

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

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No. 982

ELECTION OVER, FCC TURNS DOWN TEN NEW APPLICANTS

With the presidential election campaign at an end and Mr. Roosevelt safely entrenched in the White House for another four years, the Federal Communications Commission this week suddenly reversed the policy of generosity that marked its pre-election decisions.

Ten applications for construction permits to erect new broadcasting stations were abruptly denied by the Federal Communications Commission. In three of the cases the Commission reversed the recommendations of its own Examiners.

Only one application for new station facilities was granted. The successful applicant is the Press Democrat Publishing Co., of Santa Rosa, Calif., which was granted a construction permit to operate on 1310 kc. with 250 watts daytime. In this latter action the FCC reversed Examiner M. H. Dalberg, who had recommended denial of the application.

Contrasting this policy of "economy" in safeguarding the nation's limited broadcasting facilities is the record of the FCC just prior to the election.

Fifteen new station permits were granted in the Fall, many of them over the objections of investigating Examiners, and some forty odd were approved since January 1st.

The broadcasting band is admittedly crowded and the nation is already served by nearly 700 stations so that the rejection of a number of applications would not be so significant were it not for the contrasting policy of the FCC earlier in the year and up until November 3rd.

The applicants who were denied new facilities, together with the Examiner's recommendations, follow:

Arthur Westlund & Jules Cohn, Santa Rosa, Cal., application for construction permit to operate on 1310 kc., 100 watts, unlimited time; Examiner R. L. Walker reversed.

B. A. Thompson, Santa Cruz, Cal., application for construction permit to operate on 1310 kc., 100 watts night, 250 watts day, unlimited time. Examiner M. H. Dalberg reversed.

William B. Smullin, Sacramento, Cal., construction permit to operate on 1310 kcs., 100 watts night, 250 watts day, unlimited time. Examiner M. H. Dalberg sustained.

Howard N. Mitchell, Sacramento, Cal., construction permit to operate on 1310 kc., 100 watts, unlimited time. Examiner Dalberg reversed.

Julius Brunton & Sons Co., Fresno, Cal., construction permit to operate on 980 kc., 250 watts, daytime. Examiner Davis G. Arnold reversed.

Miles J. Hansen, Fresno, Cal., construction permit to operate on 1420 kc., 100 watts, unlimited time. Examiner Arnold sustained.

Harold H. Hanset, Fresno, Cal., construction permit to operate on 1410 kc., 1 KW, unlimited time. Examiner P. W. Seward sustained.

Fresno Broadcasting Co., Fresno, Cal., construction permit to operate on 1410 kc., 500 watts night, 1 KW day, unlimited time. Examiner Seward sustained.

Mrs. C. A. S. Heaton, Las Vegas, Nevada, construction permit to operate on 1420 kc., 100 watts, unlimited time. Examiner Robert L. Irwin sustained.

William H. Davis, Dixon Pyles, W. H. Johnson, d/b as Magnolia Broadcasting Co., Jackson, Miss., construction permit to operate on 1420 kc., 100 watts, unlimited time. Examiner P. W. Seward sustained.

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CBS OCTOBER BILLINGS SET NEW ALL-TIME RECORD

Billings of the Columbia Broadcasting System for October last totalled \$2,754,808 - the largest volume of advertising carried by any one network in any month since the beginning of radio, according to a CBS statement. This represents an increase of 42.7% over October, 1935, itself a record-breaking month in radio history. (CBS time sales for that month reached a peak of \$1,930,512 - the highest volume to that time).

The CBS cumulative total for the first ten months of 1936 is \$18,304,878 - 30.5% ahead of the same period in 1935.

	<u>October</u>	<u>10 Months</u>
1936	\$2,754,808	\$18,304,878
1935	\$1,930,512	\$14,029,437

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LA GUARDIA RAPS FCC AT CONFERENCE OF MAYORS

New York's fiery Mayor La Guardia criticized the Federal Communications Commission at the closing session of the U. S. Conference of Mayors in Washington on Wednesday of this week.

