

HEINL RADIO BUSINESS LETTER

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No. 979

November 10, 1936.

PRESS PLEASED WITH "INSIDE" VIEW OF TELEVISION

Newspapermen from scattered cities got their first complete view of the television developments of the Radio Corporation of America last Friday, November 6, and most of them found the experiments good and somewhat beyond their expectations.

During a 40-minute demonstration pictures were broadcast from the RCA transmitter on top of the Empire State Building, New York City, and were received on the 62nd floor of the RCA Building.

More than 200 guests watched the performance in a "theatre" room on the sixty-second floor of the skyscraper in Rockefeller Center. They saw the show as reproduced by fifteen of the latest television receivers lined up in a darkened room, the walls of which were draped in black.

The demonstration possessed four features not included in previous demonstrations of television. It was the first made by RCA and the National Broadcasting Company for the press under practical working conditions, although previous demonstrations of laboratory television have been given. It represented the first showing of a complete program built for entertainment value as well as a demonstration of transmission. It also included the first showing of a new 12-inch receiving tube, which reproduces a picture on a $7\frac{1}{2}$ by 10-inch screen. This is the largest screen yet employed which is capable of commercial adaptation.

A fourth feature of the demonstration was a television tour behind the scenes. By means of an especially prepared moving picture film, the guests were conducted through the NBC television studios in the RCA Building and the transmitter station at the top of the Empire State Building.

The television curtain went up at 2:30 o'clock. Two little girls stepped into view and pulled aside the studio curtains as the signal for Betty Goodwin, the announcer, to begin the show.

Maj. Lenox R. Lohr, President of the National Broadcasting Company, was introduced for a brief address of welcome to the guests.

"At last, television is out of the laboratory and into the field, undergoing tests which will assure that it does not reach the public until it is capable of satisfactory service", he said.

"The role of the National Broadcasting Company in television will be operating transmitters, programming, and, when it becomes available for commercial use, securing sponsors. In order that we may be prepared to do our part, our engineers are daily putting apparatus on the air under practical service conditions. Our Program Department is learning an entire new technique in continuity writing, make-up, staging, and a multitude of other details which this new art will demand. It is experimenting with commercial programs to determine the effectiveness of television to sell goods."

David Sarnoff, President of the Radio Corporation of America, walked into view through space and reported on the results of the experimental field tests which began in June from the Empire State Building's copper alloy aerial.

"The tests have been very instructive in that we have learned a great deal more about the behavior of ultra-short waves and how to handle them", he said. "We know more about interferences, most of which are man made and susceptible of elimination. We have surmounted the difficulties of making apparatus function outside of the laboratory. We have confirmed the soundness of the technical fundamentals of our system, and the experience gained through these tests enables us to chart the needs of a practical television service."

"We shall now proceed to expand our field test in a number of ways. First, we shall increase the number of observation points in the service area. Next we will raise the standards of transmission from 343 to 441 line definition."

"One of the major problems in television is that of network syndication. Our present facilities for distribution of sound broadcasting cover the vast area of the United States and serve its 128,000,000 people. Similar coverage for television programs, in the present state of the television art, would require a multiplicity of transmitters and network interconnection by wire or radio facilities still to be developed."

"Our program is three fold; first we must develop suitable commercial equipment for television and reception; second, we must develop a program service suitable for network syndication; third, we must also develop a sound economic base to support a television service."

"From the standpoint of research, laboratory development, and technical demonstration, television progress in the United States continues to give us an unquestioned position of leadership in the development of the art. In whatever form such progress may be evident in other countries, we lead in the research which is daily extending the radio horizon, and in technical developments that have made possible a transmitting and receiving system that meets the highest standards thus far obtainable in field demonstration."

From Mr. Sarnoff, the show switched to a newsreel captioned "Four More Years." President Roosevelt was the main protagonist; he was seen voting at Hyde Park, greeting his neighbors from the front porch of his home and reading election congratulations. Mr. Roosevelt's face, as the "smiling winner" registered clearly.

Other films were then projected on the air, covering a variety of subjects.

