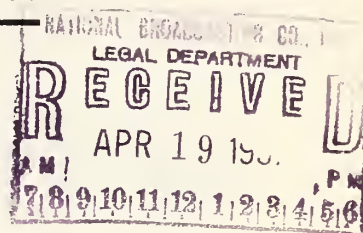


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REALLOCATION DELAY SEEN; ECONOMICS REPORT HELD UP

The reallocation and reclassification of United States broadcasting stations, recommended in January by the Engineering Department of the Federal Communications Commission, probably will be postponed until next Fall, it was learned this week, for a two-fold reason.

First, the possibility of evolving a North American plan of allocating broadcasting facilities that would supersede the U. S. set-up.

Second, the fact that the FCC supplementary report on the economic phase of broadcasting is proving too hot to handle at present.

With the threat of a Congressional investigation still hanging over their heads, members of the FCC Broadcast Division are in no hurry to add fuel to the smoldering fire of resentment on Capitol Hill. And the Engineering Department is not eager to become the scapegoat should adverse repercussions develop.

The accord reached by engineers from Canada, Mexico, Cuba and the United States provides a convenient excuse for the Commission to delay further action on the domestic shakeup until after the general Pan American broadcasting conference in November. By that time, it is expected, Congress will have adjourned and the investigation either will have been forestalled or completed.

Meanwhile, the FCC will not formulate any definite policies on super-power station development because of the relation between this problem with reallocation of frequencies.

Commr. T.A.M. Craven, Chief Engineer of the FCC, in his report to the Commission last January, while leaning toward high power, suggested that no policy be adopted until the supplementary report on the economic phases of broadcasting is prepared.

He also suggested that no final decisions be reached on the engineering proposals until the secondary report was submitted because of "the paramount importance of economic and social factors in the determination of the distribution of facilities to licensees in any section of the country."

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Prof. Herman S. Hettinger, of the Wharton School of Finance, was hired to make the investigations, tabulations, and deductions upon which Commander Craven was to prepare the economics report.

This week Commander Craven said that Hettinger's report was on his desk but that he had not had time to examine it since his return from the Cuban conference. He intimated there may be some further delay before it reaches the Broadcast Division.

Professor Hettinger's findings are reputedly pro-industry and so are expected to be jumped on by members of Congress from the rural areas and small towns where broadcasting service is not adequate.

Many of these members are already disgruntled at the tacit approval of power increases by the FCC Engineering Department and the threat of super-power stations arising over the country.

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ALMONTE WELCOMED BACK AFTER LONG ILLNESS

The red carpet was run out at the National Broadcasting Company welcoming John de Jara Almonte, popular evening general manager, back to the fold after a long illness. Curiously enough, during the entire ten years Mr. Almonte had been with the NBC, he had practically never been laid up or had to stay at home. He didn't even seem to get the usual colds that other people did in Winter, but this time was hit by a germ that was so rare that it was almost an honor - like getting a decoration.

In the meantime, Mr. Almonte, who, because of his tactful handling of difficult situations which arise at night, is known as the "diplomat of the kilocycles", and has been greatly missed. As a result of his return, there is a festive air about the office of the genial executive and everyone who knows him is particularly pleased because every assurance is held out to him for another unbroken stretch of good health.

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RULE HITTING ENGINEERS MIGHT FORCE OUT CRAVEN

Commdr. T.A.M. Craven, Chief Engineer of the Federal Communications Commission, this week declined to comment on a published report that an effort is being made to force him to resign by having the Commission adopt a rule which would prohibit engineers from appearing before it in private cases within two years after they quit the FCC.

The Commission has been pondering for some time a problem of drafting a rule placing engineers and technicians on an equality with lawyers with relation to their previous governmental connections.

The demand that engineers be similarly restricted came from Senator Wheeler (D.), of Montana.