Mayor La Guardia's specific complaint was that the FCC forbids stations to receive and transmit short-wave broadcasts if wires are available for reception of the programs from the original stations.

"New York City tried recently to receive a short-wave broadcast of the Harvard Tercentenary and rebroadcast it, but were prevented by the FCC from doing so", he said. "Under that ruling, it is impossible to exchange programs by this means, except in the case of broadcasts from foreign lands."

"What's the theory behind that question?" one of the delegates asked.

"The wire is the theory - the A. T. & T.", Mr. LaGuardia replied, and then continued:

"The FCC thus compels these small stations to bear the cost of a wire. There is no use in appealing to the FCC. I am going to take this up with Congress. It was the intent of Congress that the Government should retain control of the air and not permit any company to monopolize it.

"The FCC ruling is just as absurd as if the Interstate Commerce Commission were to say you could not go by air to New York because trains are available."

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NAVAL RADIO STATION TO OPEN NEXT SUMMER

The new Naval receiving station for Radio Central, near Cheltenham, Md., is expected to be ready next Summer, Rear Admiral H. G. Bowen, Chief of the Bureau of Engineering, Navy Department, said in his annual report to Secretary Swanson, made public this week.

"Procurement of a site on which will be built a new receiving station for Radio Central, Washington, was made during the year", he declared. "This site is near Cheltenham, Md., about 10 miles from Washington, and the station expected to be commissioned during the Summer, 1937, should greatly improve receiving conditions in the Washington area."

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TELEVISION WILL MAKE NEW DEMANDS ON ART, SAYS SARNOFF

Television, when it reaches a stage for public consumption, will make new demands upon art, especially that of writers, musicians, actors, and scenic designers, according to David Sarnoff, President of the Radio Corporation of America, one of the major experimenters in the field.

Speaking November 18th before the Franklin Institute of Philadelphia, oldest scientific society in the United States, Mr. Sarnoff first outlined the history of radio, based upon his 30 years' experience, and then launched into a forecast of the future.

"Television broadcasting, even more than sound broadcasting, will be the great consumer of art", he said. "It will constantly demand more and better writers, musicians, actors, and scenic designers - new thoughts, new words, new songs, new faces, new backgrounds. Unlike a play on the stage or a motion picture which may run for a year, the television program, once it has been shown to a national audience, is on the scrap-heap. It is finished. Television will call for a whole new generation of artists. It should help materially to solve the unemployment problem.

"The way things look today, it is not improbable that in a few more years a man with three sons may train one for business, one for government service, and one to be an artists. Perhaps this thought comes to my mind because I have three sons still to be trained for a useful life.

"We have lately heard in our own homes the voices of the presidential candidates. Political campaigns will take on added interest when people can see as well as hear the speakers, with television sets in the home. Each presidential year since radio began to participate in the campaigns, the number of voters has increased by many millions. Whereas 27,000,000 people voted in the election of 1920, the vote in 1936 was 45,000,000. Television will increase the usefulness of radio in the cause of popular government.

"While the problems of television are formidable, I firmly believe they will be solved. With the establishment of a television service to the public which will supplement and not supplant the present service of broadcasting, a new industry will have been created."

After discussing some of the problems of television and the work of RCA in the field, Mr. Sarnoff, stated that the United States is not trailing England, Germany and other European countries.

"From the standpoint of research, laboratory development, and technical demonstration, television progress in the United States continues to give us unquestioned primacy", he said. "We lead in research which is daily extending the radio horizon, and in technical developments which have made possible a transmitting and receiving system that meets the highest standards thus far obtainable.

"The chief distinction between television in this country and abroad is the distinction between experimental public services undertaken under government subsidy, and commercial development undertaken by the free initiative, enterprise, and capital of those who have pioneered the art in the United States."

Discussing facsimile broadcasting, he said:

"Radio transmission of pictures and reproductions of printed or written material has been an accomplished fact for several years. It is now in daily service between Europe and America. The broadcasting of a facsimile newspaper into every business office and home - in half-hourly installments if desired - is perfectly feasible. The establishment of such a service is now an economic rather than a technical problem. I feel reasonably certain that American ingenuity will presently discover some way to make this potential national service available to the public."

