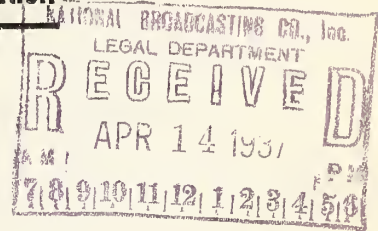


HEINL RADIO BUSINESS LETTER

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No. 1020

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April 13, 1937. *see how
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DUNLAP CONTRIBUTES NOTABLE MARCONI BIOGRAPHY

Just off the press is the first great biography of Marconi.

It is written by Orrin E. Dunlap, Jr., Radio Editor of the New York Times, whose own career began as a wireless operator. It reveals much heretofore unknown about Marconi's early life, is the result of years of painstaking research and carries a preface by Marconi, who himself read the final proofs so that the book would be accurate in facts about wireless and historically correct in personal detail. *no-1
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In addition to the story of the part played by the Italian wizard in the development of radio, told as never before, the book touches on many historical events - the heroic and dramatic role of Marconi wireless in the "Republic" disaster and the "Titanic" mid-ocean tragedy. The biography is profusely illustrated.

Here indeed is a book - "Marconi - The Man and His Wireless" - published by The Macmillan Company, New York (price \$3.50) which is so attractively written and so important historically that it will probably prove not only a best-seller but an authoritative library reference book of all time.

In the preface, Marconi wrote that it was pleasing to him that Mr. Dunlap, an editor possessing a wide background of practical experience in radio, had written the story and the great inventor concluded:

"In revealing to the world the significance of wireless and its influence on the lives of the people, I hope that this book in English will further cement the friendship of Italy and the Anglo-speaking nations, and that this story of wireless will be an inspiration to youth in science. The achievements of wireless illustrate the truth that where there is a will there is a way. There are no limits in science; each advance widens the sphere of exploration. It was that way in 1895; it is that way now.

"Radio is a symbol of progress."

Face to face, Marconi is radically different from the world's general picture of him as a scientist, Mr. Dunlap writes. "He is more English than Italian; shy and mysterious, punctual but not easy to meet. Simplicity is the secret of his wizardry and simplicity of thought enabled him to accomplish

what skilled mathematicians and theorists had failed to do because they became entangled in deep technical approaches. Marconi crowned by wireless, is always news, generally front page.

"Today broadcasting bespeaks his genius; television illustrates it."

One of Marconi's early associates was quoted as saying that the success of Italy's genius may be summed up in patience and infinite persistence plus a great deal of natural ability. This man said that he had seen Marconi work thirty hours at a stretch; that he hated routine business, and while he has a business sense, he lacks administrative and organizing ability. He is no mixer; out of 700 on the Marconi staff probably not more than a half-dozen knew him well enough to speak to.

Among the anecdotes in the book, of which there are many, Mr. Dunlap relates the following about President Roosevelt and Marconi:

"'Marconi Day' at the exposition was designated in tribute to the distinguished visitor, and on that occasion the Western Society of Engineers invited Marconi for luncheon. Just as the engineers were seated a note came from President Roosevelt, who was also a guest of the Exposition on that day, inviting Marconi to pay him a brief call. The Senatore excused himself, and some twenty minutes later returned. His face wore a puzzled expression; as he sat down at the luncheon table he turned to Dr. Arthur H. Compton, and exclaimed:

"'Where did I meet that man? Mr. Roosevelt described the exact details of a meeting in 1917, but for the life of me I cannot remember the occasion.'

"It was apparent that on the earlier occasion of their meeting, when Marconi was visiting the United States on behalf of the Italian Government, there was no reason for him to remember an Under-Secretary of the Navy, who was one of the many guests at a reception in his honor, whereas, to the Under-Secretary Franklin D. Roosevelt, the inventor of wireless was the man of the hour."

A highlight of the book is a description of the thrilling moment in Newfoundland when the great wizard breathlessly tried out his receiving outfit by which he hoped to pick up an electric signal from across the Atlantic in Poldhu, England, thirty-six years ago. Marconi listened and listened, but not a sound was heard for half an hour.

