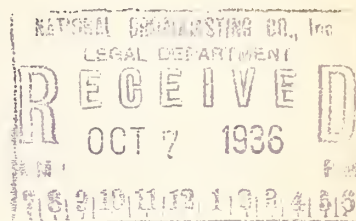


HEINL RADIO BUSINESS LETTER

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No. 969

October 6, 1936

BROADCASTERS DIVIDED AS FCC HEARING OPENS

With the broadcasters of the nation sharply divided on the issues of clear channels and higher power, the engineering hearing on the broadcast band, 550-1600 kc., opened Monday morning in the Government Auditorium with nearly 400 persons present.

Although the educators made an initial bid for more channels, the bitterest scrap in prospect appeared to be between the clear channel group and the regional broadcasters.

The clear channel group of 13 stations is seeking not only to preserve its frequencies from further breakdown but higher power as well. Through Louis G. Caldwell, attorney for the group, the stations asked that the present maximum power of 50,000 watts be made the minimum and that the maximum be raised to 500,000 watts.

Opposing them is the National Association of Regional Broadcasting Stations, formed only recently under the leadership of John Shepard, 3rd, President of the Yankee Network. This group of 85 stations wants further duplication of stations on clear channels with power restricted to 50,000 watts and a horizontal increase on all regional channels to 5,000 watts.

Because its own members are split on the major issue, the National Association of Broadcasters Directors decided that its Association will not be represented at the hearing although James W. Baldwin, Managing Director, had been scheduled as one of the 37 witnesses.

After Judge Eugene O. Sykes, Chairman of the Broadcast Division, had opened the hearing with a brief outline of the scope and procedure of the inquiry, Commdr. T. A. M. Craven, Chief Engineer of the FCC, spoke on the engineering aspects of the reallocation problem.

"The conception of the hearing was prevaded with the spirit of progress that has been made in the art of broadcasting since 1928", he said, "securing from the industry a practical interpretation of this progress and cooperating with the industry in an intelligent planning in application of this progress to the betterment of broadcasting service to the public.

"Growing out of the vast experience, both in engineering and in the economics of broadcasting, which has been gained since 1928, the year in which the present principles were established, there have been certain developments which may enable progressive

steps to be taken if the evidence at this hearing should show the need therefor."

Aiming to forestall demands from new services for places in the already crowded broadcasting band, Commander Craven said that the Interdepartment Radio Advisory Committee is making progress in the study of the allocation of frequencies above 30,000 kc. to government services as a result of the June 15th hearing.

"It is my opinion that we may expect with confidence the allocation of sufficient frequencies above 30,000 kc. to accommodate aural, facsimile and television broadcasting in the future on an initial experimental basis.

"In my opinion the date when these new services will cease to be experimental depends upon many factors, and in particular, upon the rate of progress in development."

Following Commander Craven's statement, Andrew Ring, Assistant Engineer, explained the clear channel survey conducted over a two-year period (See release of September 7).

The demand for allocation of exclusive channels for educational use by non-profit-making organizations was made by S. Howard Evans, of the National Committee on Education by Radio, and H. B. McCarty, of the National Association of Educational Broadcasters.

"The Commission may be charged with gross neglect", Mr. Evans declared, "for allowing valuable Government franchises to be so highly commercialized at the expense of educational opportunities."

Mr. Evans was joined by Dr. A. G. Crane, President of the University of Wyoming, in supporting a request by Dr. J. W. Studebaker, United States Commissioner of Education, that "a segment of the high frequency band be set aside for the exclusive use of educational institutions."

He suggested an entirely different standard of allocation from that of 1928, in proposing that the Commission consider social and economic phases of broadcasting as equal factors with power.

Mr. McCarty pointed out that there are but 22 radio stations operated by educational stations now on the air as compared with 100 at one time.

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WMCA TO EXCHANGE FRENCH PROGRAMS

Jacques Bonjean, star announcer of Radio Post Parisien, Paris, visited New York during last week, returning to France on the "Normandie". While in New York Mr. Bonjean visited Donald Flamm, President of WMCA to perfect plans for the exchange of radio programs arranged by Mr. Flamm on his recent visit to Paris.

Under the arrangement WMCA will secure programs from Radio Post Parisien in Paris, and the French station will be able to call on WMCA for programs originating in the United States. Some of the exchange will be by means of transcription, while other programs exchanged will be by transatlantic telephone.