While friends of Commander Craven are inclined to discredit the report that an effort is being made in Congress to force him off the FCC staff by a round-about method, it is not unlikely that a harsh regulation might force him to resign.

Much would depend, it is understood, on how the regulation may be worded. Most engineers now appear before the Commission in the role of expert witnesses rather than as counsel pressing a case. Likewise, they as a rule avoid lobbying.

Broadcasting engineers hold that it would be unfair for the Commission to evoke a rule that would bar engineers formerly associated with the FCC from testifying for two years.

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LONDON'S "TELEVISION BELT" TO BE LET OUT

London's television belt, as "made to measure" by the engineers, which had formerly a 25-mile radius from Alexandra Palace, has had to be let out very considerably in the past few weeks, for reports of good reception are coming from places as far apart as Brighton and Cambridge, according to World-Radio, BBC journal.

According to one firm of set manufacturers, a viewer in Ipswich gets consistently good results with a small aerial, his only trouble being an occasional loss of "wync" (synchronization) due to car interference. The outer London television belt, where reception can always be relied upon, could now be drawn from Chesham, Amersham, Windsor, Farnham, Dorking, Seven-oaks, Gravesend, Chelmsford, Cambridge, and Bedford.

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The 300-ft. television mast at Alexandra Palace will shortly be capped by another carrying a receiving aerial for picking up signals from a mobile transmitter. Since the mobile transmitter will work from street level, it is essential that the receiving aerial should be as high as possible. Actually, it will be the highest ultra-short-wave aerial in the country, being more than 600 ft. above sea level.

The new aerial will occupy the only point in the vicinity of Alexandra Palace which is not within the "wipe-out" area of the existing vision and sound aerials.

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STATIC TRAVELS WITH SPEED OF LIGHT

Observations at the Carnegie Institution's Mount Wilson Observatory in Pasadena, Cal., indicate that the energy which causes fade-outs in high-frequency radio broadcasts comes from the sun with the speed of light, according to R. S. Richardson, staff scientist, writing in the organ of the Astronomical Society of the Pacific.

When there is an unusually bright gas eruption near a sun spot, energy is transmitted to the earth in eight minutes, causing high-frequency broadcasts to fade. These fade-outs last from fifteen minutes to half an hour. The longest come about every fifty-four days.

Somewhat similarly, telephone and telegraph service may be disrupted and the Aurora Borealis made visible in States as far south as California. The latter are due to storms in the earth's magnetic field and sometimes may follow as late as twenty-six hours the appearance of a large sun spot group.

These disturbances probably will continue for several years. Mr. Richardson said the maximum of the present ten or eleven year sun spot cycle, probably is two years away.

One of the largest spot groups of all time appeared on the sun the latter part of January. An average of twelve spot groups a day was observed in February, the largest in the observatory's history. The average dropped to nine and six-tenths a day in March, but now has increased to eleven or twelve again.

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CUNNINGHAM RESIGNS AS RCA MFG. CO. PRESIDENT

E. T. Cunningham this week resigned as President of the RCA Manufacturing Company, Inc. He will continue as a member of the RCA Manufacturing Company Board of Directors, however, and has been retained as counsel on production, sales and trade relations.

The operations of RCA Manufacturing Company, Inc., will be under the direction of G. K. Throckmorton, the Executive Vice President of the Company. Mr. Throckmorton has acted in that capacity for the past six years and will now assume the duties formerly exercised by Mr. Cunningham.

In December, 1930, Mr. Cunningham sold his radio tube company, E. T. Cunningham Company, to Radio Corporation of America. That year RCA had also begun its own manufacture of the radio apparatus which it had formerly purchased from others. At that time RCA acquired factories in Camden and Harrison, New Jersey; Boston, Indianapolis, and Hollywood, California.

In 1931, David Sarnoff, President of the RCA, appointed Mr. Cunningham to coordinate and to integrate the varied sales and manufacturing activities of RCA in the fields of radio tubes and receivers, Victor phonograph records, Photophone equipment, radio transmitters and miscellaneous radio products.