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NBC REPORTS BIGGEST MONTH'S REVENUE IN HISTORY

Highlighting the National Broadcasting Company's Tenth Anniversary celebration, National Advertising Records report that the NBC network revenue for October was the biggest for any month in network history. The \$3,696,489 total represents a 21% higher gross figure than NBC's previous largest month, which was March, 1936.

The total for the NBC-Red network in October, 1936, was \$2,417,743 - bigger than any total previously recorded by any one network in a single month. The total for the NBC-Blue network in October, 1936, was \$1,278,746 - easily the biggest month since the Blue network was established on a coast-to-coast basis.

Combined Red and Blue network totals for October, 1936, are up 28% from September, 1936, and are 33% greater than the corresponding month last year.

The October revenue was somewhat increased by receipts from the sale of time for political campaign broadcasts. However, this additional revenue was in turn partly offset by the fact that some of the campaign broadcasts occupied periods which were normally producing revenue from regular advertisers.

NBC's gross time total for the first 10 months of 1936 was \$27,496,632, or 7.4% above the corresponding 10 months of 1935.

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VARIETY GIVES "THE LOW DOWN" ON RADIO'S PRESS AGENTS

Featuring an article by an anonymous radio editor of "one of the eastern dailies", Variety this week gives what it terms the "low-down on press agents" for radio organizations. It then supplements the story with the following editorial:

"Don't be too hard on the press agents. Their tish-tosh is just a symptom of the naive era in radio. It is not the press agents in radio who are the chief offenders in the palming off of fiction in the name of 'news'. Nor is it the press agents who have been responsible for the abrasives in press relations. It's the vice-presidents.

"Much is excused in and to radio on the grounds that it's all so new and many people are so dizzy. Which seems to apply to the vice-presidents and to suggest that some day radio will grow up and calm down. Which is an indulgent viewpoint and probably pretty good prophecy.

"Meanwhile what the out-of-town radio editor has to say about press-agency in this week's Variety may serve to focus attention on the failure of radio, clever and shrewd in most other respects, to follow the best examples in press relations. Whether running after or away from publicity there has been a rather noticeable lack of grace."

The "radio editor" says, in part:

"If you want to get you've got to give.

"That about sums up the attitude of the out-of-town radio editor toward the radio press agent. It's simply a matter of fair exchange, news for good will, and as soon as the mimeographers realize the principle, the better of they, and most certainly their clients will be.

"To the r.e. the p.a. is in no sense a necessary evil. The newspaper operative could, and most of the time does, get along without the slew of stuff the mailman brings in

every day from the publicity specialists. Given the regular releases of the network and independent station press departments, the broadcasting departmentalist does not have to worry about filling the space.

"Once in a while the public relations boys do come through - about 10% of the time. The smarter fellows have learned that the best way to get on the right side of the radio editor is to advance him a first-class exclusive. The break for the client will obviously follow.

"Several dozen envelopes that daily come to the r.e.'s desk include releases from the networks, individual stations, regionals, agencies and personal reps. The latter are responsible for a few laughs and a good deal of annoyance.

"It isn't so much the trivia that hurts as the failure of the press agents to understand the needs of the radio ed., of the readers and what is probably most important, the limitations of space. The fact that the wastebasket gets 90% or better of the send-outs tells the tale."

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RECEPTION OF TELEVISION CALLED SIMPLE BY BBC EXPERT

Despite the baffling technique and the prohibitive cost of television reception at this time, the actual tuning in of pictures is not much more difficult than operating a radio receiving set, according to an expert of the British Broadcasting Corporation, which now transmits television pictures regularly from Alexandra Palace, London.