Hildegarde, a radio singer, then revealed the television possibilities for those invisible artists who today sing through the microphone.

The outstanding question put to the engineers was, "When will television be ready for the home?" They declined to make a prediction, but stressed the present high costs. Standard equipment will be necessary before low-cost, foolproof instruments will be ready for home use, they said.

It was pointed out that one large tube in the transmitter costs as much as two low-priced motor cars, and several such tubes are used.

Several important problems must be solved, Mr. Sarnoff explained, before home television is practical. First, transmitter stations must be developed and standardized to perform with lock-and-key precision through receivers at a price which the public can afford. Second, program technique must be studied and developed to justify public service. Third, some economic base must be found to finance the television entertainment.

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PRESS-RADIO BUREAU PASSES BIG TEST

The Press-Radio Bureau had its baptism of fire on the night of November 3rd, according to Editor & Publisher, and came through unscathed. It was its first handling of returns from a presidential election.

"The Press-Radio Bureau of the Publishers' National Radio Committee supplied the returns to both networks of the National Broadcasting Company, the Columbia Broadcasting System, and to several individual radio stations being a key factor in the all-important radio coverage which this year reached new levels of abundance", Editor & Publisher recalled.

"United Press, International News Service, Universal Service and Trans-Radio Press Service results also were on the air constantly.

"It was a supreme test for the Bureau under James W. Barrett, editor-in-chief, and judging by reports from radio executives and listeners, the Bureau succeeded.

"Mr. Barrett prepared for election weeks in advance. He organized a special staff of experienced newspaper and radio editors and writers, and also took a special suite of rooms adjoining the regular offices of the Press-Radio Bureau. A special equipment of work tables, teletype machines, telephones, charts and bulletin boards was also installed.

"In addition to its regular service from the AP, UP, INS and Universal the Bureau had made special arrangements with the AP under which the Bureau had its own special squad working at the AP offices in a space adjoining the AP Election Service.

"The Press Radio men selected from the great volume of AP copy the most important EOS bulletins giving returns from the various states as quickly as possible after poll closing. These men had a specially prepared chart showing the time of poll closings in terms of New York time, marked so as to indicate the states whose votes would probably determine the election.

"Under this system the latest and most important copy was routed ahead of the bulletins from other states which were already in the bag for Roosevelt. The copy from AP was carried on two special teletype machines.

"G. Robert Carley, regular day editor, Dick Chaplin, and Francis J. Tietzort, had charge under Mr. Barrett.

"Bureau election copy began to go out at four o'clock, but at six o'clock the system was in full operation and continued on until 2 a.m. After that the Bureau assembled a complete five minute summary of the national results which was broadcast by NBC and CBS shortly after 7 o'clock Wednesday morning."

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MOSCOW REPORTS TELEVISION EXPERIMENTS

Since October 1st, regular television receptions are being carried out in Baku organized by the Azerbaijan Radio Committee, according to Radio Centre, Moscow. The receptions of television are taking place in a radio-studio which is receiving the television broadcasts of the Moscow radio-stations.

The programs of broadcasts include - plastic dances, scenes from operas, rendered by well known artists, readings by writers and poets and a photo-chronical.

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1600 PAY TRIBUTE TO NBC AT ANNIVERSARY DINNER

More than 1600 persons, many of them prominent in this country or abroad, paid tribute to the National Broadcasting Company for its ten years of radio progress at the network's tenth anniversary dinner at the Hotel Waldorf-Astoria, New York, Monday evening.

Prominent government officials, business leaders, and newspaper men, together with radio executives of foreign nations, were present at the dinner.

President Roosevelt sent a message of congratulations and Anning S. Prall, Chairman of the Federal Communications Commission, spoke (See stories elsewhere in this release).

David Sarnoff, President of the Radio Corporation of America, toastmaster, predicted that within ten years the millions who now listen in their homes will be able to see as well as to hear by radio.

Dr. Henry Sloane Coffin, head of Union Theological Seminary, recalled that ten years ago certain principles were laid down to govern religious broadcasts and that to date these principles had proved wise.

