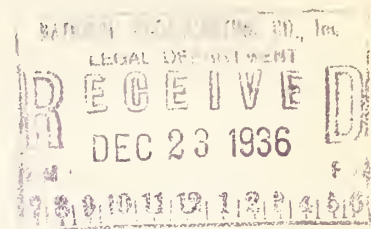


HEINL RADIO BUSINESS LETTER

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INDEX TO ISSUE OF DECEMBER 22, 1936

Soviet Russia Linked To War-Torn Madrid Via Radio.....	2
Three New Stations Recommended By Examiners.....	3
Hubbard Heads KSTP.....	3
November Revenue Second Highest Month In NBC's History.....	3
Scott Bills To Be Pressed By Civil Liberties Union.....	4
Outdoor Scenes Offered British Televiewers.....	5
New G.E. Radio Guide Takes In Entire World.....	6
U. S. Radios Dominate Barbados Market.....	6
Radio Celebs Enjoy Gridiron Roasting.....	7
A.C. Sets Are Bulk Of Planned Radio Production In Canada.....	7
Radio Has Part In Tremendous Electrical Goods Spurt.....	8
Flamm Says 1937 Will Be Greatest Radio Year.....	8
Grunow Campaign Adds 4,000 Dealers.....	9
I.T. & T. Report Shows Gains For Nine Months.....	10
Mark J. Woods Elected Treasurer Of NBC.....	10
Prall To Read Roosevelt's Message To Mutual.....	10
Grunow Advertising Policy Criticized.....	11
NBC Announces Plans For West Coast Expansion.....	11
Notes.....	12

No. 991

December 22, 1936.

SOVIET RUSSIA LINKED TO WAR-TORN MADRID VIA RADIO

Disclosure that thousands of sympathetic Soviet workers have kept in close touch with the Rebel government in Madrid via radio came this week in a publicity release from Radio Centre, Moscow.

The Radio Centre pointed with pride to the success with which various events in Madrid had been carried to assembled groups throughout the Soviet Republic. The major event was a mass meeting held in the Madrid Theatre "Kalderone", at which there were present, according to the Soviet statement, "representatives of the intelligentsia and well known politicians and statesmen headed by the Prime Minister Largo Caballero".

"The meeting which began at 9 P.M. and continued for 2 $\frac{1}{2}$ hours was relayed from Madrid over the whole of the Soviet Union", the Radio Centre reported.

"The Moscow 'Comintern' station, as well as station RNE and all the relaying stations of the country rebroadcast that remarkable transmission. At the same time, the evening was also broadcast by the radio stations of Madrid and Barcelona.

"The transmission from Madrid was carried out in the following manner: along wires to Paris and from Paris to Moscow through the ether. Besides this, Moscow received the Madrid station direct through the ether. There were thus two channels for reception- one, combined (radio and wires) through Paris and the second- direct wireless, Madrid - Moscow.

"Reception through both channels was good and Soviet listeners received a very clear programme.

"The transmission of the meeting and concert from Madrid was heard by millions of toilers in the Soviet Union. The All Union Radio Committee received reports of good reception from the most distant places of the USSR.

"In the town of Tula the transmission was heard by 40,000 persons. In Kirovsk, in the Arctic circle, the broadcast was listened to by 3,500 people. In Oran - 16,500 listeners received the programme.

"A radiogram was received from comrade Modvedev, the captain of the motor-boat "Krim" then sailing in the Black Sea, to the effect that the crew and about 600 passengers listened to the programme with intense interest.

"In Leningrad, the broadcast from Madrid was listened to in factories, in clubs and in flats of workers.

"The workers of the "Dynamo", "Krasny Bogatir" and others heard the programme with great attention.

"A report from Rostov stated that over 200,000 toilers of the Azov-Blacksea province listened in to the transmission from Madrid."

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THREE NEW STATIONS RECOMMENDED BY EXAMINERS

Issuance of permits for the construction of three new broadcasting stations was recommended to the Federal Communications Commission this week by Examiners.

The applicants are: Southwest Broadcasting Co., La Junta, Col., 1370 kc. 100 watts, unlimited time; Times Publishing Co., St. Cloud, Minn., 1420 kc., 100 watts, unlimited; John S. Allen and G. W. Covington, jr., Montgomery, Ala., 1220 kc., 100 watts, daytime.

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HUBBARD HEADS KSTP

Stanley E. Hubbard, one of the founders of KSTP, Twin Cities radio station in St. Paul, Minn., has recently been made president and general manager of the company. Kenneth M. Hance, formerly one of the owners and founders of WDAY in Fargo, N. D., at the same time became treasurer and vice-president of KSTP. The station, which has a working arrangement with the Minneapolis Journal in regard to newscasts, Nov. 30 went on the air with a new \$300,000 transmitter.

