

HEINL RADIO BUSINESS LETTER

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SOVIETS' RADIO AD CONTEST STIRS SPECULATION

An announcement by the All Union Radio Committee of Soviet Russia that it is holding a contest for the best suggestions on radio advertising has aroused the curiosity of Department of Commerce officials.

Because all information on industrial activities in Russia is vague and indefinite when it reaches this country, it is not known what the purpose of the contest may be. As all industry, as well as radio stations, have been under direct government control, there has been no opportunity for commercial advertising as the United States knows it.

As vague news reports indicate a move toward adoption by the Soviet Union of some of the forms of capitalism, however, the contest may be a prelude to sponsored radio programs.

On the other hand, as one government official surmised, the Russians may just be trying to improve their technique of government propaganda broadcasting.

"The competition", as it is called, was announced by the State-controlled Radio Centre, of Moscow, and is under the direction of the All Union Radio Committee. The prospectus, which might have been issued by an American advertising agency, states:

"The material submitted for the competition should be based on the following conditions: (a) brevity; (b) originality of ideas, attractiveness, and effectiveness."

Five prizes are to be awarded, ranging from 1500 to 250 rubles. The contest closes on December 1st.

Unofficial reports also indicate that other European countries are leaning more and more toward commercially sponsored programs as listeners tire of the government showmanship.

France appears to be taking the lead in the trend toward commercialized radio, but Germany, Italy, and Turkey are following close behind.

England continues as the chief opponent to radio advertising; yet British manufacturers are Europe's foremost sponsors. And the British public is the main purchasing support of commercial programs. All Sunday time and evenings during the week on

Radio Luxembourg, foremost European commercial station are devoted exclusively to programs in English. Daytime is allotted thus: Monday, Italian; Tuesday and Wednesday, French; Thursday, German; Friday, Dutch, and Saturday, French.

Some British sponsored shows are rehearsed in London. Companies are then flown to Luxembourg (an hour trip) for the broadcast, and return to London by plane immediately afterwards.

Radio Luxembourg is a 200,000 watt station owned and operated by the Compagnie Luxembourgeoise de Radio Diffusion, and was opened in the Summer of 1932. It is located in the city of Luxembourg in the Grand Duchy of Luxembourg. The transmitter is in Junglinster, 10 miles from the studios.

Sunday time rates are \$2,000 per hour, \$1,125 a half-hour and \$625 per quarter hour. A 40-word spot announcement, one time, costs \$375.

Commercials are restricted to 190 words on an hour program, 160 words per half hour, and 95 words on a quarter hour. Programs with commercials in two languages are subject to 10% extra charge for station time, but are entitled to 25% more words. Commercials in three languages cost 20% extra but may use 50% more words.

"Cadum Varieties", half-hour show in France, is the outstanding commercial innovation of the year; for it was the first program to introduce American pace and style. Released over Poste Parisien and seven other leading continental stations every Tuesday night, it is now being widely imitated. Jean Sablon, emcee, an 18-piece swing orchestra and a girls' vocal chorus are permanent in the Cadum set-up, with film and stage stars and sport celebrities filling the guest spots weekly.

Most progressive commercial network is the new Radio-Cite syndicate in Paris, which in addition to Radio-Cite includes Normandie, Midi, Nimes, Algiers, Maroc and Radio-Fer. The latter is a service broadcast exclusively on the crack trains throughout France. A half-hour on the key station, Radio Cite, costs 3,000 francs (\$200).

Commercials in Italy are limited to 40 minutes daily per station, distributed in the form of spot announcements. No advertising is permitted in the Scandinavian countries, except Norway, which allots fifteen minutes daily to spot blurbs. PHI, Holland, short wave station, sells time to advertisers who cover the Dutch East Indies.

Belgium has several privately owned stations operating on low power for local coverage. Spot announcements are allowed, but returns are unimportant.

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Advertising is permitted over Irish Free State stations, but only for "Irish Made" products.

Time is sold on the Polish government stations, but commercials are restricted and results are limited.

