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No. 1002

PAN AMERICAN STATION BILL INTRODUCED BY CELLER

Details of the proposal for construction and operation of a government-owned Pan American short-wave broadcasting station were disclosed Wednesday when Representative Celler (D.), of New York, introduced a bill to authorize the Secretary of the Navy to build such a station.

The bill places control of the programs in the hands of the U. S. Commissioner of Education and makes provision for private commercial stations to use the government transmitter on condition that it does not profit thereby and its programs are approved by the Commissioner of Education.

In introducing the bill, Celler labelled as "ridiculous" fears that the station would serve as an entering wedge for government control of all radio stations in the United States.

The main purpose of the Pan American station, he said, would be three-fold:

(1) To create good-will between this and other nations; (2) to eradicate international misunderstandings; and (3) to develop two-way trade between the United States and other nations "by propagandizing for our own products.

The Celler bill authorizes an initial appropriation of \$750,000 for construction of the station in the vicinity of Washington and an annual appropriation of \$100,000 a year for its operation and maintenance. Commercial advertising is prohibited on the station.

Explaining the bill, Representative Celler said, in part:

"I have offered a bill authorizing the Navy Department to construct and maintain a government radio broadcasting station to be called the Pan American Radio Station, with such power and equipment as will enable such station effectively to transmit programs to all parts of the world, and particularly, to countries of the Western hemisphere, with sufficient signal strength to permit programs to be rebroadcast in all countries of the Pan-American Union.

"The plan and purpose of such legislation has had the approval and encouragement of responsible officials of the Department of State, Department of the Interior, Department of

Agriculture, Federal Communications Commission, National Committee on Education by Radio and the Pan-American Union. Also, such project has already had the approval specifically of President Roosevelt, Secretary of State Hull and Secretary of the Navy Swanson. It grows out of the radio resolution adopted January, 1932, at Montevideo, by the Seventh International Conference of the North, Central and South American countries forming the twenty-one sister Republics of the Pan-American Union.

"Each American nation participating at the Conference agreed to set up short wave broadcasting stations and to broadcast such programs as to cement bonds of friendship and cultural understanding between the peoples of the twenty-one countries of the Pan-American Union.

"The radio spectrum by international comity has been divided into a definite number of bands of frequencies. Within each frequency band, only a certain number of short wave broadcasting stations can function. In all the world, there are no more unassigned or "empty" channels for new short wave broadcasting stations, - except one; that is the channel pre-empted at the Montevideo Conference for exclusive use of Pan-American Republics.

"President Roosevelt, in pursuance of such preemption, and in accord with our sister nations, issued Executive Order No. 6472, dated December 2, 1933, making available for the United States Government, the following frequencies: 6120 kc., 9550 kc., 11730 kc., 15130 kc., and 2150 kc.

"In pursuance of such Executive Order, a station was to be set up in Washington, D. C., under the joint control and auspices of the State Department and Navy Department. The station was never set up. Many obstacles were thrown across the path of this much needed reform, by misguided and selfish persons. It is feared that this would be the entering wedge into governmental control of Radio. That is ridiculous.

"I am a firm believer in private initiative. I do not want to slam the door in the face of the efficiency, enterprise and resourcefulness of private ownership. Our radio system, despite certain besetting evils of commercialism, is yet the greatest in the world, thanks to private control. But one Pan-American short wave station, set up in pursuance of the Treaty, in an unassigned channel, on a non-competitive basis, will not in the slightest militate against private initiative. It will not lead to government monopoly.

"These persons and entities must now cease their opposition, else they will get their fingers burned. Because of the pressure against carrying out the President's Executive Order, I have introduced my bill. However, I specifically provide for cooperation of private stations in the maintenance and operation of the Pan-American broadcasting station.

"The United States Commissioner of Education, with the approval of an advisory council consisting of the Secretary of State, the Director General of the Pan-American Union, the Chairman of the Federal Communications Commission, and such other governmental officials as the President may select, may at certain periods and under well defined conditions, allow said Pan-American station to be used by a private company, provided there will be no profit and no advertising, and the programs are exclusively in the public interest.