Mr. Bonjean, broadcasting in France under the nom-d-air of Jean Loup, will appear before the microphone in Paris on his return in a series of broadcasts on his visit to America, and will also handle the microphone for the WMCA French pick-ups. He is scheduled to visit the United States again in February at which time he will appear before WMCA Inter-City microphones in a special series of three broadcasts.

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SWISS ARTISTS WIN, GRAMOPHONE FIRMS LOSE IN COPYRIGHT

The highest Swiss court has ruled that artists are entitled to copyright protection in broadcasting but that gramophone record manufacturers are not.

A brief history of the litigation, as reported by World-Radio, BBC journal, follows:

"An action was brought against the Swiss Broadcasting Company in 1934, and the Court of Cassation of Berne, acting as a court of first instance, delivered judgment in January of the present year. It ordered the defendant company to pay damages to the plaintiffs, makers of gramophone records, and prohibited the defendant from broadcasting records produced by the plaintiffs and acquired by the broadcasting company subsequently to January 20, 1934. The judgment recognized a copyright in the manufacturers, considered as creators of the records.

"The Swiss Broadcasting Company appealed from this judgment. It confirms the judgment of the court below, as regards its substance, but has not followed the arguments of the Cantonal court. It refuses to recognize a special copyright in the maker of a record, the activity of whom is to be regarded rather as technical and commercial; but, on the other hand, it admits copyright in the executant artists."

"The Federal Court further holds that broadcasting is a public performance and not a reproduction. Notwithstanding this prohibition, the Swiss Broadcasting Company has made all requisite arrangements for ensuring that, in spite of the suppression of certain broadcasts of records and the obligation to abandon the transmission of the products of the complaining companies, its programs shall be carried out as regularly as before."

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BOAKE CARTER RAPS PRESS CONTROL OF RADIO

An outspoken protest against newspaper control of radio stations was voiced last week by Boake Carter, Philco broadcast news commentator, at a luncheon meeting of business and advertising men in Boston.

Speaking on "Radio and the Press", Mr. Carter traced the history of attempts by newspapers and press associations to restrict the broadcasting of news, likening such efforts to those of King Canute to hold back the tide.

"Today", he said; "keen newspaper publishers have switched their ground. Instead of now trying to block radio news they are now acquiring as many radio stations as they can lay hands on.

"By this means they can - one, eventually control American radio; two, they can establish editorial air policies for the radio stations they own. Thus in time, if they are successful, you may find Republican stations, Democratic stations, liberal stations, conservative stations - just as you have Democratic, Republican, liberal and conservative papers. Then the story of the press will be repeated on the air - and you'll have to listen to two or three stations if you want a non-partisan radio report of current events.

"And this situation, because it deals with the spoken word, and emotions and passions, will be infinitely more dangerous to the preservation of the democratic form of government than the present varied press. The publisher who becomes the strongest and largest owner of the greatest radio chain - will be the one who can most nearly become the uncrowned king of the United States.

"Radio news broadcasting is full of blemishes. Readily I concede that", said Mr. Carter. "But as radio itself is still comparatively young, so has the news branch of radio got to learn many lessons. We are trying to learn and do a decent job. Sometimes it is a little hard when those from whom should come sympathetic help comes instead bitter opposition.

(Continued on last page)

10/6/36

PAYNE BARES ABUSIVE LETTER FOR RIVERHEAD SPEECH

Although he has received several hundred clippings of editorials and many letters commending his Riverhead (L.I.) denunciation of the two Los Angeles stations, KECA and KFI, which refused to carry President Roosevelt's last fireside chat as a sustaining feature, Commissioner George Henry Payne this week disclosed that he had received one particularly abusive letter.

The letter was written on stationery of the Aetna Life Insurance Company and postmarked in Indianapolis. It was signed by H. E. Rust. It said, in part:

"Associated Press dispatches quote you as calling the unwillingness of certain radio stations to carry Candidate Roosevelt's fireside talks as 'An arrogant abuse of power'. Evidently you are trying to scare men with courage through threats of the use of the powers of your public office. Accordingly one must judge you to be a cowardly politician.