"Suddenly, at about 12:30 o'clock, unmistakably three scant little clicks in the telephone receiver, corresponding to three dots in the Morse code, sounded several times in my ear as I listened intently", said Marconi, in recounting the day. "But I would not be satisfied without corroboration.

"'Can you hear anything, Kemp?' I said, handing the receiver to my assistant.

"Kemp heard the same thing I did, and I knew then that I had been absolutely right in my anticipation", recalled Marconi. "Electric waves which were being sent out from Poldhu had traversed the Atlantic serenely ignoring the curvature of the earth, which so many doubters considered would be a fatal obstacle. I knew then that the day on which I should be able to send full messages without wires or cables across the Atlantic was not very far away. Distance had been overcome, and further development of the sending and receiving instruments was all that was required."

It is told how Marconi was conducted on a tour of Radio City, through the elaborate broadcasting studios and back-stage of the magnificent Music Hall.

"To the showman who pointed out the features, Marconi did not appear to be impressed. His mind seemed to be looking ahead - to something even greater? Or was he puzzled at the vast outlay of money in this field of radio which might change overnight and render much of it obsolete?

"To the chief engineer who described the nerve centre of the broadcasting system Marconi gave the impression of being perplexed; when a novel device was explained, the only word he found to express surprise was, 'indeed', with an exclamation point. It all seemed as if modern radio had run ahead of Marconi. But had it?"

Referring to the yacht "Elettra", on board of which the inventor's notable experiments have been carried on, Mr. Dunlap pays a final tribute.

"Throughout the ages it seems the 'Elettra' will sail on and on into the infinite with her white and golden bow gently dipping with the swells of Time as it moves across the ethereal sea toward the westerly sun. On the bridge Marconi can be seen waving his Italian naval cap in farewell to earthly waters. Surely there must be more of wireless out there in the infinite, far off in unfathomed space across which all wireless waves endlessly surge against unseen shores from which no traveler has yet returned.

"The spark of his genius will leap forever across the skies."

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PAYNE PROPOSES BROADCAST STATION TAX

Commissioner George Henry Payne, of the Federal Communications Commission, advocates a special tax on broadcast stations. A letter was sent Tuesday (April 13) by Commissioner Payne to Congressman John J. Boylan, of New York, outlining the former's station tax proposal. Also a bill which Mr. Payne drafted embodying his suggestions. Mr. Payne's letter follows:

"In accordance with our conversation of the other day, I am sending you my ideas of a bill that would meet the serious situation that exists with regard to the taxing of the broadcast stations. As neither Dr. Miller nor myself is a bill drafter by birth or profession, I suppose you will have the bill run over by your Legislative Counsel of the House. There has been a widespread conviction that the enormous profits made by the broadcast stations more than justify a special tax, as they now enjoy the use of a great national resource and it is the government that bears the burden of the regulation without which they could not exist.

"Various members of both branches of Congress have at times suggested that this situation should be remedied, but all the suggestions were in the form of taxation of the gross revenue or net income. This form of taxation with the varying sums and the large amount of labor involved is obviously not as workable or practical as the one outlined in the bill enclosed.

"The levy on power in the form of a special tax is simple, calculable at once and is eminently fair. To give you some idea of the profits, it is a fact that there are not more than \$40,000,000 invested in the broadcasting business and the gross revenue last year exceeded \$107,000,000, with the possibility of its reaching \$125,000,000 to \$130,000,000 in the current year. Not long ago, one station, which represented an investment of \$177,192.15, was sold for \$1,250,000; another, which represented an investment of \$146,006.02, was sold for \$452,500.00; and still another, which represented an investment of \$90,321.09, was sold for \$300,000.00, - and so on.

"Computed on the broadcast licenses now in effect, the total amount of revenue that this special tax will yield will be \$6,946,395.00, including the tax on an experimental broadcast license now in effect, representing a temporary increase of 450,000 watts.