"Every nation in the world has a broadcasting station, except the United States. Every nation but our own can defend itself over the air against foreign and unfriendly attacks. For example, the Fascist and Communist Governments are growing bolder every day in their proselyting activities. National boundaries mean nothing. The sovereignty of no nation is respected. Surely some antidote is necessary.

"There are two million short wave receiving sets in this country and the number is mounting daily by leaps and bounds. Such increasing short wave receptivity might well command a Federal station."

Congressman Celler outlined in detail a program policy for the Pan American station covering four services: (1) For Pan American reception; (2) For National and Pan American listeners; (3) For National service; and (4) for education.

The first group would include musical concerts at the Pan American Union and by leading musical organizations of the country, while the National service would cover all public events in which the government participates and, in addition, public addresses by government officials, and discussions of the aims, functions, policies, and activities of the government.

The section of the bill relative to use of the Pan American station by commercial broadcasters reads as follows:

"Sec. 6: The United States Commissioner of Education, with the approval of the advisory council, shall, in his discretion, permit well qualified, privately owned commercial radio companies, actually operating efficient stations, to use, without charge, said Pan-American radio station and its facilities, during such times and period and under such terms and conditions as to said Commissioner with the approval of said council may seem just and proper, having in mind always that the Pan-American radio station is a governmentally controlled facility, provided:

- "(1) Such privilege to such private company is exercised without profit to said company;
- "(2) The programs contributed by said privately owned company are suitably controlled and censored by said Commissioner of Education;

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- "(3) Said privilege to such privately owned company may be withdrawn at any time without notice by said Commissioner of Education;
- "(4) Such programs shall neither directly, indirectly or remotely, involve the broadcasting of any advertising, and shall be exclusively in the public interest;
- "(5) Any use of the facilities of such Pan-American radio station as aforesaid to such privately owned company does not interfere with or militate against the general purposes of this Act."

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BBC DISCARDS BAIRD TELEVISION FOR MARCONI-EMI

American experimenters with television were interested this week to learn that the British Broadcasting Corporation had discarded the Baird television system in favor of that of the Marconi-E.M.I. Both systems have been used experimentally since BBC began transmitting television programs as a public service last Fall. They were operated on alternate weeks. The Marconi-E.M.I. system was chosen by the government's Television Advisory Committee.

John L. Baird, inventor and founder of Baird Television, "had the greatest disappointment of his life" when informed of the decision by the Postmaster General, according to the New York Times.

The standard for television transmission adopted by the BBC is now 405 lines interlaced per picture transmitted at the rate of 50 pictures or "frames" per second. United States experimenters are now testing with 441 lines.

The BBC, when it began operating television transmission from Alexandra Palace, London, made elaborate provision for testing the two systems "under strictly comparable conditions, by installing them side by side" in accordance with the recommendations of the government's Television Committee.

Separate studios, as well as transmitters, were installed in Alexandra Palace. Both systems transmitted on 6.67 meters or 45 megacycles.

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HIGH PRICES OF STATIONS MAY BRING FEDERAL TAX

What may prove the most damaging testimony against the present set-up of broadcasting stations in the United States, in the opinion of even friendly members of Congress, is the disclosure this week of the high prices paid for station franchises in comparison with the estimated cost of physical equipment.

Although it is doubtful that Congress will do anything to stop the sales, many members believe that it will find a way to tax broadcasters so as to tap this lucrative source of revenue. Such a tax might take the form of a license fee scaled according to a station's power and wavelength or it might consist of a levy on profits from station profits.

What many members of Congress are unable to understand is how stations can bring such high prices when the Communications Act clearly prohibits trading in Federal franchises.

Judge Eugene O. Sykes, Chairman of the Broadcast Division, told the House sub-committee on Appropriations that applications for license transfers are always examined carefully by the FCC "to see that it does not smack of trafficking in a Federal license.

"We usually take into consideration", he said, "the value of the actual properties, the earnings of the station as shown in the testimony, and the result, we think, at a fair price, generally speaking is based on that combination."

Representative Wigglesworth (R.), of Massachusetts, who did most of the cross-questioning of the FCC officials on station trading, suggested that the government might levy a tax of 10 per cent on the gross earnings of every broadcasting station. He also asked Judge Sykes why the Commission had made no recommendations with regard to license fees, a subject discussed at the hearings the year previous. Judge Sykes replied that the matter is still under consideration.