"You talk glibly of the 'fifth estate' and I hope you now know the true economic and political meaning of that phrase. The air doesn't belong to you any more than it belongs to me. By your theory of politics, any candidate for office could force stations to carry his talks free of charge. I, too, could ask and demand free time because I own as much air as you do, or as Roosevelt owns. You talk about others setting themselves up as censors or dictators. That seems to be what you are trying to make out of yourself, through political pressure.

"In my opinion, you are a hot-air merchant of the first degree! If you'd resign and go to Russia, a lot of us would be thankful. Why not carry your bull-dozing tactics through to the Supreme Court? Men of your ilk ought to leave the country. This idea of compelling private property owners to carry the expenses of Roosevelt's campaign is so blatant that one wonders where you got your ideas of fair play."

Writing a friendly letter to the editor of the Indianapolis Star regarding a critical editorial, Commissioner Payne commented on the Rust attack thus:

"Is there not something fundamentally wrong in the political material that is being fed to this young insurance salesman when it leads an otherwise decent young man to write an abusive, ill-bred, threatening letter? If my position entitles me to no respect, is it not conceivable that my sincerity shouldn't be questioned by a mind that is still undeveloped and poorly informed on the subject that I am discussing?

"Surely one who is proud of the fact that his ancestors came to this country in 1631, should not be told to get out of the country and called names by one whose equity in the country is still to be established and whose manners are obviously deficient.

"All that I have tried to do, both in my speech at Riverhead and in the book of lectures published under the title of 'The Fourth Estate and Radio', which I am sending you, is to provoke public discussion as to how we can improve the radio and how we can best insure the protection of the public interest."

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CBS HIRES SIX COMPOSERS TO WRITE RADIO MUSIC

Recognizing the need for music peculiarly adapted to radio, the Columbia Broadcasting System this week disclosed it has engaged six American composers to write music specifically for the air and within time limits suitable for broadcasting.

Although no reference was made to the copyright fight between the broadcasters and music copyright owners in the past, the CBS move was seen in the industry as another effort to break away from the licensing system of the American Society of Composers, Authors and Publishers.

Deems Taylor, composer-critic-commentator and consultant on music for CBS, said that time limits had been suggested as the only restrictions on the art of the selected composers. Otherwise they will be free to choose their own forms.

Because of the importance of time in broadcasting, the network stipulated that a symphony, cantata, or an opera should not run longer than forty minutes. The time for a suite or concerto was set at twenty-two minutes and the length of a work in one movement was limited to between eight and fourteen minutes.

The composers, chosen by a committee of the Columbia Program Department with Mr. Taylor as advisor, were Aaron Copland, Louis Gruenberg, Howard Hanson, Roy Harris, Walter Piston and William Grant Still, all prominent figures in modern American music. Mr. Copland is a pianist and a leader of the modernist school of music. Both Mr. Gruenberg and Mr. Hanson have composed operas which were performed by the Metropolitan Opera Company.

Mr. Gruenberg, who is on the faculty of the Chicago Musical College, wrote the music for the operatic version of Eugene O'Neill's "Emperor Jones", and Mr. Hanson, who heads the Eastman School of Music at Rochester, wrote the opera "Merry Mount."

Mr. Harris teaches composition at the Westminster Choir School in Princeton, N. J., and Mr. Piston is on the faculty of the Harvard University School of Music. Mr. Still, a Negro, has made many arrangements of music for radio concerts.

The commissions are to be completed by June 1 next year and will be performed by the Columbia Symphony Orchestra of which Howard Barlow is the conductor.

Mr. Taylor said that the broadcasting company at first had considered holding a contest for compositions, but had decided to commission certain composers outright.

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FCC POSTPONES EFFECTIVE DATES OF TWO RULES

The Broadcast Division of the Federal Communications Commission has extended the working date of Rule 981 for six months. This rule requires all relay, international, television, facsimile, high frequency, and experimental broadcast stations to have in operation by September 15, 1936, a frequency monitor. This monitor does not have to be approved by the Commission but must have an accuracy of one-half the allowed tolerance of the class of station with which it is to be used. It is believed that sufficient commercial monitors will be available within six months so that all stations of this class can be equipped as required.

The working date of Rule 1034 (c) has been postponed until further notice. This rule states that the television assignments will be made by bands in which the carriers for aural and visual broadcasts are to be operated. Inasmuch as the allocation of the present Group B and C are for television purposes on a purely experimental basis, the FCC felt that no band assignments should be made at this time.