"Many years ago the government gave to the telegraph companies concessions in land and timber and the government has since that time continued to receive compensation in the form of substantially lower rates. The government, as you know, pays only forty per cent of the normal rates on all messages sent by telegraph. In the case of the broadcast industry the

government has made a far more valuable gift from the public resources without any compensation whatever.

"The proposed special tax will be no burden on the broadcast industry as it represents less than six percent of the revenue of the industry. At best it is but a small return for the great privilege the industry enjoys in using the people's airwaves. I may mention, in this connection, that the bill represents purely a revenue measure and that no special tax heretofore levied by the government, including the special taxes of the Harrison Act and the Firearms Act, which are largely regulatory, has ever been upset by the courts."

The section of Mr. Payne's bill having to do with special tax rates and registration reads:

"On or before July 1, 1937, or upon first engaging in the operation of a broadcast station in the United States, and thereafter on or before the first day of July of each year, every person operating a broadcast station in the United States shall register with the collector for the district in which such station is located, his name or style, principal place of business, and places of business in such district, and pay a special tax, computed on the power authorized by the Commission for use by the station, at the following rates:

"For every station authorized to use not in excess of 1000 watts, \$1.00 a watt for each watt authorized. For every station authorized to use in excess of 100 watts and not in excess of 10,000 watts, \$2.00 a watt for each watt authorized. For every station authorized to use in excess of 10,000 watts, \$3.00 a watt for each watt authorized.

"If the tax is payable on the 1st day of July in any year it shall be computed for one year; if the tax is payable on any other day it shall be computed proportionately from the 1st day of the month in which the liability to the special tax commenced to and including the 30th day of June following: Provided that, in the case of failure on the part of the Commission to renew a license for any station in respect to which special tax has been paid the unexpired portion of the period for which the special tax stamp has been issued may be redeemed.

"In the case of a part time station, the tax shall be that proportion of the tax imposed by subsection (a) which the number of daily hours authorized by the Commission bears to 24 hours.

"In the case of a station using varying amounts of power, the tax shall be at the rate imposed by subsection (a) using as the basis the weighted average amount of power authorized by the Commission.

"Time borrowed from or loaned to another station shall not affect the basis of the tax.

"The provisions of section 2 shall not apply to a station certified by the Commission to the Commissioner as (1) operated by the United States Government, any State, Territory, or possession of the United States, or any political subdivision thereof, or the District of Columbia; or (2) operated exclusively for non-profit purposes and broadcasting only unsponsored programs."

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U.S. REPORT ON HAVANA PARLEY SUBMITTED TO STATE DEPARTMENT

Coincident with the adoption of a resolution by the Cuban Cabinet to invite all countries on the North and South American continents to a radio conference next November in Havana, the report of the U. S. delegation to the recent Havana engineering parley was submitted to Secretary of State Hull this week. The report paves the way to the November Conference.

The recent engineering conference was participated in only by Canada, Cuba, Mexico, and the United States. A tentative accord was reached, but all decisions are subject to approval by the general meeting in November.

The major problem worked out by the initial parley, according to the U. S. report, was the proposals of Canada, Cuba, and Mexico that exclusive channels be assigned to each nation and that these channels be divided on the basis of some formula acceptable to all four nations represented.

Three members of the U. S. delegation, Commdr. T.A.M. Craven, Chief Engineer of the Federal Communications Commission; Harvey B. Otterman, of the State Department; and Ellis O. Briggs, Second Secretary of the U. S. Embassy in Cuba, were on this important committee.

"After an intensive study of the views of each of the countries represented and a real attempt to decide the extremely complex problems on the basis of sound engineering principles rather than on the basis of national or political considerations, the Committee was happily able to arrive at a meeting of the minds", the U. S. delegation reported, "and the following principles were agreed to unanimously:

"With respect to clear channels, the former doctrine of international coverage has been change to 'freedom from interference within the borders of a country.'

"The adoption of the United States standard practices for regional stations is applied to the North American region as a whole resulting in the use of regional channels by all nations when no interference will exist to any regional station under the engineering standards recognized in the engineering report of January 11 of the Commission's Engineering Department. This was accomplished after full consideration by all delegations of the doctrine long recognized by our Government with respect to sovereign rights of nations relative to the use of radio. Therefore, no new international principle or change of policy on the part of the United States is involved.