Inserted in the record of the hearings were hitherto undisclosed details regarding 135 stations which have been sold at prices ranging from \$1 to \$1,250,000 in the last 30 months. The tables disclosed the original costs of fixed assets, estimated replacement costs, total claimed value of physical assets, station earnings, and the price paid.

Some of these figures, Congressman Wigglesworth pointed out, showed that broadcasting stations had been sold for twice the value of physical assets.

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The \$1,250,000 paid by the Columbia Broadcasting System for KNX, Los Angeles, is still the highest sale price paid for a station, the record shows, while 30 transactions involved more than \$50,000.

The tables showed that William Randolph Hearst paid \$446,000 for the four stations bought from the Southwest Broadcasting Co. recently - KTSA, KOMA, WACO and KNOW - although the replacement value was only \$127,800. They disclosed that CBS is paying an annual rental of \$219,000 for lease of WEEI, Boston, although the station is valued at only \$497,907.

WBAL, Baltimore, drew the second highest sale price of \$452,500 when it was transferred from the Consolidated Gas, Electric Light & Power Co. to the American Radio News Corporation. Westinghouse paid the third highest price of \$290,000 for WOWO, Fort Wayne, Ind.

Following is the list of other stations which sold for more than \$50,000:

WIOD, Miami, \$250,000; WFIL, Philadelphia, \$60,094; WHIO, Erie, Pa., \$85,000; WLAC, Nashville, Tenn., \$75,000; WSMK, Dayton, O., \$52,396; KLZ, Denver, Colo., \$104,000; WHOM, Jersey City, N. J., \$92,750; WNBR, Memphis, Tenn., \$50,000; WOV, New York, \$239,005; KFVD, Los Angeles, \$65,000; KMMJ, Clay Center, Neb., \$60,000; KOIL, Council Bluffs, Ia., \$110,000; KOMA, Oklahoma City, \$171,000; KOY, Phenix, Ariz., \$50,000; KTAT, Fort Worth, Tex., \$170,000; KTSA, San Antonio, Tex., \$180,000; KVOR, Colorado Springs, \$80,000; WACO, Waco, Tex., \$50,000; WCHS, Charleston, W. Va., \$200,000; WCOP, Boston, \$57,000; WCPO, Cincinnati, \$53,500; WEBR, Buffalo, \$120,000; WELI, West Haven, Conn., \$57,000; WNBC, New Britain, Conn., \$51,000; WNOX, Knoxville, Tenn., \$77,500.

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SHORT WAVE RADIO RESEARCH PLANNED IN JAPAN

A comprehensive study of short waves less than 10 meters in length is planned by the Department of Communications of the Japanese Government, a report to the Commerce Department from its Tokyo office states. Within a few months, it is pointed out, the Department will begin the construction of a research laboratory near Tokyo for this purpose.

The Hokkaido Imperial University Agricultural Department, it is pointed out, announced recently that waves of between 10 centimeters and five meters have proved of benefit in the raising of vegetables. It is also reported that short wave radio waves are effective in medical treatment as well as in communications and industry.

An appropriation of \$60,000 per year for five years has been allotted for the short-wave experimental work.

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AVIATION OFFICIALS HIT RADIO SETS, BAND CONGESTION

Determined to remove every possible hazard from air travel, more than 200 aviation officials this week, meeting in Washington with Government officials, opened fire on inefficient and obsolete radio equipment still in use.

"We all know that faults in existing radio equipment have contributed to several airline accidents", Eugene Vidal, Director of the Bureau of Air Commerce, declared as the three-day national aviation safety conference got under way at the Department of Commerce.

After it was revealed that some airlines have not installed the latest type radio equipment on which the lives of their passengers might depend in an emergency, Vidal warned that all domestic airlines soon will be compelled to equip their transport planes with new radio equipment designed to overcome snow and rain static.

Marlan Hull, chief pilot of Transcontinental & Western Air, told how a new type shielded loop radio antenna, used on his company's lines eliminates static caused by the bombardment of electrically charged snowflakes and raindrops.

"You probably have guessed that we are on the verge of requiring a loop antenna as good or better than this and possibly a homing antenna on every airline plane", Mr. Vidal interjected.

"We know that rain and snow static has contributed to several of the recent airline accidents and we regard the problem as very serious."