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G.O.P. SPONSORS FOREIGN LANGUAGE BROADCASTS

The Republican National Committee's Naturalized Citizen Division has contracted for 1,500 paid radio programs in 35 States, to be broadcast in foreign languages to various groups throughout the country. The broadcasts, ranging from five minutes to one-half hour, include programs in German, Swedish, Danish, Norwegian and other foreign tongues.

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TRADE COMMISSION CITES BOAKE CARTER AND PHILCO

According to an announcement by the Federal Trade Commission, the Philco Radio and Television Corporation, Philadelphia, has entered into a stipulation with the Commission that, in advertising its radio sets for sale, it will discontinue broadcasting representations, the effect of which is to imply to listeners-in that the announcer has actually tuned in a designated foreign broadcasting station; that the program heard is picked up from such foreign station and is being rebroadcast through the local station or network over which the announcer is speaking, or that the foreign station was originally picked up and a recording made therefrom, when such are not the facts.

According to the stipulation, the respondent corporation, in soliciting the sale of Philco products, caused advertising program entitled "Around the World with Boake Carter" to be broadcast, these programs consisting of a series of electrically transcribed talks in the form of continuities prepared by Carter and describing his visits to foreign countries. At certain points during the broadcasting of such electrically transcribed discourses, Carter is said to simulate a demonstration of tuning in a musical program from a radio station in the foreign land being discussed, when, according to the stipulation, the music heard by listeners-in does not come from a foreign station but is produced in the studio of the station from which the broadcast is being made.

The respondent corporation also agrees to cease and desist, when referring to the possibilities of short wave radio reception, from use of such statements as "With the new Philco I can tune what I want now when I want it", or any representations of similar meaning, implying that foreign radio programs may be obtained with a reasonable degree of clarity, regardless of static, atmospheric conditions or signal strength.

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TELEVISION DOESN'T BOTHER RADIO, SAYS BBC

Television transmissions do not interfere with radio broadcast reception, according to the British Broadcasting Corporation, which has inaugurated a television service in London.

"Before the advent of television fears were expressed that it would interfere with the reception of ordinary broadcast programs", the BBC stated. "The recent experimental television tests held during Radiolympie demonstrated that there were no substantial grounds for these fears. A few complaints were received from the immediate neighborhood of Alexandra Palace. These were immediately investigated by the BBC engineers. It was found that there was a certain amount of interference, the severity of which varied according to the type of receiver used. It

was worse on old and unselective receivers, but was easily eliminated on most of the sets tested by the addition of very simple and cheap apparatus. Apart from the few cases reported in the area immediately adjoining Alexandra Palace, the television transmissions do not interfere in the slightest with broadcast reception over London."

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MILLS ENTERS QUARREL OVER RADIO'S EFFECT ON MUSIC

Following up the contradictory opinions expressed by Gene Buck, President of the American Society of Composers, Authors and Publishers, and Alfred J. McCosker, past President of the National Association of Broadcasters, E. C. Mills, General Manager of ASCAP, this week presented evidence to back up Mr. Buck's contention that radio shortens the life of modern music.

"The popular songs of 1934 depreciated 80% in the second year of their life", Mr. Mills said. "There is no such decline in the standard or classical works, the depreciation in their second year being but 19%. Eighty-seven leading popular songs were broadcast 1,255,669 times during 1934 by the two major networks, the ASCAP analysis reveals; these same songs received only 252,025 performances on the same networks in 1935. Over 30,000 programs were studied. These songs melted like the 'snows of yesteryear', and ASCAP's living songwriters must create new tunes to replace them.

"The older songs survive this musicide better than the new hits", Mr. Mills stated. "Such songs as 'Tea for Two', 'I Got Rhythm', 'Smoke Gets in Your Eyes', 'Sweet Sue-Just You', 'Limehouse Blues', 'Speak to Me of Love', 'I'll See You Again', and 'Woodland Echoes', which were played more than 10,000 times in 1934 again made the hit list in 1935, our program digest shows.

"These eight songs alone made up thirty-five percent of the performances received in 1935 by the entire list of eighty-seven song hits of 1934.