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NOVEMBER REVENUE SECOND HIGHEST MONTH IN NBC'S HISTORY

NBC network revenue for November was 29.5% above November, 1935, and was exceeded only by October of this year, which was an all-time high, partly as a result of the unusual amount of political campaign revenue during that month. November's \$3,438,616 total represents only \$257,873 less than October's record-breaking total of \$3,696,489.

Total for the NBC-Red network in November, 1936, was \$2,408,286, while the NBC-Blue network total was \$1,030,330. NBC's gross time total for the first 11 months of 1936 was \$30,935,248, or 9.5% above the corresponding period of 1936.

According to a tabulation made by NBC's Statistical Department, its Red and Blue Networks are today carrying 20³ hours more sponsored programs per seven-day week than last year.

Particularly impressive are the strides made by NBC in selling Daytime hours. Before 6 P.M. periods have increased 19 hours over the same date last year.

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SCOTT BILLS TO BE PRESSED BY CIVIL LIBERTIES UNION

The four radio bills introduced last session by Representative Byron Scott (D.), of California, and prepared by the American Civil Liberties Union will be pressed at the approaching session, the Union disclosed in a pamphlet dealing with freedom of the air.

The study, entitled, "Radio is Censored", was made by Minna F. Kassner and Lucien Zacharoff. Presented in a fifty-seven page pamphlet, the survey, described as the first of its kind, cites seventy "authenticated" instances of censorship by radio stations throughout the United States since 1930.

Referring to the protests of those censored, the pamphlet says that "the last year has shown a distinct improvement in policy by the two large networks. However, most of the smaller stations and the larger independents remain shockingly narrow in their program approach."

Analyzing twenty-five typical cases of censorship, the pamphlet says that restriction of free speech on the radio has been "rather catholic" and that radicals, liberals and even the Republican party, medical lecturers, humorists, labor union leaders and speakers on a wide variety of "controversial" subjects have been suppressed.

Operation of the censorship is described as follows:

"Censorship is exercised on the radio by: 1 - simply refusing to sell time or fulfill contracts to broadcast; 2 - demanding copies of speeches and cutting them in advance; 3 - drowning out or cutting off a speaker in the middle of a program; 4 - relegating speakers to early morning hours.

"The would-be speaker must run the gauntlet of a regular army of amateur Catos, since no single authority is responsible for censorship. Anybody from the president of the corporation to the humblest sound engineer can and does qualify as a censor."

To correct radio censorship abuses the authors of the pamphlet recommend Federal legislation, specifically, the four

Scott bills prepared by the Radio Committee of the American Civil Liberties Union headed by Bethuel M. Webster, former counsel of the Federal Radio Commission. The authors say these bills would accomplish the following:

"Require that each station, as a condition of its license, set aside a regular period 'at desirable times' of the day and evening for uncensored discussion on a non-profit basis of public, social, political and economic problems and for educational purposes.

"Make it mandatory for every station presenting a controversial issue to give a hearing to at least one opposing view.

"Free stations, not speakers, from legal liability for remarks on such programs.

"Compel stations to keep accurate and public records of all applications for time, indicating which are granted and which are refused."

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OUTDOOR SCENES OFFERED BRITISH TELEVIEWERS

Examples of some of the programs offered in the television broadcasts from Alexandra Palace, London, are cited in the following from the British Broadcasting Corporation:

"How a trio of sheep dogs work together to bring their charges into any required position - even when driving the sheep through a 3-ft. gap in hurdles is involved - was seen recently by viewers of the BBC's programs from Alexandra Palace. Mr. Percy Watson's three champion dogs and six wild sheep from Mr. Watson's Hampshire farm were the 'artists' and they performed on a wide sweep of hillside in the Alexandra Palace grounds, before Emitron cameras mounted on a special platform.

"Equally unusual demonstrations will be seen in forthcoming programs: the first televised demonstration of cookery, Tex McLeod's 'entirely new act for television only', and methods of anti-aircraft defense among them.

"In his spinning of ropes and yarns Tex McLeod will have the assistance of his ten-year old Peruvian horse, Arabia. Mounted on the back of this remarkable animal - Arabia is so well trained that she responds to a flick of her master's eyelid - McLeod will perform feats of rope spinning in the grounds of Alexandra Palace. Their spactiousness will be necessary. McLeod sometimes uses as much as 100 ft. of rope. Facilities for practice present no difficulty for him; he owns a farm at Kingston, Surrey, and roping cattle on the run is part of his and Arabia's daily work.