Snow static, it was explained, often cuts off pilots lost in a snow-storm from radio communication with the ground.

The aviation officials complained bitterly over the congestion in the 200-400 kilocycle range bands in which they are compelled to broadcast and receive all instructions.

E. K. Jett, Assistant Chief of the Engineering Department, Federal Communications Commission, said it is realized that interference on the present 278-wave band could have proven disastrous in many instances. He asked the industry to advise the Commission what frequencies and how many it believes essential to safety.

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STEWART RAPS WOL GRANTS, ASKS FOR A REHEARING

Criticizing the grant of a regional channel and an increase in power to Station WOL, Washington, Commissioner Irvin Stewart this week filed a dissenting opinion and demanded that the request of the Continental Radio Company, a Scripps-Howard subsidiary, be not granted.

Commissioner Stewart predicted that interference from other stations on 1230 kc. will disturb WOL at nights and cause listeners to become dissatisfied. WOL was permitted to transfer from 1310 kc. to 1230 and increase its power from 100 watts to 1 KW.

"Regional frequencies should not be assigned to stations which can not render a regional service", Commissioner Stewart said. "A station operating on a regional assignment with one kilowatt power should give the service properly to be expected of a regional station, not a local service masquerading as a regional service in order to persuade advertisers who may consider power as the only factor which determines coverage. If the area expected to be served by regional stations is to be modified so as to permit such mongrel stations, I should prefer to see it done by a change in the standards followed by the Commission, not by building up exceptions to present standards. Then at least there would be equality of opportunity among potential applicants for such assignments, instead of an inequality favoring the applicant who might succeed in breaking down existing standards on a particular frequency.

"In granting the application of the American Broadcasting Company, the Broadcast Division has seen fit to reward the present inefficient operation of Station WOL. The record that WOL has been operating as a local station with an antenna having an efficiency materially below the Commission's standards of good engineering practice. It further shows that the service the station has been rendering is unsatisfactory in considerable portions of the metropolitan area. It is silent on what service WOL might render with a decent antenna complying at least with the Commission's minimum standards. With the facilities approved in the present case WOL will probably provide a good local service. I think that such good local service should have been required to be by proper use of the station's local assignment rather than by an inefficient use of a regional assignment.

"In its opinion, the Broadcast Division states that 'By the granting of this application there will be made available additional service of a national character and the station will in turn serve to provide a network with many programs originating in the Capital City of the country.' As it is a matter of common knowledge that within recent months chain programs have originated in stratosphere balloons and in submarines, I do not understand why it requires a one kilowatt station to originate chain programs 'in the Capital City of the country.'"

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OFFICE OF EDUCATION OPENS RADIO SCRIPT EXCHANGE

The Office of Education this week announced the establishment of an Educational Radio Script Exchange to furnish local groups radio scripts especially appropriate for educational broadcasting.

A catalogue listing 53 educational scripts now is being mailed to more than 5,000 broadcasting units, including high schools, colleges and universities, broadcasting stations, CCC camps and civic organizations that have shown an interest in educational broadcasting. Additions to the catalogue will be issued from time to time.

A Radio Production Manual and a Glossary of Radio Terms have been prepared to supplement the scripts. The manual includes suggestions for meeting problems encountered in producing radio programs. The Glossary is a workbook of terms peculiar to radio, defining many of these at length and giving comprehensive information about phrases and signals used in the radio studio.

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RADIO BROADCASTS TO EDUCATE EGYPTIAN PEASANTS

Every village in Egypt will be provided with a community radio receiving set by the Government if plans formulated by the Ministry of Education are adopted, according to a report to the Commerce Department from Commercial Attache James T. Scott, Cairo.

The project under consideration is one phase of the Government's educational program for the masses throughout the country. The radio broadcasts will be largely concerned with subjects intimately connected with peasant life, such as advice in regard to health, methods of cultivation and similar topics, the report states.

Plans of the Ministry of Education call for the expenditure of £130,000 (\$650,000) over a five-year period. It is expected that a credit of £36,000 (\$180,000) will be opened in the next fiscal year budget for carrying out this project, according to the report.

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Erection of a new broadcasting station at Helena, Mont., by the People's Forum of the Air to operate on 1210 kc. with 100 watts power, unlimited time, was authorized this week by the Federal Communications Commission.