"Radio has fostered not merely tolerance, which is a negative quality; it has fostered mutual understanding and mutual appreciation", he continued. "It has built up the spiritual solidarity of the land."

M. H. Aylesworth, former President of NBC, who now heads the Board of RKO, praised the Federal Communications Commission because it had "wisely refrained from interference with the freedom of the air in the programs and policies laid down by the broadcasters and their advisers."

Dr. Karl T. Compton, President of the Massachusetts Institute of Technology, traced the history of radio from the technical standpoint, and then evaluated broadcasting in the social and educational life of the nation.

"As an impartial agency", he declared, "radio has just demonstrated its tremendous power for good in educating the masses of the people regarding the political issues of the day. Whether we like their decision or not, I think we must admit that the people knew what it was all about and knew what they wanted as probably never before."

Maurice Rambert, President of the International Broadcasting Union, who is credited with having built the first amateur radio receiver on the continent, told of his work in forming the union and the progress that has been made in international cooperation between the radio organizations of all lands.

"The guests of honor included Postmaster General James A. Farley, Secretary of Agriculture Henry A. Wallace; Robert Jardillier, French Minister of Communications; former Vice-President Dawes; C. D. Howe, Minister of Transportation for Canada; Mr. Rambert, who also is President of the Swiss Broadcasting Company; Owen D. Young, Chairman of the Board of the General Electric Company; A. W. Robertson, Chairman of the Board, of Westinghouse; Paul D. Cravath, Chairman of the Board of the Metropolitan Opera; Walter Damrosch, and Dr. Coffin.

Also Colby M. Chester, Chairman of the Board, General Foods Corporation; Dr. Compton, General James B. Allison, U.S.A.; William Green, President of the American Federation of Labor; Gerard Swope, President of General Electric, and Felix M. Warburg, financier.

Other guests were twenty-five radio executives of thirteen foreign nations who are visiting this country as guests of the NBC. The countries represented are England, France, Canada, Italy, Germany, Austria, Czechoslovakia, Denmark, Holland, Poland, Sweden, Switzerland and Yugoslavia.

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PRALL CREDITS RADIO WITH BIG ROLE IN ELECTIONS

Anning S. Prall, Chairman of the Federal Communications Commission, credited by intimation the American Plan of Broadcasting for the outcome of the presidential elections during an address at the NBC anniversary dinner in New York City Monday night.

At the same time he pointed out that President Roosevelt and other administration candidates were not given any advantage over rival Republican or even Communist office-seekers so far as the radio was concerned.

"For sometime past, forces have been working for government ownership of all broadcasting in the United States", he said. "They have pointed to Europe's government-owned systems in support of their arguments, but lately these proponents of a state-owned broadcasting appear to have become less articulate. Perhaps they have been comparing the free American radio with the methods used in other nations. As an illustration we can take our experience in the recent national elections campaign. A President and a majority of the Congress were elected. That campaign was waged largely by radio. Many think it was won and lost by the oratory over the air, but did President Roosevelt and other administration candidates for public office have the exclusive use of that ether? No indeed they did not. Every American citizen knows that Landon and Knox and Thomas and Lemke and Browder had the right to equal time and got it consistent with

their demands and on the same basis. It has been a splendid test of the American system. That is freedom of expression. That is true democracy. That is America!

"At this time I cannot overlook the fact that during the last four years - four years under President Roosevelt - radio broadcasting has made greater strides in public service, in good will, and in financial stability than during any other period in its brief but meteoric history. Not only this and other industries but American humanity has emerged from the chasm of the blackest economic depression we have ever known.

"Who among you would have believed ten years ago that as much could have transpired in broadcasting in that brief span - perhaps only those broad-visioned men who founded the National Broadcasting Company, but I am even skeptical of that.

"Certainly it is a tribute to those men who had the courage and the foresight to undertake the creation of the World's first network in those Autumn days of 1926 when radio still was regarded as a mere novelty - a passing fancy that seemed destined to go the way of the hoop skirt and the bustle - the brown derby and the miniature golf course.