"Searchlights and anti-aircraft guns, manned respectively by the 36th A.A. Battalion of the Royal Engineers and the 61st (11th London) A.A. Brigade of the Royal Artillery, will be taken to Alexandra Palace. The units will be seen twice; first in gun drill, operation of range predictor and of searchlight listening apparatus, and in searchlight manipulation; and later in the day a short action in repelling the attack of hostile aircraft will be staged, in which the Royal Air Force will cooperate."

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NEW G.E. RADIO GUIDE TAKES IN ENTIRE WORLD

There is much valuable information for short-wave fans in "The Listener's Guide to World Radio Tours" just published by the General Electric Company at Bridgeport, Connecticut. There is much data for the long-wave listener. Kilocycles, megacycles and meters, as well as the behavior of short-waves, are explained.

The new guide outlines world wide tours via short-wave radio, gives the short-wave broadcast stations by countries, the broadcasting schedule of principal foreign short-wave stations, and the world's short-wave broadcast stations by meters and megacycles.

There are also the police radio alarm stations, the amateur bands and technical information regarding all-wave antenna. Finally the guide gives a complete listing of American short-wave stations transmitting standard broadcast programs.

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U. S. RADIOS DOMINATE BARBADOS MARKET

U. S. radios dominate the market of Barbados, according to Vice Consul Harold Sims, who writes:

"Buoyed by the established firmness of the American radio in this market, imports from the United States during the last eight months reached a new high, which is reflected in the import value statistics issued by the local Customs Bureau. Out of a total import radio value of £3,429 for the 8-months' period, the United States radio manufacturers were recipients of 86 per cent of this value.

"These figures are significant of a steady progress being made by the American radio in this Colony. The position of the American product here has never been threatened and it is conservatively estimated that more than 95 percent of all receiving sets now in operation is of American manufacture."

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RADIO CELEBS ENJOY GRIDIRON ROASTING

Among the favored few in the radio industry present at the winter dinner of the famous Gridiron Club, attended by President Roosevelt, former Governor Landon, in Washington last night (December 21) were:

Commander E. F. McDonald, Jr., President, Zenith Radio Corp.; Gene Buck, President, American Society of Composers; Louis G. Caldwell, former Federal Radio Commissioner; Maj. Gen. James G. Harbord, Chairman of the Board, Radio Corporation of America; Frank E. Mason, Vice-President, National Broadcasting Company, New York City; Anning S. Prall, Chairman, Federal Communications Commission; David Sarnoff, President, Radio Corporation of America, New York City; Oswald F. Schuette, Washington, D. C.; Maj. Lenox Lohr, President, National Broadcasting Company, New York.

Also, John F. Royal, Vice-President, National Broadcasting Company, New York City; Frank M. Russell, Vice-President, National Broadcasting Company, Washington, D. C.; Kurt G. Sell, German News Agency, Washington, D. C.; Judge E. O. Sykes, Vice-Chairman, Federal Communications Commission; and Senator Wallace H. White, Jr., of Maine.

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A.C. SETS ARE BULK OF PLANNED RADIO PRODUCTION IN CANADA

Alternating current units represent approximately 75 percent of the radio receiving sets which Canadian manufacturers plan to produce between November 1 and January 31, 1937, according to a report to the Commerce Department from Commercial Attache H. M. Bankhead, Ottawa.

Projected production by the Radio Manufacturers' Association of Canada is placed at 52,003 units of which 40,457 units will be alternating current chassis, the report shows.

Total dealer sales of radio receiving sets in Canada in October amounted to 37,768 units, valued at \$3,591,096, a volume increase of 3 percent and a value increase of 6 percent compared with September. October sales this year showed a volume advance of 10 percent and a 6 percent value increase compared with sales in October, 1935. Sales of alternating current and battery sets recorded increases in October over the preceding month but sales of automobile sets decreased by approximately 100 percent, the report states.

Inventories reported by Canadian radio jobbers and manufacturers branches as of October 31 amounted to 44,452 units compared with 42,540 units in September and 33,747 units in October, 1935, according to the report.

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RADIO HAS PART IN TREMENDOUS ELECTRICAL GOODS SPURT

The boom in the sale of radio sets and equipment is reflected in the tremendous increase in the demand for all types of electrical goods that promises to continue in 1937, according to a survey made by Dun & Bradstreet, Inc.

The review says in part:

"Going ahead at a faster rate than many other industries, the electrical supply trade at the close of the third year of constant progress is confronted with a rapidly widening use for its products as 1937 is entered.