Writing in World-Radio, BBC journal, J. H. Reyner, explains the procedure as follows:

"The fact that between twenty and thirty valves are usually required in a television receiver must inevitably create the impression that the reception of pictures is a matter for the expert. Nothing could be farther from the truth. Although the design of the receiver is a highly skilled matter, requiring apparatus which has to fulfil some extraordinarily exacting conditions, the designers of the various sets on the market have so simplified the controls that the operation is a comparatively easy matter.

"This ease of tuning has been obtained by making the majority of the adjustments of a pre-set type leaving only the vital ones to be brought to the panel in the form of actual controls."

After explaining the steps necessary to tune in a television broadcast, the writer says:

"To summarize the position so far, therefore, we may say that the only controls which the operator requires to use are the line and picture synchronizing adjustments, the contrast control (modulation), and possibly the tuning. Thus, despite the undoubted complexity of the equipment itself, there should be very little difficulty in obtaining satisfactory results.

"We may conclude with a brief reference to the form of aerial used. The ordinary broadcast aerial is unsuitable, and it is necessary to use what is called a dipole, or doublet, aerial. This consists of a short length of wire or rod about 11 ft. long, which is usually divided in the middle and the leads are brought down to the receiver from this point. The down-lead is either a special concentric cable or sometimes simply a twisted pair. If connected in this manner the aerial can be situated at some distance from the receiver, and it should, in fact, be erected as high as is reasonably convenient and as far away from a road as possible. The latter provision is important because motor-cars radiate on short wavelengths from the ignition system, and this interference is picked up on a television receiver, producing little splashes across the picture which can be somewhat annoying.

"Until all motor-cars are fitted with suppressing equipment this form of interference will remain with us, and the only remedy is to place the aerial in the best possible position. A certain amount of experimenting is therefore desirable when a television receiver is first installed in order to find the best situation. It is perhaps reassuring that practical experience indicates that a suitable position can be found without much trouble, although in cities and busy thoroughfares a small amount of interference may still remain."

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MORMON CHURCH PLANS \$250,000 S-W STATION

Latter-Day Saint (Mormon) church has applied to the Federal Communications Commission for permission to construct a new international short-wave radio station at Salt Lake City, Utah, at a cost of \$250,000. Sylvester Q. Cannon, President of Radio Service Corporation of Utah, operators of KSL, and church presiding bishop, said the proposed station would be of sufficient power to reach any section of the world. No commercial programs will be broadcast.

Tentative site for the transmitter is adjacent to KSL, on Great Salt Lake flats. The station, however, would be owned outright by the church, which has about 780,000 adherents all over the world.

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NBC WILL COMPETE FOR LISTENERS IN LATIN AMERICA

Plans to broadcast radio programs from the United States into South and Central America to compete with the European programs now dominating the air there, were announced this week by the National Broadcasting Company.

John F. Royal, NBC Vice-President in Charge of Programs, departed on a 17,000-mile trip through Mexico, Central and South America, to arrange for extensive exchanges of broadcasts between the two continents.

"We definitely are entering the competition for listeners in Latin America", Mr. Royal declared upon leaving. "Germany, England and other European countries have been building programs for South America for several years. The United States, to which our neighbors to the South should naturally look for a mutual exchange of entertainment and ideas, has stood by and let Europe capture the attention of South American listeners. Now the National Broadcasting Company is going out to take its rightful place on American radio dials below the Rio Grande."

As the first step in the new policy, Mr. Royal announced that NBC was arranging for an extensive series of broadcasts from the Pan-American Peace Conference in Buenos Aires. The radio executive, accompanied by Carlton Smith, NBC, presidential announcer, and Albert E. Johnson, engineer in charge of the NBC Washington studios, left by plane for Rio de Janeiro. They will precede President Roosevelt to that city in order to prepare to bring radio listeners in the United States any broadcasts he may make while in South America. Following the opening of the Conference, daily summaries of the proceedings will be broadcast to the United States.

Upon Mr. Royal's return, after visiting leading Latin American countries, both short-wave broadcasts from this country of specially built programs for Central and South American listeners and exchanges of typical radio programs between NBC and broadcasting organizations in the Southern countries will be inaugurated.