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BBC FORMS GROUP LISTENING ORGANIZATION

The British Broadcasting Corporation has decided to create a group-listening organization to undertake and develop the work hitherto carried on by the Corporation's adult education advisory bodies. This new organization will be based on the existing Area Councils for Group Listening, which will be linked by a Central Co-ordinating Committee. To this group-listening organization, the Corporation will make, until June, 1940, an annual grant of money, based on the Corporation's annual expenditure on this listening-in work since it began in 1929.

One effect of the new arrangement will be to link up broadcasting to schools with adult group listening, and it is expected that many pupils who have listened to the broadcasts to schools will later be ready to join adult listening groups. The number of these groups varies with the subjects broadcast.

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PHILIPPINES MOVE TO NATIONALIZE RADIO SYSTEM

An Act authorizing the President of the Philippines to effect urgent reforms and changes in radio broadcasting, to nationalize or acquire the same and to create a radio board, was passed in the recent session of the National Assembly and signed by the President, the Commerce Department reports.

The Act creates a Radio Board, composed of three members to be appointed by the President with the consent of the National Assembly, to study ways and means for the nationalization or acquisition by the Government of radio broadcasting, and to censor all programs, sustaining or sponsored, to be broadcast or re-broadcast by all broadcasting stations.

Pending the appointment of the Radio Board, censorship of programs is in the hands of the Secretary of the Interior Quirino, who may require copies in advance of all speeches to be broadcast. No program may be broadcast in any language other than English, Spanish or any native dialect, excepting by special permission. Radio broadcasting stations are required to submit the names and addresses of persons who are delivering speeches over the radio. The Secretary of the Interior may stop any program during the broadcasting hour if it is immoral, non-educational or non-entertaining, or against the public interest. Any licensee or owner of a broadcasting station who broadcasts any program or parts thereof not duly approved by the Secretary of the Interior shall, upon recommendation of the Secretary, forfeit his license, in addition to such other penalties as may be provided by existing laws.

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MUTUAL HOLDS FIRST SALE MEETING

The first general meeting of members and affiliated stations of the network to discuss sales problems was held in Chicago February 2nd, and twenty-six representatives of stations and chains associated with the network attended.

Before the general sales meeting and discussion was started, President W. E. Macfarlane of the Mutual network gave a brief address of welcome.

"The Mutual Broadcasting System was organized with the purpose of presenting better programs, allowing stations to maintain their independence, and creating a network of stations which would serve the country's listening audience and still allow stations to fulfill obligations to their various local communities", he said. "During the first year of operation, the Mutual Broadcasting System had a gross billing slightly under two millions of dollars, which is quite a record. With our expansion to a coast-to-coast network with the addition of the western stations and the Don Lee Broadcasting System in California on December 29 of last year, the Mutual Broadcasting System is now operating on an equal basis with the other two major broadcasting systems of the country."

The annual meeting of the Board of Directors of Mutual was held in the Tribune Tower offices of the network on February 1st, and all of the officers and Directors were re-elected for the coming year. The officers are: Chairman of the Board, Alfred J. McCosker; President, W. E. Macfarlane; First Vice-President, T. C. Streibert; Treasurer-Executive Secretary, E. M. Antrim, and Auditor, J. A. Cotey.

The Board of Directors is composed of Mr. McCosker, Mr. Macfarlane, Jack I. Straus, Mr. Streibert, Mr. Antrim, E. W. Wood, Jr., and Fred Weber, who also is General Manager of the network.

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DWIGHT G. WALLACE NAMED NBC PERSONNEL MANAGER

The appointment of Dwight G. Wallace, until recently with the Housing Division of the Public Works Administration at Washington, D. C., as Personnel Manager of the National Broadcasting Company was announced this week. Mr. Wallace succeeds C. W. Fitch, who was recently made Business Manager of the NBC Program Department.

Mr. Wallace, who is in charge of NBC employment and welfare work among NBC employees, has assumed his new duties. He, like Mr. Fitch, was associated with the Century of Progress at Chicago, when Lenox Lohr, now NBC President, was in charge. In June, 1935, Mr. Wallace left Chicago and began his work with the Housing Division of PWA at Washington.

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