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PRALL CONTRIBUTES \$500 TO DEMOCRATIC CAMPAIGN

Anning S. Prall, Chairman of the Federal Communications Commission, and former Tammany member of the House of Representatives, has contributed \$500 to the Democratic presidential campaign, a report to the Clerk of the House by the Democratic National Committee, discloses.

Mr. Prall is the only radio figure listed among the major contributors although A. Atwater Kent, of Philadelphia, and Powel Crosley, Jr., of Cincinnati, have made donations to the Republican campaign chest.

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MILLION DOLLAR STUDIO OF WWJ OPENS THIS WEEK

A week of outstanding programs will dedicate the new million dollar studios of WWJ, owned and operated by the Detroit News, beginning on Wednesday, September 16th.

WWJ, which claims to be the oldest broadcasting station in the world, will have five large studios, no two of them alike, located on three floors. All are of "floating" construction, with walls, ceilings, floors, and even electrical conduits mounted on cushions of felt packing which separate them from the remainder of the building. The principal room of the building is the Auditorium Studio, beautifully finished in silver and two shades of blue and occupying nearly half the first floor. It includes a projection booth housing two of the latest type sound motion picture projectors, a completely-equipped broadcasting stage, and one of two consoles of a huge pipe organ, the machinery of which is located on the upper of the five floors.

The new building has the most flexible equipment yet installed in a regional station, and from the studios four different programs can be transmitted simultaneously, to different points, one program to four points, or any combination desired.

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RMA DIRECTORS WILL MEET SEPTEMBER 24

New projects and services for the membership, improved merchandising practices, and sales promotion, will come before the Board of Directors of the Radio Manufacturers' Association, at a meeting Thursday, September 24, at the Hotel Roosevelt in New York City. President Leslie F. Muter of the Association has called the Fall meeting of the RMA Board to consider several new Association projects as well as many important problems now before the industry. Merchandising practices, especially in view of the new Robinson-Patman Act, will be prominent in the discussions of the radio industry leaders. Also a further conference is planned of the special RMA Fair Trade Practice Committee of which Director E. F. McDonald, Jr., of Chicago, is Chairman.

A special survey of the administration of the Federal excise tax has been made by the RMA Set Division under Chairman Arthur T. Murray, to develop uniformity in excise taxes of set manufacturers and effect tax savings in many cases.

Plans also will be approved by the RMA Board for representation of the Association at the October 5 hearing of the Federal Communications Commission in Washington on broadcasting allocations.

Two RMA committees, including both executives and engineers, are preparing for the hearing. A special committee of executives headed by James M. Skinner, of Philadelphia, and the RMA Engineering Committee of which Dr. W. R. G. Baker, of Bridgeport, is Chairman, are both assembling data on subjects scheduled at the Washington hearing.

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TRANSRADIO OPENS FIFTH WIRE, HAS 275 CLIENTS

Transradio Press Service has inaugurated a fifth leased trunk wire to carry its radio news service to new clients in the East. The new circuit extends from New York to Milwaukee, carrying the full 18-hour electric printer service to stations in Pennsylvania, Ohio, Indiana, Illinois and Wisconsin. This is the second westward circuit to be established by Trans-radio. Another circuit runs through New York, Pennsylvania, Ohio and Michigan.

The expansion of Transradio's trunk wire system reflects the vast growth in sponsorship of news programs, which are particularly in demand for Autumn because of the national election campaigns and football. Transradio and its affiliate, Radio News Association, are now serving news to more than 275 clients, according to Herbert Moore, president.

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RADIO SHOW TRADE REFLECTS FALL BUSINESS BOOM

With both attendance and sales running far ahead of last year, the National Electrical and Radio Exposition in Grand Central Palace, New York City, is considered a good indicator of the Fall business boom in the radio manufacturing industry.

Dealers enthusiastically reported trade increases over last year's show from 60 to 800 per cent. While exact figures are not yet available, the New York Times quoted one anonymous exhibitor as estimating that sales are "already about 800 percent greater than at the same time last season in radios".

Others were more conservative, suggesting gains as high as 75 and 160 per cent, but all agreed that increases in trade are "considerable".

Attendance was said to be 20 percent above last year by Joseph Bernhart, show manager.

Larger dials and loudspeakers are the outstanding features of the 1937 receivers.