Today these activities of the RCA are consolidated in the RCA Manufacturing Company, Inc., with factories in Camden and Harrison, New Jersey; Indianapolis, Hollywood, California; and in eight foreign countries.

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HEARING SET ON A. T. & T. APPLICATION

The Telephone Division of the Federal Communications Commission having under consideration the application of the American Telephone and Telegraph Company for a special experimental license for a point to point radiotelephone station utilizing 21 frequencies now licensed to its Lawrenceville, New Jersey, station to communicate "for experimental service only to any fixed point beyond the continental limits of the United States" set the application for hearing before the Telephone Division at 10:00 A. M., on Thursday, June 17, 1937.

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BOYLAN INTRODUCES RADIO STATION TAX MEASURE

A bill carrying substantially the same provisions proposed by Commissioner George Henry Payne for taxing broadcasting stations was introduced in the House Thursday by Representative Boylan (D.), of New York.

The measure was referred to the Ways and Means Committee. Its fate probably will depend upon whether or not the Administration approves it. Congressman Boylan himself said that the Treasury Department will be consulted.

If a hearing is held on the bill, a number of members of the House will appear in support of it. Some of these members already have suggested taxation of broadcasting stations during hearings on the FCC requests for appropriations.

Commissioner Payne has estimated that the tax would yield \$6,946,395, which is almost four times the annual appropriation for maintaining the Federal Communications Commission. The appropriation for the next fiscal year is \$1,629,000.

Other members of the FCC have gone on record as favoring a license tax on broadcasting stations to pay for the cost of regulation, among them being Judge Eugene O. Sykes, Chairman of the Broadcast Division.

Although the Broadcast Division promised more than a year ago to investigate the possibility of imposing a scale of license fees, during hearings on the appropriations bill, no plan had been submitted to Congress before Commissioner Payne sent his suggested bill to Representative Boylan.

The scale of taxes proposed in the Boylan bill is as follows:

\$1 a watt for stations of 1,000 watts or under;
\$2 for stations between 1,000 and 10,000 watts; \$3 for stations using in excess of 10,000 watts.

Thus stations now operating with 50,000 watts would have to pay annual tax of \$150,000, while the Nation's most powerful station, WLW, using 500,000 watts, would be taxed \$1,500,000 under the scale proposed.

Broadcasters generally are alarmed at the steepness of the proposed taxes, and it is believed that if the bill is acted on favorably that the taxes will be scaled downward.

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DILL ARGUES FOR PERMIT FOR WASHINGTON STATION

Former Senator Clarence C. Dill, who now resides in the District of Columbia, arguing in support of an Examiner's recommendation that he be allowed to construct a new broadcasting station in Washington, told the Federal Communications Commission Thursday there is more need of a local station in the District than in any other community in the country.

Chain programs, Senator Dill declared, occupy from one-half to two-thirds of the time of the four existing stations, making it "impossible" to give "real local service."

The former Senator said he planned to present educational programs designed expressly for Washington high and grade schools. Religious programs, including those of the Adventist Church, would be presented during hours now taken by chain programs on other stations, he said.

The development of local talent, a field in which Mr. Dill said practically nothing has been done, would be a policy of the station.

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U. S. ADVERTISERS PROMISE PROGRAMS FOR ALASKA OUTLET

Commercial sponsors from the United States will enable an operator of a proposed Alaska station to make the venture a business success, according to an Examiner's report recommending that the application be granted.

