

HEINL RADIO BUSINESS LETTER

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No. 963

FREQUENCIES FIXED FOR NEW POLICE RADIO SERVICES

The way was cleared this week for the establishment of national and inter-State networks of radiotelegraph services by Municipal and State Police and possibly Federal agencies, such as the Justice Department's Bureau of Investigation or the Secret Service of the Treasury.

Modifying an order issued earlier in the Summer, the Telegraph Division of the Federal Communications Commission announced its allocation of frequencies for point-to-point radio-telegraph communication among zone and interzone police stations.

The allocations are:

For interzone communication:

2808 and 2812 kc., working, and 2804, calling; 5135 and 5140, day only, working, and 5195, day only, calling.

For zone communication:

2040 and 2044 kc., working, and 2036 kc., calling.

The Commission explained that 2808, 2804, 5140 and 5195 kc. are available on a secondary basis for zone communication (a) during periods when the frequencies regularly assigned for zone communication are unavailable due to the operation of experimental visual broadcast stations, and (b) by zone stations separated from other zone stations by a distance greater than the communication range of the frequencies regularly assigned for zone communication.

The three frequencies assigned for zone communication in the 2,000-2,100 kc. band may be used, the FCC explained, "subject to the condition that no interference is caused the service of experimental visual broadcast stations."

Modification of the original allocation for zone and interzone police stations was necessitated by the change in policy of the Commission with regard to experimental television stations. Following protests from Purdue University and the National Television Corporation, of New York, the FCC agree to permit limited television experiments to continue in the 2,000-2,100 kc. band after previously ordering all visual broadcasting moved into the ultra-high frequencies.

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Establishment of the zone and interzone services is expected to increase greatly the efficiency of the police in apprehending modern criminals, equipped as they are with fast automobiles.

The hackneyed journalistic phrase of police "throwing out a net" for criminals actually will become a reality when the networks of police stations are set up. Information regarding an escaping offender may be broadcast instantly either to neighboring States or to the nation at large.

At present the zones proscribed by the FCC correspond in general with State boundaries, but it was explained that large States may be subdivided into several zones if more effective operation is obtainable.

The same transmitting equipment may be used for municipal police stations and zone police stations provided that the equipment does not interfere with radiotelephonic communication with scout cars or motorcycle patrols.

The maximum power that may be used by zone stations is 500 watts. Slow speed facsimile is also permitted between zone stations.

Interzone police stations are in general similar to the zone stations save that they are permitted to communicate not only with stations within the zone but also with interzone stations in adjacent zones.

In order to provide uniformity of operation and to facilitate the dispatching of messages, the FCC has adopted a uniform operating procedure which is mandatory upon the licensees.

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CBS AUGUST BILLINGS ARE UP 40% OVER 1935

Time sales on the Columbia Broadcasting System network for August, 1936, totalled \$1,232,588, an increase of 40% over billings for August, 1935. This marks the eighth consecutive month in which CBS billings show a substantial increase over the corresponding month in 1935. The August 1935 return was \$879,019.

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PAYNE INCENSED AT STATIONS' BAN ON ROOSEVELT SPEECH

Commissioner George Henry Payne, Republican member of the Federal Communications Commission, this week was the only FCC member who publicly denounced two Los Angeles broadcasting stations for refusing to carry President Roosevelt's last fire-side chat as a sustaining feature.

The stations, KECA and KFI, are owned and operated by Earl C. Anthony. Although not regular outlets of NBC, they are members of the Pacific Coast group of stations taking NBC programs.

Anning S. Prall, Chairman of the FCC, was quoted in the Hearst press as upholding the right of the stations to refuse to broadcast the President's address on the ground that a political campaign is underway. The FCC officially has taken no action in the case, however, holding that a station has a right to refuse any program except a purely political address when time has been allotted to a rival candidate.

Speaking before the Riverhead (N.Y.) Rotary Club this week, Commissioner Payne said, in part:

"No one has more vigorously defended the freedom of the press, or its partial equivalent, the freedom of comment over radio by radio news commentators, than I have in the various addresses and publications I have made or issued during my two years on the Communications Commission. But what are we going to say when those who have most bitterly denounced us as attempting censorship assume the right to exercise that same censorship, and exercise it against no less a person than the President of the United States?

"This arrogant abuse of power arises, of course, from a misunderstanding, not uncommon among commercial broadcasters, as to their rights and their relationship to the public. Some of them have even gone so far as to describe themselves as 'the Fifth Estate' in government, ignorant alike of the historic and political implications of this expression. In the recent instance where the President of the United States was edited off the air in Los Angeles, the idea back of it was doubtless, it is believed, that if a newspaper can leave the President's speech out of the paper, the owner of a broadcasting station has the right to refuse to send the speech over the air.