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VIRGINIA'S "BIG SIX" TO PERMIT GRID BROADCASTS

With leading colleges and universities rather evenly divided on whether to permit broadcasting of their major football games this season, Virginia's "big six" this week reversed an earlier decision and decided to allow the broadcasting of selected gridiron contests.

Capt. Norton Pritchett, athletic director of the University of Virginia, explained that the broadcasting will be sanctioned only as an experiment, that no broadcasting system will be given exclusive rights, and that no member will permit any local station to broadcast any game except those designated. The broadcasts may be sponsored, Capt. Pritchett said, but the educational institutions will not share in the proceeds.

John Bentley, of the Lincoln State Journal, part owner of KOIL, KFAB and KFOR, conducted a survey of representative colleges and universities following Yale's announcement that its football games would be commercially sponsored.

He found that among 74 institutions, 38 permit radio coverage of their games, while 36 ban broadcasts. Of the 38 permitting broadcasts, 24 sell them commercially. As the Virginia decision switches Virginia, Washington and Lee, V.M.I., and V.P.I., the new lineup is 41 allowing broadcasts and 33 barring them.

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FCC ACTS IN COMMUNIST CENSORSHIP CHARGES

The Communist Party of the United States and the American Civil Liberties Union have brought charges that broadcasting stations are discriminating against Earl Browder, Communist candidate for President, contrary to the Communications Act. The Federal Communications Commission is investigating.

The complaints recall the protests made by William Randolph Hearst and members of the House after the Columbia Broadcasting System late last Spring had permitted Browder to speak over its network because Republican and Democratic candidates had been given free time.

Section 315 of the Communications Act states:

"If any licensee shall permit any person who is a legally qualified candidate for public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station, and the Commission shall make rules and regulations to carry this provision into effect."

Arthur Garfield Hays, general counsel of the Civil Liberties Union, demanded that the FCC make a "sharp public statement" relating to political broadcasts because of alleged censorship exercised by Stations WCAE, Pittsburgh; WIRE, Indianapolis; and WCTN, Minneapolis. William Z. Foster, National Committee Manager of the Communist Party, also charged that WCAE had refused to carry out a contract to broadcast an address by Browder on August 28.

Anning S. Prall, Chairman of the FCC, asked for an explanation from WCAE after receiving a report from the Legal Division. The Pittsburgh station, an NBC outlet owned by Hearst Radio, Inc., explained that it will carry all Communist broadcasts by the NBC network but that previous commercial commitments prevented acceptance of the August 28 broadcast.

Similar complaints against WIRE and WCTN are being studied by the Legal Division.

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The Government of Colombia has made a move to keep political discussion off the air, unless engaged in by the Government, by introducing in the Senate a bill calling for the monopolization by the State of all radio broadcasting activities. This measure immediately met with a storm of protest from station owners and operators who contended with some right that if it was the aim of the administration, as it apparently was, to suppress the air dissemination of political topics, it already had achieved that objective by its decree of July 21 while on the other hand if it desired to eliminate chaos from the local broadcasting situation, which it seemingly did not, it had only to enforce the existing regulations.

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CHURCH SELLS STATION AFTER VENTURE GETS IT IN DEBT

While Station KNX, Los Angeles, may be able to earn \$200,000 a year, the First Congregational Church of Berkeley, Cal., is willing to sell KRE to wipe out a debt of \$16,878 incurred over a period of five years.

Examiner R. H. Hyde this week recommended to the Federal Communications Commission that the church be permitted to transfer the station, which operates on 1370 kc. with 100 watts at night and 250 watts daytime, to an organization of business men who have adopted the corporate name of Central California Broadcasters, Inc. KRE has been operated by the church since 1922.

Explaining the background of the application for transfer, Examiner Hyde said:

"The proposal to transfer the license of the station to a broadcast corporation resulted from circumstances extending over several years. Not being satisfied with the manner in which the affairs of the station were conducted by employees who operate the station upon a percentage basis, the First Congregational Church, acting through its official board, requested Lawrence F. Moore to take charge with a view to maintaining KRE as a first class station. Mr. Moore is a member of the Board of Trustees of the church and is also Secretary and Manager of the California Crematorium.