"Those men who conceived the idea of an NBC - Mr. Owen D. Young, David Sarnoff, Gen. James G. Harbord, A. W. Robertson, the late H. P. Davis and M. H. Aylesworth - deserve the plaudits of the nation for that contribution alone. It was six years after broadcasting really got its start that the plan for a hook-up of stations by wire crystalized.

"I am told that the man who decided upon this project had a two-fold mission in mind - they saw in it a means of mass communication, of entertainment. By putting attractive programs on the air they felt they could arouse the public interest to the point where receiving sets would be sold. These men were manufacturers primarily. It was a merchandising plan basically. Did they see in radio then a potentially great medium for the molding of public opinion, the education and entertainment of the people, even in the remotest corners of the land? Did they recognize it as a virile, bright advertising medium which ultimately would pay its own way?

"These men in typically American fashion made the best of their opportunities. Through proper guidance during its adolescence, broadcasting became the composite newspaper, magazine, concert hall, schoolhouse, church and public forum. True, in the process it developed some of the ailments that are usual with the growing child, but the medical treatment was there, and I like to believe the crisis is passed.

"But more than that, under our form of government radio has become the purveyor of public good, of enlightenment and of culture. American radio, we believe, is the finest in the world because it has been permitted to develop unfettered by too many restraints of government. Whatever may be said to the contrary, there is complete freedom of speech over the American ether - only laws and rules of common sense, common decency and libel are the limiting factors. And these should be observed in the spirit as well as in the strict letter."

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FCC REBUKED BY COURT FOR WIRE SEIZURES

Although the U. S. Court of Appeals in Washington this week upheld the Supreme Court of the District of Columbia in denying an injunction against the Black Senate Lobby Investigating Committee to William Randolph Hearst, it rebuked the Federal Communications Commission for what it termed the illegal act of copying thousands of telegrams and turning them over to the Committee.

Senator Minton (D.), of Indiana, a member of the Committee defended action of the Communications Commission, which he said "was making an investigation of its own at the time and turned the telegrams over to the Committee merely as a convenience to telegraph companies which otherwise would have been forced to duplicate their work on thousands of telegrams."

Mr. Hearst's appeal was filed after the Federal District Court had dismissed his original petition for an injunction against the Committee on grounds of lack of jurisdiction.

At the same time the District Court withheld an injunction against the Communications Commission on its promise to discontinue giving the Senate Committee, which is headed by Senator Black (D.), of Alabama, telegrams it had obtained for another purpose.

But for the assurance by the Commission that it would cease seizure of telegrams, the District Supreme Court properly could have enjoined the Commission, the Appellate Court said.

"We think", it added, "that a dragnet seizure of private telegraph messages as is alleged in the bill, whether made by persons professing to act under control of authority from the Government or by persons acting as individuals, is a trespass which a court of equity has power to enjoin."

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ROOSEVELT RENEWS APPROVAL OF AMERICAN BROADCAST PLAN

President Roosevelt this week reiterated his approval of the American Plan of Broadcasting in a letter addressed to Anning S. Prall, Chairman of the Federal Communications Commission, and read at the NBC anniversary dinner in New York.

After expressing regret at his inability to attend the dinner and stating that NBC "has achieved a decade of useful service which merits hearty congratulations", the President added:

"Although radio has made a general contribution to the cultural life of our people, it is the maintenance of the open forum for friendly and open debate and discussion that gives the American system of broadcasting preeminence. Radio broadcasting is an essential service to the American home in the molding of public opinion. It must be maintained for the American people, free of bias, or prejudice, or sinister control. Every controversial question was argued and responsible representatives of political parties or groups were permitted an opportunity to present views over the radio in the recent general elections. This is as it should be.

"The National Broadcasting Company has made a contribution to the radio art during the past ten years and I am sure that its officials will accept as a challenge their responsibility for the future."

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NBC CLAIMS TO BE WORLD'S LARGEST AD MEDIUM

The National Broadcasting Company with gross time sales reported as \$23,800,143 in the first nine months of 1936, announced last week that "In ten years the National Broadcasting Company has become the world's largest national advertising medium." This was amplified by the statement that "Today NBC tops every single national advertising medium by a comfortable margin, in terms of dollars and cents revenue received from advertisers."