"Wholesale distribution for the first ten months of 1936 was at a six-year high, having advanced 30 to 55 percent from the corresponding 1935 showing. Conservative estimates now place wholesale sales for the entire year at 40 percent more than in 1935, when the Bureau of Foreign and Domestic Commerce reported \$16,287,000,000. This would lift the 1936 total to \$22,801,000,000 for the wholesale distribution of electrical goods, including electrical appliances, radios, and refrigerators. It would mark the third successive annual increase after four years of decline."

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FLAMM SAYS 1937 WILL BE GREATEST RADIO YEAR

The following statement was issued this week by Donald Flamm, President of the Inter-City Broadcasting System:

"No matter how long one has been connected with broadcasting, each month sees some new point learned, some new technique discovered and adapted. For that reason 1937 will be the greatest year in radio.

"Greater use of spot pick-ups, more programs of the human interest type, and more diversification of programs will mark the broadcaster's contribution to a new radio year.

"From the reporter of prize fights to the magic carpet that takes the world to the inauguration of a President, radio has progressed far in the past few years. It will continue to grow and develop this year with the greatest developments on the side of human interest programs, rather than in the development of musical presentations or comedy hours."

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GRUNOW CAMPAIGN ADDS 4000 DEALERS

Cleverly directed sales and advertising strategy, interwoven with a vigorous newspaper campaign and supplemented later by magazines, has not only brought William Grunow, of Chicago, head of the General Household Company, veteran radio and refrigerator manufacturer out of receivership within less than a year, but has rebuilt his shattered dealer organization.

Operations for the fiscal year show this. They were broken down into two periods - Aug. 1, 1935, to Nov. 19, 1935, prior to a petition for reorganization under 77-B of the amended bankruptcy law, and from Nov. 20, 1935, to July 31, 1936, when the company operated under court jurisdiction. In the first period a net loss of \$450,000 occurred, and in the second there was a net profit of \$93,000.

When interviewed by the Editor & Publisher, Tod Reed, Advertising Manager of General Household, said that due to the usual timidity caused by a receivership, dealers had politely withdrawn from the Grunow line.

"General Household's problem was to build a closely-knit dealer organization throughout the country in the shortest time possible", said Mr. Reed. "We were faced with the need of regaining dealer confidence in our product and obtaining sales volume in the field. In June we introduced what we called our 'smoke-screen' line of radio receiving sets. This line was looked upon by our competitors as not particularly startling and, consequently, nothing to worry about. In August we scored a 'beat' by coming out with our 12-tube Teledial, retailing at \$99.95 and our 11-tube set for \$69.95, two months after the industry had committed itself fully as to models and prices. Both of these sets were immediate smash hits and caused dealers to become Grunow-conscious again."

Mr. Reed revealed that from June until December, General Household spent approximately \$500,000 in advertising, including space in all media and display material. Of this amount, the bulk has gone into newspapers, both for the introductory campaign to obtain dealers and in the past month's cooperative series. Magazine advertising has totaled about \$62,000 to date, he said.

According to Mr. Reed, Grunow is now manufacturing 2,000 radio sets daily. None are stored. All are packed at the end of the assembly line and shipped directly to distributors throughout the United States.

Previously, Grunow manufactured 30 different models but today production is concentrated on four models, including an 11-tube set, two 12-tube sets and a 15-tube set, the last three having automatic tuning. This is accomplished without sacrificing employees' hours or wages. The company's Marion, Ind., plant is running on three eight-hour shifts.

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I. T. & T. REPORT SHOWS GAINS FOR NINE MONTHS

The International Telephone and Telegraph Corporation has reported for the first nine months of this year a consolidated net income of \$2,442,140, which was equal to 38 cents each on 6,399,002 capital shares. This compared with \$969,754, or 15 cents a share, correspondingly in 1935.

Earnings of the affiliated Spanish National Telephone Company were excluded in both periods in order to make the figures comparable.

Net income for the first nine months of 1935 included \$2,428,069 income accruing from the Spanish subsidiaries, making net income \$8,397,823, or 59 cents a share on I. T. and T. capital shares.

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MARK J. WOODS ELECTED TREASURER OF NBC

David Rosenblum resigned December 18th as Vice-President and Treasurer of the National Broadcasting Company, effective December 31. His resignation was presented to the Board of Directors at its regular monthly meeting and was accepted with regret. Mark J. Woods, who has been affiliated with NBC since its organization in 1926, and has served in several executive capacities, was elected Treasurer, effective January 1, 1937.

Mr. Rosenblum joined NBC as a Vice-President on September 21, 1934. He was elected Treasurer on January 19, 1935. Before joining the network, Mr. Rosenblum was Executive Vice-President of Tradeways, Inc., which had served NBC in a consulting and advisory capacity for the previous two years.