"With reference to clear channels, the rights of nations to use frequencies is modified when they cause interference to the reception of stations in other countries, and hence it is recognized that regional arrangements are necessary to permit the orderly joint use by all nations of the narrow broadcasting band mutually agreed upon by nations of the world for allocation to broadcast service. No new international principles have been evolved here with regard to clear channels and the practice and policies of the United States have been sustained.

"Channels formerly assigned exclusively to a country can be used by other nations in daytime when no more than five micro-volts interference is caused, at the border by stations of another nation using the same channel. This will result in easing the present difficulties in the United States relative to our daytime stations by adding six channels which are in the band 550 to 1500 kc., which are not now available to us. While the same concession was made to Canada and to other nations, no harm can come to the United States stations if the terms of this agreement are set forth at the November Conference and agreed upon there and thereafter maintained in force by all nations.

"Three classes of clear channels, one class of regional channels and one class of local channels were recommended much along our own present or proposed practice except that the use of directional antennae is encouraged between nations when convenient. This is in accord with what has been recognized as engineering necessity in our own country.

"Six classes of stations defined very much along the lines of the Federal Communications Commission's Engineering Department's January report were adopted. These do not materially change our existing practice and are in accord with our present necessities.

"For the purpose of promoting coordination between nations with respect to questions of interference in the broadcast band 540-1600 kc., each nation a party to this agreement, should notify the others with respect to the call signs, frequency, power, antenna characteristics, and location of the

stations they have authorized; and for purposes of obtaining cooperation with respect to international interference they shall state in which class they deem the stations they have authorized should be listed.

"For the first time in international radio history, 'objectionable interference' has been defined in specific terms for use between nations on the North American continent. The United States practices are followed in this instance and it is believed that, in view of the general misunderstanding throughout the Americas of what is meant by interference of an objectionable character, this action will go far toward attaining an orderly use of the broadcast band in this region.

"The frequency 540 kc., is permitted to be used for broadcasting as provided for in the present agreement between Canada and the United States except that distance from the coast line is prescribed. The broadcast band was extended to 1600 kc. in accordance with the United States proposals at Mexico City and present United States policy.

"The use of 520 kc. and 530 kc. and all other long waves was rejected for broadcasting. This is in accord with the existing United States policy. The frequency separation of 10 kc. and the assignment of frequencies in multiples of ten kc. was maintained in accordance with the present United States policy.

"The division of the 107 channels between 540 and 1600 kc. is as follows:

"58 as clear channels of all classes

"33 as regional channels

"16 as local channels, ten of which are for urban stations (our low power regionals) and six for city stations (our local)

"An important recommendation ratified by the Conference recognizes the essential difference between broadcasting frequencies in the normal broadcast band 540-1600 kc. and broadcasting on short waves. While the former are recognized as being essentially for national service, it is pointed out that for successful short wave broadcasting and especially the cultural exchange of programs among the Americas, stations in the short wave broadcasting bands should be required to use sufficient power to permit the rendition of good international service.

"Your Delegation feels that this Regional Conference of the four nations while preliminary in character was eminently successful in establishing the fundamental needs for broadcasting service of the participating countries and through the achievement of unanimous agreement on the broadcasting engineering bases involved, the way is paved for a more comprehensive agreement among the participating nations in the November Conference."

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NAB CONVENTION TO BE HELD JUNE 20-23 AT CHICAGO

Directors of the National Association of Broadcasters have selected Chicago again for their annual membership meeting and June 20-23 as the dates, according to James W. Baldwin, Managing Director, after consultation with the Executive Committee.

Meeting in Washington last week, the Directors discussed the recent Havana broadcasting conference, which Mr. Baldwin attended as an unofficial observer, and endorsed the Duffy and Sheppard Copyright Bills now pending in Congress.

Edward J. Fitzgerald, Director of the Bureau of Copyrights, gave an audition for the Directors to demonstrate the progress of the Bureau in building an electrical transcription library.