"Of course, there is no similarity in the two cases. If a Republican editor should decide that he will not print a Democratic President's speech, that is his right and privilege, no matter what we may think of his news judgment or journalistic ethics or lack of them. He has the right because the newspaper is his own investment.

"But the owner of a broadcasting station owns nothing but the machinery and the material that go into his station. The frequency over which he broadcasts and the ether through which it comes to the public no more belong to him than they belong to you and me. In fact, they belong more to you and me than to him because we are several hundreds and he is only one. As a matter of fact they belong to all the people and the people have the right to protest against a man setting himself up as a censor or dictator.

"Of course, the man who has a license from the government will necessarily select the material that is to be broadcast. The public has begun to resent a low type of program with which so many broadcasters are inflicting them in the desire to make money, and only money. Because educational 'stuff', as they call it, bores certain types of broadcasters, they resist its introduction into the program. It is a literal fact that one of the leading broadcasters, a man who has acted as an official of an organization, sat in my office one day and when I ventured to say that various college presidents had written approvingly of some of my suggestions, he burst out indignantly, 'What the hell do them college presidents know!'

"I have presented the sad and disagreeable side of the broadcast picture. It is only fair that I should refer to the better and the more attractive aspect. While this country and Canada are the only two countries in the world where radio is not owned or controlled by the Government, the people in this country are still, I believe, strongly in favor of private ownership, and are pleased with the high class of many of the programs, as evidenced by our superior development in radio.

"While people still deeply resent the bad taste and poor judgment of many advertising programs, I have had dozens of people speak to me with enthusiasm of such programs the Ford and the Philco and others where good judgment and good taste were shown. The people fortunately are awaking to the fact that this is their resource - the air. In my small way I am trying to arouse the public to the fact that there is a great danger of the air being exploited by the few to the detriment of the many to whom it belongs. If I seem a bit hectic in my frequent cries of 'watch out!', it is only because I see behind the scenes the fierce struggle of those who realize what enormous fortunes can be made by private exploitation of this last great resource."

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RCA DENIES ESPIONAGE CHARGE IN ANSWERING PHILCO

The Radio Corporation of America this week flatly denied the charges of the Philco Radio and Television Corporation, of Philadelphia, that it had engaged in espionage activities to gain secret information regarding Philco's technical or scientific developments or processes. The denial was made in an answer to an injunction suit brought by Philco in the New York Supreme Court.

While admitting hiring John S. Haley, Inc., a detective agency, to conduct inquiries in Philadelphia, RCA denied that any person in its behalf ever attempted to "entice, bribe, persuade or induce" any Philco employees to divulge any information or documents.

The answer asserts that such inquiries as were made and such information as was obtained related solely to the "purported reorganization of July, 1934, by which Philco Radio and Television Corporation, is claimed to have been set up as an ostensible separate and independent corporate entity, apart from the Philadelphia Storage Battery Company of apparatus manufactured by the latter under its license from this defendant and others as licensors, for the purpose of evading royalties under said license."

The suit was brought to restrain the Radio Corporation, the RCA Manufacturing Company, Inc.; John S. Harley, Inc.; Charles A. Hahne and Laurence Kestler, Jr., for making any use of information alleged to have been obtained by Hahne as secretary and director of the Harley company and Kestler as an investigator through bribing employees of the Philco and Philadelphia Storage Battery Companies, including women, alleged to have been taken by the detectives to hotels, restaurants and road houses and plied them with liquor to induce them to divulge the information.

Answers were filed also in the Supreme Court by the Harley company, Hahne and Kestler, in which they denied the charges that they "in any way attempted to obtain any information as to any alleged processes or new designs or engineering data which plaintiff claims to have developed in its alleged laboratories or research department as to radio apparatus." The defendants asserted that they had conducted an investigation to obtain information as to the real relationship between the plaintiff and the Philadelphia Storage Battery Company "including particularly an attempt by the Philadelphia Storage Battery Company and the plaintiff to effect a corporate setup for the purpose of evading the payment of royalties to the Radio Corporation of America as required by license agreements" between the Philadelphia Storage Battery Company and the Radio Corporation.

The defendants denied specifically that they "ever sought to obtain or did obtain information, confidential or otherwise, concerning designs, trade secrets, technical scientific developments or processes by the plaintiff or the Philadelphia Storage Battery Company", or that any instructions ever had been given to the investigators to "entice, bribe, persuade or induce the employees of either company to divulge or procure such confidential information, data, designs or documents."

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"RADIONEER" IS NEW TITLE FOR SERVICE MEN

"Radioneer"! That's the term that has been selected to identify radio service men who fulfill the requirements of a Qualification Project just launched.