"Standard, or so-called 'classical' music, which is performed about ten percent of the time, suffered only a nineteen percent depreciation in 1935, due partly to the reduction in performances of old airs which had been taken into motion pictures, or which had a purely topical appeal.

"Among these were 'The Man on the Flying Trapeze', which dropped from 2,575 to a mere 454; 'Red River Valley', which fell from 2,748 to 323 and 'There's Music In the Air', which got no performances in 1935 after rolling up 1,991 in 1934.

"ASCAP is interested in the requirements of its clients, which in turn mirror the wishes of the ultimate consumer, the public. And the public wants new music, proven by the fact that about eighty percent of the music used by radio is music hot from the composers' brain.

"ASCAP offers this new music, created by composers and authors of merit and repute through one central licensing agency, which delivers a service to the user of music for profit and serves as a collection and distribution agency for the just payment of royalties to the creators of music", Mr. Milss concluded.

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FTC RESTRICTS MIDGET RADIO MANUFACTURER'S CLAIMS

The Federal Trade Commission announces that Edward Ehrlich, trading as Fairway Distributing Company, 333 6th Avenue, New York City, in the sale of midget radio sets, agrees to cease using the word "Majestic" alone or with the words "Radio Corp." as a trade name or brand so as to imply that his products are manufactured by Grigsby-Grunow Company, an Illinois corporation, when such is not a fact. Ehrlich also will stop use of the word "Bell" independently or in conjunction with the word "International", as a designation for radio sets he sells so as to give the impression that such products are made by the American Telephone and Telegraph Company, its subsidiaries or associates, or the Western Electric Company, Inc., when this is untrue.

According to the stipulation, the name "Majestic" is now vested in Frank McKey, trustee in bankruptcy for the creditors of Grigsby-Grunow Company, and the name "Bell" and the representation of a bell as used are the legal property of the American Telephone and Telegraph Company, its subsidiaries or associates, and the Western Electric Company, Inc.

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PAUL KLUGH DRAFTED BY LONDON FORCES

When Paul B. Klugh, who put aside active duties with the Zenith Radio Corporation a year or so ago to devote himself to travel, arrived in Chicago last week, he found that John Hamilton, Chairman of the Republican National Committee, had appointed him National Chairman of the Radio and Music Division of the National Committee. Mr. Klugh, therefore, is now busily engaged in promoting the candidacy of Mr. Landon in these industries.

Earlier this year, Mr. and Mrs. Klugh left right after the holidays on a trip around the world. They did not go on any set tour, but from port to port as they felt inclined. It proved to be an ideal arrangement as it gave them an opportunity to tour in many lands and see things that the average tourist does not see. Their route took them to Honolulu, Samoa, Fiji, New Zealand, Australia, Solomon Islands, Bali, Java, Malay Peninsula, China, Japan, Honolulu and home to Chicago, where they arrived the latter part of June. They spent the Summer in Yellowstone Park.

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10/6/36

Continuation of "BOAKE CARTER RAPS PRESS CONTROL OF RADIO"

"I believe that radio should support and maintain its own news gathering staffs and if the press associations and wire companies care to sell their services to the stations, so be it. Several press associations already do just that.

"I believe that every news program, every editorial news program, every feature news program on the air should be conducted by newspapermen utterly independent of political party or special privileged interest; that such programs should announce themselves and make it clear and distinct to every listener. Never at any time should camouflage be used in a dishonest effort to cover up, to deceive the public. If a political speaker is speaking it should be made most clear he speaks from a partisan background.

"If the political parties hire speakers to speak for them, then such programs should be clearly labeled - so that there may be no deception.

"And, finally, I do sincerely believe that there should be a burying of the hatchet between the press and the radio over the question of news - for the very sake of the preservation of the American principle of democracy."

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RADIOS IN TRACTORS APPROVED BY U. S. OFFICIAL

Noting that some manufacturers were offering rubber-tired farm tractors equipped with radios, Roy B. Gray, Chief of the Bureau of Agricultural Engineering, said it wasn't a bad idea.

"It's all part of the general tendency to take some of the drudgery out of farming", he commented.

"Of course", Mr. Gray said, "riding a tractor is a darned sight easier than walking behind a horse-drawn plow. But it's pretty hard sitting there all day in a dusty field. The radio breaks the monotony."

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