The Directors also decided to offer legal aid in defense of the Montana and Washington State Copyright laws, now under fire of the American Society of Authors, Composers, and Publishers.

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RMA ON PROGRAM OF C.I.O., U.E.R.O. OFFICIAL SAYS

If the United Electrical and Radio Workers Union obtains contracts from Westinghouse and General Electrical, now in negotiation, it will next turn its guns on the National Electrical Manufacturers' Association and the Radio Manufacturers' Association, according to the President of the Union.

The C.I.O. group, confident of success in its conversations with the electrical manufacturing companies, expects to reach all other electrical and radio manufacturers through their respective trade associations.

Some 425,000 workers are involved in the companies represented by the two trade organizations, it was estimated.

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 :::: TRADE NOTES ::::
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Lenox R. Lohr, President of the National Broadcasting Company, will return to his boyhood home town, Washington, D. C., on April 19th to address a gathering of newspaper men who will be guests of the Washington Board of Trade.

A tax of 9 pesos has been levied on each radio in the city of Santiago, according to a report of February 24, 1937, from Assistant Commercial Attache Harold M. Randall, Santiago. The funds derived from the tax are to be devoted to various public improvements in the city.

A favorable report on the application of WCOP, Boston, for authority to transfer from 1120 to 1130 kc., was filed with the Federal Communications Commission this week by Examiner George P. Hill, conditional upon compliance with Rule 131.

WJR, Detroit, makes the following report for the March quarter: Net income, \$151,231, equal to \$1.16 each on 130,000 shares, compared with net income before taxes of \$128,824 in first three months of 1936.

A report that the Columbia Broadcasting System would drop its Cleveland affiliated station WHK, at the expiration of its present contract on October 31st, has been confirmed by Herbert V. Akerberg, CBS Vice-President in Charge of Station Relations, and in its place, CBS has signed WGAR as the Cleveland outlet, effective November 1st.

False and misleading representations as to the therapeutic value of a medicinal preparation designated as "Willard Tablets" is alleged by the Federal Trade Commission in a complaint issued against Willard Tablet Co., Inc., 215 West Randolph St., Chicago. The respondent is a radio advertiser.

Three radio stations, KSOO, Sioux Falls, S.D.; WDEL, Wilmington, Del., and WORK, York, Penna., will be welcomed to the networks of the National Broadcasting Company in NBC program salutes during the afternoon and evening of Thursday, April 15. The recent signing of the stations brought the number of NBC affiliated stations to 124.

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4/13/37

RADIO SPARSELY REPRESENTED AT GRIDIRON

Only a few lucky ones from the radio industry were included in the invitation list of the Spring Dinner of the Gridiron Club in Washington last Saturday night, attended by President Roosevelt, Chief Justice Hughes, General Pershing and other high officials.

Besides the President, there was, as usual, only one other distinguished speaker, this year Myron C. Taylor, Chairman of the Board of the U. S. Steel Corporation.

Radio notables present were Judge A. L. Ashby, Vice-President and General Attorney for the National Broadcasting Company, New York City; Gene Buck, President of the American Society of Composers, New York City; Harry C. Butcher, Vice-President, Columbia Broadcasting System, Washington, D. C.; John W. Guider, radio Counsel, Washington, D. C.; and Senator Burton K. Wheeler, Chairman of the Senate Interstate Commerce Commission.

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U. S. PROVIDES 11% OF IRISH RADIO IMPORTS

While there are more than 100,000 receiving sets in the Irish Free State, or one to every 30 inhabitants, American Vice Consul Edwin J. King at Dublin, in a report made public by the Electrical Division of the Department of Commerce, states that sets of only one American manufacturer have been assembled in the Irish Free State during the past three years.

At the recent radio exhibition in Dublin, the all-wave set was predominant. Car radio sets were also well represented.

Imports of radio equipment and parts from the United States during 1936 were valued at approximately £27,000 (approximately \$135,000) or about 11 percent of the total imports of such materials, it was stated.

During the year, the report states, Irish Free State radio broadcasting programs were much improved. It has been announced that a regular broadcast service to schools is being inaugurated, according to the report.

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