The term "Radioneer" was invented by Mr. Guy O. Lawson, a resident of Glen Ellyn, Illinois, who has relinquished all rights to the future use of the term. It has been checked with extreme care by legal counsel, and has been protected against infringement in every way.

"Radioneer" was chosen from a list of more than 1,200 suggested terms on file in the office of the Radio Service Men's Institute.

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CANADA PICKS NINE NEW GOVERNORS OF RADIO SETUP

Carrying out the mandate of Parliament, Prime Minister King has appointed Governors of a Canadian Radio Corporation to take over the supervision of the Dominion's broadcasting system on November 2. The Governors will replace the existing Canadian Radio Commission.

Headed by L. W. Brockington, Winnipeg attorney, the new Board is composed of publicists, educators, showmen and financiers and the preponderance of the former points to the likelihood that it will be expected to "sell" more strongly the idea of nationalized broadcasting to the Canadian public.

No announcement has yet been made regarding the fate of the present three Commissioners, but it is expected that Chairman Hector Charlesworth may be given a place as a program executive. The new Board, consisting of one man from each province, will recommend a General Manager for Canadian radio and an Assistant before November 2 when the new Radio Act goes into force.

Vice Chairman is Rene Morin, Managing Director of the Trust Generale du Canada, Montreal; other members are: Brig. Gen. Victor Odlum, former newspaperman, now a Vancouver broker; J. W. Godfrey, Halifax barrister and former Rhodes scholar; Prof. A. Vachon, Laval University, Quebec; Wilfred Bovey, Montreal barrister, formerly on the faculty of McGill University; N. L. Nathanson, of Toronto, President of Famous Players Corp. of Canada and Canadian Paramount Corp. Alan B. Plaunt, Toronto journalist, who is credited with instigating the idea of Canadian nationalized broadcasting; Mrs. Nellie McClung, author, of Victoria, B. C.

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MOVIE EXHIBITORS COMPLAIN AS RADIO LURES STARS

While their previous fears of television have been quieted somewhat by the radio industry's assertion that practical visual broadcasting is still several years ahead, the motion picture exhibitors are complaining because their headline stars are devoting part of their time and talent to sponsored radio programs.

Will Hays, movie czar, is scheduled to confer with the principal executives of advertising agencies handling radio accounts using film stars sometime next week.

This Fall's new programs have taken more of the leading film stars than any previous season with such headliners as Clark Gable, Fred Astaire, and Ginger Rogers booked.

Variety, the theatrical trade organ, explains the attitude of the exhibitors and theater operators thus:

"There is no doubt, judging from reports received by leading trade associations, but that theatre operators have arrived at the conclusion such practice is bad for their business, only difference among them being variations of intensity with which such convictions are held. Some exhibitors are convinced that if permitted to continue, it will injure their business at least to the extent that the drawing power of films starring radio casting pix players will be greatly diminished.

"Others, while believing it is somewhat injurious, aver that the situation is no cause for great worry. Latter class is made up of larger exhibitors in biggest key spots where the influence of radio is not so keenly felt as in smaller cities and big towns."

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RADIO PLAYS IMPORTANT ROLE IN HURRICANE WARNING

Although no reliable means of resisting a hurricane has been developed as yet, the radio within recent years has enabled the United States Weather Bureau to broadcast warnings far enough in advance of the storm so that much death and destruction has been averted.

An example of how the Weather Bureau obtains reports from ships at sea and then relays them to coastal cities and towns, with the Coast Guard assisting, was seen this week as the season's first serious hurricane struck the Atlantic Coast.

The source of the storm warnings is the news received from vessels in the path of the disturbance. In normal times, accredited ships radio the Weather Bureau in Washington twice daily. But when tropical hurricanes whirl, they report four times. The reports are radioed to the nearest available land stations, and then sent in international code direct to the Bureau.

First word of the latest hurricane was received September 10 from a little tramp ship far down in the South Atlantic, in what is known as the "hurricane belt" which includes the Gulf of Mexico and the Caribbean.

From that time the Weather Bureau had its eye on the hurricane.

As the storm became intense and menacing, reports multiplied. Ships caught in its path flashed word of impending disaster, then fled before of the gale. It was then the Weather Bureau began directing that warning flags be flown at full staff. Seaplanes were instructed to take off and drop their pennants and streamers attached to floats. On each banner was printed the words: "Hurricane Warning!"

The Weather Bureau, through its special radio was in touch with every ship in the Atlantic the night before the storm hit the coast. Latest weather reports were rushed to the radio room, where they were punched on tape in code. Immediately the tape was transferred to the sending device on the radio and broadcast over short-wave to ships thousands of miles at sea. Any vessel with a radio could pick up the reports.

The ships get their messages and chart their courses accordingly. Copies of the reports broadcast are carefully filed. More than once they have proved important evidence in admiralty cases.