For the full year 1935, time sales of NBC were reported as \$31,148,930. This and the figure given above, however, do not allow for contract discounts.

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RCA ATTACKS RULING OF LABOR BOARD

"The action of the National Labor Relations Board in certifying the United Electrical Radio Workers of America as the exclusive bargaining agency for all the workers in our Camden plants", said E. T. Cunningham, President of RCA Manufacturing Company, Inc., "is a contradiction of the law which created the Board. That law provides: 'Representatives designated or selected for the purpose of collective bargaining by the majority of the employees in a plant or unit appropriate for such purposes, shall be the exclusive representatives of all the employees in such unit for the purposes of collective bargaining.'"

"Since the settlement of the strike by mutual agreement between the United Electrical Radio Workers of America and the Company, labor relations at our Camden plants have been peaceful, and collective bargaining is in effect with the several unions there including the UERWA union", he added.

"This decision of the Board would establish minority rule because in the election held under the auspices of the Board, out of a total of 9,752 employees declared by the Board to be eligible, only 3,016 - less than one-third - voted for exclusive representation by UERWA. The decision would make this minority union the sole bargaining agency for all and thereby destroy the bargaining rights now enjoyed by other unions in our plants. It is also contrary to the written agreement made by UERWA and the Company.

"The decision will not promote the expressed desires of the National Labor Relations Board, 'to encourage peaceful labor relations', for its interpretation of the law establishes minority instead of majority rule. To accept such a minority group as the exclusive bargaining agency would be unfair discrimination against two-thirds of our employees who have refused to support that group."

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Savings in interstate long-distance telephone rates on the Pacific Coast aggregating \$290,000 per annum, will result from the filing by the Pacific Telephone and Telegraph Company with the Federal Communications Commission of a new long-distance schedule which brings that company's rates into line with those prevailing on the American Telephone and Telegraph Company's lines in the eastern states. The new tariff was filed on October 29, 1936, to go into effect on December 1, 1936, and is the result of a request made recently by the Federal Communications Commission, suggesting that uniformity in interstate telephone rates would be desirable at this time.

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POLITICAL EXPENDITURES TOTAL \$51,906 ON WOR

Political expenditures for the past presidential campaign on WOR, Newark, totaled \$51,906.49, according to Alfred J. McCosker, President of the station. This total, as compared with the figure of 1932 on WOR - \$34,000 - shows an increase of \$17,906.49, or 52.6 percent.

The total time for the 1936 campaign sold for political broadcasts on WOR was 45 $\frac{1}{4}$ hours. Of this, pro-Roosevelt speakers engaged 21 $\frac{1}{4}$ hours, pro-Landon orators 16 $\frac{3}{4}$ hours and others 7 $\frac{1}{2}$ hours. The latter group included the Union Party, the Crusaders and Father Charles E. Coughlin.

Pro-Roosevelt time on WOR cost \$24,155, pro-Landon time \$18,442.49, and the miscellaneous time \$9,309, totalling the \$51,906.49 gross figure.

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WOWO AND WGL TO JOIN NBC'S NETWORKS

The addition of two new stations, WOWO and WGL, both at Fort Wayne, Ind., to the networks of the National Broadcasting Company, was announced last week at NBC headquarters in Radio City, New York. WOWO will join the basic Blue Network on May 1, 1937. The joining of WGL as an optional member of either the Red or Blue Network has been tentatively set for this week.

Station WOWO is owned and operated by Westinghouse Radio Stations, Inc. It operates on a clear channel frequency of 1160 kilocycles with a power of 10,000 watts. New offices and studios, occupying approximately 17,000 sq. ft. of floor space, are being built to house WOWO in the Westinghouse Building at Fort Wayne.

Station WGL, owned by the Westinghouse Electric & Manufacturing Co. will share office and studio space with WOWO. A new transmitter and a new vertical antenna are being installed for WGL, which has a frequency of 1370 kilocycles with a power of 100 watts.

The addition of the two stations will bring the total in the National Broadcasting Company networks to 103.

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