"The interest which Moore and the California Crematorium took in Radio Station KRE seemingly was intended merely as a Christian service, not a venture in the broadcast business. The church members contributed to the support of Station KRE, but inadequately to maintain its service, and Mr. Moore and his corporation soon realized that their interest in the station was costing much more than had been expected in the first instance. During the period of approximately five years the Crematorium has advanced \$16,878.23 for operation of the station.

"In consideration of the funds heretofore advanced for the operation of Station KRE the First Congregational Church of Berkeley has executed a bill of sale transferring title to the physical property of Station KRE to the California Crematorium. The California Crematorium has executed an agreement transferring the station property to the Central California Broadcasters, Inc., in payment for one hundred and twenty-five shares of stock, as heretofore indicated. In this transfer, the valuation placed upon the station equipment is \$12,500, which would be the approximate cost of replacement. The original cost of the equipment was \$16,878.23.

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WPA RADIO WORKSHOP CONTINUED WITH \$100,000

With a new budget of over \$100,000, allocated by President Roosevelt from relief funds, the WPA Federal Educational Radio Workshop Project, undertaken six months ago as a means of aiding educators in the proper use of radio, will be continued for nine more months with an augmented staff. The budget covers activities planned from October 1st to July 1, 1937.

The present staff of 75, of whom 38 make their headquarters in New York, may be increased by 25 or more, all drawn from CCC camps or from WPA professional rolls, according to William Dow Boutwell, editor of the U. S. Office of Education, who heads the project under Dr. John W. Studebaker, U. S. Commissioner of Education.

Mr. Boutwell stated that all the additions to the staff will join the Washington headquarters, and that the New York staff on September 15th will move to quarters furnished by New York University in Washington Square, New York University, it was revealed, is considering a resumption of its courses in radio technique, using the Radio Workshop staff as faculty and advisors. The six-week courses, it is planned, will take in not more than 40 students and will be designed to train teachers and directors of educational broadcasting in professional radio technique.

The WPA project itself trains its staff, all but the supervisors drawn from CCC camps and relief rolls, in radio writing, production, acting, music and speaking, and is also building up a library and script collection from which educators and radio station operators can secure ideas and material. With its own staff it is now staging five programs weekly on the various networks, and has one script series which it is distributing to schools and radio stations. More script series are planned.

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DUTCH POLICE CONFISCATE FAULTY RADIOS

The police of many municipalities in Holland, under instructions from the Government Radio Control Service, are busy "chasing the Mexican Dog", wherever he shows himself, observes World-Radio, British Broadcasting Corporation's organ.

"In Rotterdam and the suburban communes of that great port they have recently prosecuted the owners of fifteen faulty receiving sets as well as the makers of these", it continues. "The latter are responsible, so they allege, for much of the bad reception in the neighborhood as well as for serious annoyance to honest listeners who wish to hear good music or pleasant entertainment undisturbed. At the same time they are in the midst of a campaign against owners of receiving sets who place noisy loud-speakers on their balconies or by their open windows and so supply their neighbors with undesired music, or, worse still, shouted descriptions of sporting events. People who do this are liable, under recently imposed regulations, to have their receiving sets confiscated, especially after one or more warnings."

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NBC STARTS ELABORATE SUSTAINING SCHEDULE

Prominent personalities in the fields of education, music, drama and religion and program plans more ambitious than ever before in radio history characterize the National Broadcasting Company's first Fall summary of sustaining programs to be launched on the Red and Blue Networks. In addition to the new programs many favorites return to the NBC networks.

November will see the debut of a new type of college discussion program over NBC networks. Speakers drawn from representative campuses in all parts of the country will hold open forum on problems directly affecting their own lives.

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R.C.A. COMMUNICATIONS' INCOME RISES SHARPLY

R.C.A. Communications, Inc. last week reported a net income for July of \$37,068, or an increase of \$27,319 over the corresponding month of 1935.

The comparative figures are:

	1936	1935
July gross	\$378,025	\$329,916
*Net income	37,068	9,749
7 months' gross	2,570,050	2,340,759
*Net income	137,356	96,897

*After taxes and charges

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CBS ANNOUNCES BIGGEST FALL SCHEDULE IN ITS HISTORY

The Columbia Broadcasting System announces the most comprehensive schedule of sponsored features in the history of the network during the season of 1936-37. Sixty-three outstanding programs are included in the commercial list.