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INTERNATIONAL DANGER CITED AT RADIO PARLEY

Arnold Raestad, former Norwegian foreign minister, said political broadcasting "has enormous potentialities for fomenting international discord" in opening the International Broadcast Conference at Geneva September 17. He is President of the Conference.

Belgium reserved the right to cut off foreign transmission deemed abusive, or harmful, to her peace and order.

Gerald C. Gross, Chief of the International Section of the Federal Communications Commission, attended in a private capacity. The United States was not represented officially.

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POPULARITY OF RADIO INCREASING IN NETHERLAND INDIA

That radio is making notable progress in Netherland India is revealed in a report to the Commerce Department from Trade Commissioner Donald W. Smith, Batavia.

More than 4,000 new receiving set licenses were issued in the colony during the first quarter of the current year, the report shows. At the end of March, 1936, the total number of licensed receivers was 31,150 compared with 27,560 on January 1, 1936, and with only 17,860 on January 1, 1935.

The sharp increase in the number of licensed receivers in Netherland India, the reports points out, is due to the expansion of the facilities of the local broadcasting station, the "Nirom". Under the terms of the agreement between the Government and the "Nirom", listeners in the territories where the broadcasts of the company's stations are clearly audible are required to pay a monthly fee of 2 florins (about \$1.40), it was stated.

A recent survey of the licensed listeners conducted by the local broadcasting station revealed that about 75 percent of all radio owners in the country were primarily interested in hearing Western, or Occidental programs. Native and Chinese listeners, however, for the most part showed a preference for Oriental programs.

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BRIEFS

The Sun Radio Service & Supply Corporation, Washington, D. C., has entered into a stipulation with the Federal Trade Commission that in the sale of radio receiving sets it will cease use of the word "Majestic", alone or with the word "International", or in any manner in advertising, matter, or as a trade name or brand so as to imply that its radio sets are manufactured by Grigsby-Grunow Company, when such is not the fact.

Station WFIL, Philadelphia, Pa., has filed an application with the Federal Communications Commission for a modification of their construction permit for new equipment, erect vertical antenna, increase power, move transmitter, further requesting authority to change the transmitter site locally and extend commencement and completion dates to 30 and 180 days respectively.

The RCA Manufacturing Co. on September 17th announced wage increases of from 5 to 10 percent for 9,000 employees in its Camden plant. E. T. Hamilton, Vice President in Charge of Labor, said the new scale would become effective October 5th.

Station KYW, Westinghouse Electric & Manufacturing Co., Philadelphia, Pa., has asked the Commission for a construction permit to make changes in equipment and increase operating power from 10 kilowatts to 50 kilowatts.

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RADIO HAS REVERSE EFFECT OF PIED PIPER IN DENMARK

A story of a modern Pied Piper, but with a reverse effect, is told by an editor of World-Radio, British Broadcasting Corporation's organ, in a recent issue.

"A correspondent in Denmark tells me of a farmer in that country whose farm for a long time past had been plagued by rats", the editor wrote. "He managed to get rid of these annoying animals in a novel manner. Having tried all sorts of means in the war against the rats without much result, he at last conceived the idea of trying the effect of broadcasting music on the animals. He therefore had some loudspeakers installed in the stables and barns and kept them going regularly. After a few days the rats disappeared: they had all moved to the neighboring stables. The farmer said that in his opinion it was the chamber music items which proved to be the last straw to the rats."

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TELEGRAPH PARLEY COMMITTEE TO MEET SEPTEMBER 24

The second meeting of the Preparatory Committee for the fifth meeting of the C.C.I.T. will be held in the offices of the Federal Communications Commission on Thursday, September 24th in Room 1413, New Post Office Building, Washington, D. C., at 10 A.M., for the purpose of further considering the preparatory work for the conference to be held in Warsaw, October 19, 1936.

Traffic statistics have been compiled from annual reports submitted to the FCC concerning foreign telegraph messages transmitted during 1934 and 1935.

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I. T. & T. INCOME SHOWS GAIN OVER 1935

The International Telephone and Telegraph Corporation and subsidiaries reported September 17 an estimated consolidated net income of \$3,353,813 for the first half of 1936, equivalent to 52.4 cents a share on 6,399,002 shares of stock, against \$2,128,581, or 33.2 cents a share, in the same period in 1935. For the second quarter of this year the net income was about \$1,745,000, or more than 27 cents a share based on first quarter net income reported at \$1,608,750. In the second quarter last year the net income was \$899,823, or 14 cents a share.

The reported net income includes for the six-month periods \$1,691,439 and \$1,576,577, respectively, representing dividends declared and interest and management and service fees accruing from the Spanish Telephone Company, a subsidiary not consolidated, and net income accruing from other Spanish subsidiaries which are consolidated in the reports.

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