Approving the request of Edwin A. Kraft, of Petersburg, Alaska, for a construction permit on 1420 kc. with 100 watts, unlimited time, Examiner R. H. Hyde noted:

"The applicant does not expect to obtain sufficient revenue from advertising business available locally in Petersburg to make the proposed station a successful business enterprise, but does expect, in fact claims assurance of sufficient business from advertisers within the United States, to make the project a commercial success. Through his ownership of the Northwest Radio Broadcast Company, Inc., the applicant is in a position to place certain national advertising on the new station. Three substantial accounts, by name the Gardner Nursery Company of Osage, Iowa, the Geppert Studios of Des Moines, Iowa, and the Compagnie Parisienne of San Antonio, Texas, are said to be immediately available. In addition the applicant claims that a number of local supply houses distributing such merchandise as groceries, mining machinery and canning equipment, who do not at present have any effective method of advertising their products in the Petersburg area, are definitely interested in employing radio advertising."

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TRADE NOTES

It may or may not be a coincidence, but the date of the annual convention of the National Association of Broadcasters in Chicago, June 20-23, includes the date, June 22, of the Louis-Braddock fight for the world's heavyweight championship.

The Japanese Broadcasting Company announced this week that it will construct 16 short-wave transmitters at a cost of approximately \$5,000,000 for use of American and other foreign radio companies who wish to send announcers to describe the 1940 Olympic games in Japan.

William R. P. Neel, of the National Broadcasting Company Press Division, has been appointed Trade News Editor, effective immediately. He will have charge of the distribution of all news concerning the company's activities to the radio, advertising and industrial trade press. Mr. Neel has been a member of the NBC Press staff for two years.

An increase in power from 500 watts nighttime and 1,000 watts daytime to 1,000 and 5,000 watts, respectively, was recommended for WMBD, Peoria, Ill., this week by Examiner George H. Hill.

A strike of wireless operators on all ships operated by the International Mercantile Marine and its subsidiaries now in United States ports was called Thursday by the American Radio Telegraphers' Association, which has just affiliated with the C.I.O.

Effective April 15th, Station KSOO, Sioux Falls, S.D., becomes affiliated with the National Broadcasting Company as a supplementary outlet available to advertisers using either the Basic Red or the Basic Blue Network. KSOO is the only radio station in Sioux Falls and the only clear-channel station in South Dakota. It operates until Local Sunset - with 2500 watts power and on a frequency of 1110 kilocycles.

An adverse report was filed with the Federal Communications Commission this week by Examiner F. W. Seward on an application of the Peninsula Newspapers, Inc., Palo Alto, Calif., for a permit to construct a new broadcasting station for operation on 1160 kc. with 250 watts daytime.

American George A. Gordon, Port-au-Prince, advises that the Haitian Government has granted a concession to a company to establish radio stations throughout the country; it permits the company to manufacture and sell telephonic, telegraphic, or radio instruments and accessories; and to construct and exploit central telephone, telegraphic and radio systems. The company is also given the privilege of linking its stations with the local telephone system operated by the Haitian Government.

Thirty-nine German, Swiss and Norwegian advertising experts, on a 17-day visit to the United States to study American advertising methods, visited the National Broadcasting Company Tuesday to hear E.P.H. James, Sales Promotion Manager of NBC, explain commercial broadcasting. The trip is sponsored by Die Deutsche Werbung, German press and advertising association.

The U. S. Foreign Tariffs Division advises that under class 505b of the Bulgarian Tariff, radio sets, radio tubes of all kinds, and other radio apparatus, are assessed 4 gold leva per kilo, plus an octroi tax of 20 percent of the duty and a stamp tax of 3 percent of the duty. Duties are payable in paper leva at the ratio of 27 to 1. Radio sets may be imported into Bulgaria only when compensated by exports of certain Bulgarian products. The above duty and taxes amount to approximately 80 cents a pound.

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STOCKHOLDER WHO HECKLED SARNOFF TURNS ON SCHWAB

Following closely on the heels of his attack on David Sarnoff, President of the Radio Corporation of America, at a recent stockholders meeting in New York City, Lewis Gilbert, labelled by the press as "No. 1 Minority Stockholder", this week turned his guns on Charles M. Schwab at a meeting of stockholders of the Bethlehem Steel Corporation in Wilmington, Del.