It will take some time for the exchange plan to get into operation, Mr. Royal said, because of certain transmission problems, which have limited programs in the past. Whatever is necessary, however, to get NBC's signal into South America clearly will be done, he declared.

Cooperation of the South American press representatives and other sources will be used in building programs especially designed for consumption on the Southern continent. Spanish-speaking announcers will be used as well as English. No propaganda in any language will be broadcast and all of the programs sent to Latin America will be typical of American ideals.

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DXER TUNES IN 448 FOREIGN STATIONS IN ONE WEEK

What may be a record in reception of foreign short-wave stations is reported by Paul W. Dilg, of Evanston, Ill., a veteran Dx listener.

Using one of the new 23-tube Scott receivers with the super-shield antenna coupling system, Mr. Dilg during a week's vacation, October 24-30, logged 448 foreign short-wave stations in 186 countries. He figured that he travelled 2,039,800 miles via the short-waves.

"In the logs I have only given the stations which I was actually able to identify," Mr. Dilg said. "I heard many more stations whose programs ran for so long without an identification that I did not care to devote the time to wait until they identified themselves. They were principally in Latin America.

"In addition to this, I have not included any of the Canadian or Mexican stations, a large number of which were tuned in. There were also many telephone, amateurs, ship stations, police calls, and airport calls heard while passing from one band to another, but as they were not putting out any programs of entertainment, I have not included them in the logs.

"The results I obtained during the week's tuning are, without question, quite remarkable. The large increase in signal strength, with the very greatly reduced background noise, appears to clarify the signal, and I believe is largely responsible for the reception I have obtained during the week's tuning. By reducing the amount of noise in the signal, it is possible to give weak stations considerably more volume without amplifying or emphasizing the noise. I might say, it was rarely necessary to use the full degree of sensitivity available. There always seemed to be something in reserve.

"Another thing that helped considerably was the extreme selectivity available. For example, I was able to bring in JZI, Japan, on 9,535 megs. at the same time W2XAF, Schenectady, was broadcasting on 9,530 megs. Schenectady, as you probably know, has a very powerful signal, while the signal from Japan was rather weak as I tuned it in during the afternoon. But even under these extremely adverse conditions, I was able to eliminate the American station and get Japan with excellent program volume."

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ZENITH'S HALF YEAR PROFIT AHEAD OF PREVIOUS 12 MONTHS

Zenith Radio Corporation this week reported an operating profit for the first six months ended October 31st of its current fiscal year amounting to \$1,720,798.02, after depreciation, excise taxes, royalties and liberal reserves but before other Federal taxes, as per the Company's books, according to Hugh Robertson, Vice-President and Treasurer.

This six months' profit exceeds by a substantial margin the profit on the same basis for the entire twelve months ended April 30, 1936, which was the largest earnings for any full fiscal year in the Company's history.

Shipments for the six month-period exceeded by a substantial margin the total shipments for the entire twelve months of the previous fiscal year ended April 30, 1936.

While the volume of business being done is unusually large, the Company continues to maintain its usual liquid condition. There are no bank loans or bonded indebtedness. The new plants which the Company recently purchased have been paid for and all current obligations have been discounted. Cash on hand in in banks exceeds two and one-half million dollars.

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CBS NOTES LINK BETWEEN RADIO AND AUTO INDUSTRIES

Under the heading "A Lot in Common", the Columbia Broadcasting System, in a brochure this week noted the connection between the auto and the radio industries.

"Two giants stand together", the brochure said. "Radio, the younger - powerful, growing apace - greets the older, a mighty veteran whose years add nothing but spirit and strength. Gentlemen, we give you the automobile Industry!"

"Like the automobile, radio (in a little more than a decade) has become an integral part of American life; is even an integral part of the automobile itself. But radio and the automobile are linked together in other ways - and in ever-increasing measure.

"In 1932, Columbia carried \$123,753 of automobile advertising. By 1935 automobile advertising reached a peak of \$2,488,939 on Columbia, (not including talent expenditures). And 1936 will show an appreciable increase over the peak of 1935!"

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