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PRALL TO READ ROOSEVELT'S MESSAGE TO MUTUAL

Commissioner Anning S. Prall, Chairman of the Federal Communications Commission, will read President Roosevelt's message of welcome to the Mutual Broadcasting System on the occasion of Mutual's coast-to-coast expansion, Tuesday, December 29, at 10 P.M., EST. The message from Washington will open the first dedicatory program in honor of Mutual's expansion to the West Coast through the affiliation of the Don Lee network.

Following the Commissioner's message, Alfred J. McCosker, Chairman of the Board of Mutual, and President of WOP, and W. E. Macfarlane, President of Mutual, will formally accept the President's and Commissioner's greetings.

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GRUNOW ADVERTISING POLICY CRITICIZED

Taking exception to a change in the advertising policy of the Grunow Radio Company, John J. Fitzgerald writes in the Editor & Publisher:

"In recent months, the placement of this advertising on a general basis has been practically abandoned, due probably to the repudiation of copy, media, and usage by the various distributors and dealers who originally were influenced by the campaign, and who thus made it a success.

"The advertising effort has now taken the 'hit or miss' dealer-allowance route, despite the unfortunate experience, in the past, by the radio industry of this form of promotion.

"The underlying reasons must be either the pressure exerted by distributors and dealers to convert advertising expenditures into greater profits; or the ability of these factors to secure lower rates for the placement; or their repudiation of the copy that was effective in obtaining their interest."

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NBC ANNOUNCES PLANS FOR WEST COAST EXPANSION

Greater expansion of NBC on the Pacific Coast and fuller service to listeners is forecast in contemplated changes in San Francisco and Hollywood, which were announced last week by Lenox R. Lohr, President of the National Broadcasting Company.

"In order to meet the present high demand for more programs originating on the Pacific Coast, we are surveying the situation in San Francisco and Hollywood", Mr. Lohr said. "The aim of the survey will be a re-adjustment of personnel and artist staff in these cities, to balance the situation between them.

"The Hollywood Studio facilities and staff will be doubled", he stated, "in order to meet the needs of the new set-up, which will permit greater variety in programs, with sustaining offerings originating in both cities, instead of in San Francisco only, as at present."

Construction plans now being drawn under the direction of O. B. Hanson, NBC Chief Engineer, call for complete rearrangement of the present Hollywood quarters, built only a year ago, and for an increase in the number of studios from the four now in use, to eight. Two more stage studios will be built. A master control board will be installed. The latest and most efficient system of diffused lighting, minimizing heat radiation, will be incorporated and the entire building will be air-conditioned. The revised plant is expected to be ready for operation September 1, 1937.

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NOTES

The addition of WCTN, Minneapolis, as a member of the NBC-Blue Network and the change of KSTP, with studios in both St. Paul and Minneapolis, from the NBC Northwestern Group to the Basic Red Network, were announced last week. Simultaneously, it was stated that KGHF, Pueblo, Col., will join the NBC networks on January 1st as an optional outlet in NBC Blue Mountain Group.

Denial of an application by Smith, Keller & Cole, San Diego, Cal., for a new station permit on 1200 kc., 100 watts power, daytime, was recommended to the Federal Communications Commission this week on the ground that the applicant was not financially qualified and that a similar application from the Pacific Acceptance Corp. is pending.

Commissioner George Henry Payne will speak on "Journalism and Radio - A Crisis", December 31st in St. Louis as the joint meeting of the American Association of Schools and Departments of Journalism and the American Association of Teachers of Journalism.

The Radio Manufacturers' Association's Board of Directors will meet January 13th at the Stevens Hotel, Chicago, Illinois.

Harry C. Butcher, resident Vice-President in Washington of the Columbia Broadcasting System was among the guests at a farewell dinner given to Joseph E. Davies, newly appointed Ambassador to Russia, at the Burning Tree Country Club in Washington, D. C.

Ralph A. Norberg, Sales Manager of WJJD, Chicago, for five years, has been named Commercial Manager of Station WGY to succeed Stanley Spencer.

The Electrical Division, U. S. Bureau of Foreign and Domestic Commerce, has issued a comprehensive list of all publications known to the office as bearing on any phase of radio. The list is classified according to general subjects and may be obtained from the Electrical Division.

THERE WILL BE NO ISSUE ON FRIDAY, DECEMBER 25, DUE TO THE FACT THAT THE GOVERNMENT DEPARTMENTS ARE CLOSED FOR THE HOLIDAY AND WEEK-END.

A MERRY CHRISTMAS TO ALL

R. D. H.

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