The parade of entertainment includes world-famous comedians, orchestras, conductors, soloists, and a host of celebrities from the fields of radio, films, stage, and opera. Supplementing these sponsored features is Columbia's sustaining schedule which will present four symphony orchestras (in addition to three in sponsored series) and a long list of internationally known artists and ensembles.

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::::: INDUSTRY NOTES :::::
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The Affiliated Broadcasting Company, Chicago, it is reliably reported, has devised a plan whereby Samuel Insull, former utility magnate and president of the radio chain, together with the 22 affiliated stations in the system, will contribute additional working capital. The plan provides that Mr. Insull and his associates will contribute \$20,000 each month and the stations will add \$5,000, making a total of \$25,000 for use in expanding the network's facilities. It is understood that since the chain was organized last April, approximately \$250,000 has been spent for development and organization work. Of this, \$76,000 was raised by Mr. Insull and his friends, with the remainder secured by a Chicago banking house. H. B. Walker, Evansville, Ind., has been named as a director, representing the stations. He succeeds E. Ogden Ketting, Chicago, resigned.

WOR, New York, reports, a total of 1,411,181 pieces of mail received since the first of the year up to and including August 29, 1936. During a similar period in 1935, the mail response totalled 531,576 pieces of mail. This is an increase of 165%.

A copyright infringement suit was filed in Federal Court, Manhattan, last week by William G. H. Finch, inventor, and engineer, against Wide World Photos. The complaint charges the defendants with violations of two patents for mechanisms in the transmission of photographs.

Unsatisfactory release dates of the weekly results of the Literary Digest presidential poll led last week to a decision by the Associated Press not to carry the poll results on its wire. The weekly results, released alternately for Friday morning and evening papers, are available for broadcast on a dually sponsored broadcast by John Kennedy Wednesday nights. The same figures are out in the Digest which appears on New York newstands Thursday morning and on Friday or Saturday.

Sparks-Withington Company and Subsidiary for the year ended June 30, announces a net profit after provision for contingencies, depreciation, Federal income taxes and other charges, of \$154,561, equal, after annual dividend requirements on 6 per cent preferred stock on which there are accumulated unpaid dividends, to 15 cents each on 900,674 no-par common shares. In the preceding year there was a net loss of \$167,738.

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DEEMS TAYLOR APPOINTED CONSULTANT ON MUSIC FOR CBS

Deems Taylor, American composer, critic and journalist, has been appointed Consultant on Music for the Columbia Broadcasting System. He will assist and advise Columbia's Program Department in coordinating its schedule of serious music during the 1936-37 season.

At least five of America's finest symphony orchestras will be presented over the Columbia network each week during the forthcoming season. In addition there will be two symphony orchestras from famous conservatories of music, two series of children's concerts by symphony orchestras, and an impressive series of broadcasts by nationally known vocalists, pianists, and chamber music organizations. Columbia officials feel that Taylor's intimate knowledge of the radio listener's likes and dislikes and his own rich background as composer, critic, music editor and journalist eminently qualify him for his new post.

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There is a steady, although limited market for the sale of radios in Ecuador, according to the Department of Commerce. In general, American radios continue to dominate the market, and in the line of lower priced received sets, foreign makes are reported to be unable to compete. Radios in Ecuador are sold to the public on the installment plan.

Radio represent a very important product from the United States in Brazil, and although the imports decreased a good deal during 1935 in comparison with 1934 the dealers continue to report that conditions were favorable during 1935, the Commerce Department reports.

According to unofficial statistics Bahia imported 833 radio sets during 1935 as compared with 1,357 during 1934 and 734 during 1933. The majority of sales in Bahia are the cheaper long and short-wave table models although a large number of the more expensive radios have been sold. According to the local dealers, they are looking forward to more or less steady sales during 1936 and many of them are pushing their sales in the 54 other municipalities that have electricity.

Of the total sales it is estimated that about 77% are American makes and that about 23% are foreign makes.

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