Gilbert, teamed with one L. B. Coshland, of New York, tried vainly to oust Schwab from his \$200,000 a year post as President of the Company.

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\$5,000,000 YEAR FORECAST FOR ASCAP

Distribution made its members by the American Society of Composers, Authors and Publishers this week indicates that the organization is in for a \$5,000,000 year, an all-time high, according to Variety. Previous top was \$4,000,000 in 1935.

"Collection for this year's first quarter was considerably over the \$1,250,000 mark, with the writers getting about 15% more than they did for the like three months in 1936", the article states. "Double A writers this time received \$4,600 and over, rated as record sums by a wide margin.

"Society's income for 1936 was \$4,400,000, with the splitup on the year figuring \$3,600,000. Divvy for the initial quarter of last year came to \$935,000, with the expenses of collection and general overhead already deducted."

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STERLING FISHER NAMED CBS DIRECTOR OF TALKS AND EDUCATION

The Columbia Broadcasting System announced this week the appointment of Sterling Fisher, newspaper man, author and lecturer, as Director of Talks and Education. He succeeds Edward R. Murrow, whose appointment as European Director for CBS was announced recently. Mr. Murrow will sail for London April 21st to take over his new duties.

Mr. Fisher will supervise Columbia's educational and religious programs and will edit the magazine, "Talks", a digest of discussions heard over the network.

He has had wide experience as a newspaper man and teacher of English both in America and the Far East. As a writer and lecturer, he also has been a student of public affairs of this country and Europe. He comes to CBS from the editorial staff of the New York Times. Previous to joining the New York Times in 1930, he was a member of the staffs of the Springfield (Mass.) Republican and the Associated Press.

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MACKAY MAKING AUTO ALARMS FOR 600 SHIPS

Automatic SOS equipment, designed to eliminate static, a deterrent in ascertaining the locations of distressed ships, is being manufactured in Newark, N. J., by the Federal Telegraph Company for 600 cargo vessels of United States registry, according to the New York Times. The concern is a research and manufacturing subsidiary of the Mackay Radio and Telegraph Company.

The manufacture of the equipment followed a recent order of the Federal Communications Commission that by August 10th all cargo ships of United States registry having more than 550 gross tonnage must maintain a twenty-four hour watch in the radio-control rooms, with three operators on eight-hour shifts, or install the automatic signal equipment and maintain one wireless operator.

The FCC also approved the auto alarm designed by the Radio Corporation of America.

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MARKET FOR RADIOS GOOD IN NEWFOUNDLAND

The market for radio receiving sets in Newfoundland is relatively good, according to U. S. Consul General Harold B. Quarton, St. John's.

Owing to the geographical situation of Newfoundland, owners of radio receiving sets are able to receive programs broadcasted by American, Canadian and European stations. As a rule, however, reception in St. John's is poor, due to electrical disturbances.

Due to the limited purchasing power of the majority of the people in Newfoundland, low priced merchandise of all descriptions enjoy the largest sale. The less expensive receiving sets, such as table models, are the most popular. The local representative of a prominent American radio manufacturer states that four-fifths of his sales are of this type. One firm retails these sets at prices ranging from \$75 to \$110, Canadian currency, while another dealer sells a five-tube table model for \$65, and 8 to 12-tube sets for \$100 to \$125. The larger console models retail at from \$125 to \$250, depending, of course, upon the number of tubes and the type of cabinet. Sales of combined phonographs and radios are limited. Such combination sets retail at from \$250 to \$350. The demand for combined long and short wave radio receiving sets has greatly increased until at the present time practically all sales are of the all-wave models.

There are approximately 18 American manufacturers of radio receiving sets represented in Newfoundland. Competition is almost entirely among these sets, the only foreign competitor being the Canadian Marconi Company, which also has a representative in St. John's. American sets retail in Newfoundland at prices practically double their wholesale prices at New York.

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