting Company has made itself responsible, according to preference either in a hotel or in comfortable private quarters (with telephone, bath, etc.) This accommodation which is intended to serve him as a home throughout the Summer Games in which he can feel completely and comfortably at his ease after his hard work, is all situated in the immediate vicinity of Broadcasting House and the chief arenas of contest.

"Everything practicable has been done to render as easy as possible the work of these radio colleagues from abroad. From the time the Games open right up to the end of their stay at Berlin, there will be allocated so-called 'Radio Assistants', Germans able to speak the language of the one they are to help who will be constantly at their disposal and, be it in their preparations for the transmissions, or during the transmissions themselves - will in short be able to clear from their path all difficulties that owing to their unfamiliarity with the locality and other peculiarities of their foreign surroundings they may be likely to encounter.

"As far as is practicable reporters will be driven by car to the different points of contest, some of which are at considerable distances from each other. The car time-table will be fixed daily according to requirements.

"After the actual radio work of the day is over, too, the German National Broadcasting Company will be happy to assist its foreign reporter-colleagues further by furnishing any information wished for as to "What's on" and "What to See" in the national capital, and should they so desire, provide competent persons who will deem it a pleasure to afford them guidance and advice."

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 ::: INDUSTRY NOTES :::  
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The Columbia Broadcasting System has issued a brochure labelled "Two Reports on Leadership" in which it asserts: (1) "The Columbia Broadcasting System carried a greater dollar volume of advertising in the first six months of 1936 than any network carried in any other six months' period of radio history"; and (2) "By directed, audited measure Columbia has more listeners than any other network - in the 10 largest cities of the U.S., in the 13 cities where the three basic networks meet in direct local competition, in the 26 cities of the CBS basic network, in all the cities of the complete Columbia network."

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The Federal Trade Commission has issued a complaint against Giacomo LaGuardia, trading as Herba Medicinal Laboratory, 537 Broadway, New York City, charging him with misrepresenting the therapeutic value of the herb medicines he compounds and sells in interstate commerce. The respondent advertised by radio broadcasts and otherwise.

Also FTC has issued complaint against Hogan Advertising Co., trading as the Sendel Co., Kansas City, Mo., alleging unfair methods of competition in the sale of "Sendol", offered as a remedy for colds, headaches and pains. The respondent company sponsored representations and testimonials in newspapers, magazines, advertising literature, and radio broadcasts.

Also, Allegedly misrepresenting "Nacor" and "Nacor Kaps", as an effective remedy or cure for asthma, the Nacor Medicine Co., a radio advertiser, Indianapolis, Ind., is respondent in a FTC complaint charging unfair competition in connection with the sale of such medicine.

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Radio market reports on Hong Kong and Syria have been issued by the Electrical Division, Bureau of Foreign and Domestic Commerce, and are available at 25 cents each.

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A report from Paris states that the Eighth International Radio Show (Radio, Photographic, Cinematographic, Phonographic Show) will be held at Lyons, France, from September 12 to 20, 1936. Details regarding the exhibition may be obtained from the organizers, the Professional Syndicate of Radio-electric Industries, Lyons.

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The National Broadcasting Company has added another 100-watt station in the drive to strengthen its basic blue (WJZ) network. The outlet is WABY, Albany, N. Y., and makes the second transmitter of this wattage in the State that NBC has taken into the fold within two weeks. The other station is WEBR, Buffalo.



7/28/36

The eleventh contract for exclusive broadcasting privileges to Pacific Coast Conference football games has been signed by Harold Deal, advertising manager, Associated Oil Company. The contract covers 1936 grid contests. The oil company spent approximately \$225,000 for sports broadcasts last year.

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The Mutual Broadcasting System's total billings for June, 1936, for basic and supplementary stations was \$104,509.92.

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Ota Gygi has resigned as Vice-President of the Affiliated Broadcasting Company, and T. E. Quisenberry was elected to the vacancy at a meeting of the Board of Directors last Thursday. Mr. Gygi will remain in the service of the Company.

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#### FCC DELETES RULE RE EXTRA FIRST CLASS OPERATOR

The Telegraph Division of the Federal Communications Commission last week deleted Rule 421 and paragraph (1) of Rule 439 prescribing the qualifications and renewal requirements, respectively, for the commercial extra first class radio operator license, and amended paragraph (2) of Rule 439 by striking the word 'other' at the beginning of the first line and substituting therefore the words 'All operators'. The Commission further ordered that existing licenses of this class will remain valid until expiration and when submitted for renewal will be considered as radio telegraph operator first class licenses bearing radio-telephone operator first class endorsements.

The commercial extra first class operator license and the radiotelegraph first class operator license bearing radio-telephone first class licenses endorsement are identical, with respect to the class of stations that may be operated by holders of these licenses. However, the requirements for renewal of the commercial extra first class operator licenses have been less stringent than those prescribed for the radio-telegraph and radio-telephone licenses. Therefore, the deletion of the rules in question will eliminate this inequality.

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7/28/36

## SCHENCK BARGAINS FOR BRITISH TELEVISION RIGHTS

Basic television rights obtained by Britain's biggest film exhibiting organization were said by a well-informed British source last week to be the main issue in negotiations launched in New York between American and British interests, according to the Associated Press.

Joseph Schenck, Chairman of the Board of Twentieth Century-Fox an American concern, and Isadore Ostrer, President of the Gaumont-British Pictures Corporation, Ltd., are principals in a deal which Schenck has admitted is in process of negotiation.

Ostrer's organization, in which Twentieth Century-Fox already has a 49 percent interest is reported to have obtained a monopoly on the best television equipment in England and to have made a deal under which Radio Corporation of America will pay royalties for use of receiving sets here.

Since Ostrer's arrival from Hollywood, the only word that either he or Schenck have uttered for publication is a statement by the American that "negotiations are progressing smoothly."

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## COURT DENIES WRIT FOR 20 RCA STRIKERS

Justice Frank T. Lloyd, sitting in the Supreme Court at Camden, N. J., July 25, denied applications for writs of habeas corpus made by twenty strikers and sympathizers, including Powers Hapgood, an organizer for the Committee for Industrial Organization, arrested in connection with RCA-Victor strike disorders. The court also denied applications for reduction in bail in all except three cases.

Meanwhile A. J. Isserman, counsel for the United Electrical and Radio Workers of America and the United Defense Committee, advised the American Civil Liberties Union that he would bring suit against the Camden police for false arrest on behalf of every one arrested unlawfully in the strike, which was terminated under a settlement agreement several days ago.

At the same time National Labor Relations Board representatives at a hearing proposed that a referendum should be conducted among the plant's employees on the payroll as of June 12 to permit them to determine their choice of a collective bargaining agency.

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