

HEINL RADIO BUSINESS LETTER

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No. 1032

NOTE: THERE WILL BE NO ISSUE OF THE LETTER ON TUESDAY, JUNE 1ST SINCE THE GOVERNMENT DEPARTMENTS ARE TO BE CLOSED UNTIL THAT DATE.

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LIBERAL BLOC ON FCC REDUCED AS STEWART RESIGNS

The minority liberal bloc on the Federal Communications Commission was reduced this week with the unexpected announcement of Dr. Irvin Stewart, Vice Chairman and head of the Telegraph Division, that he would not be a candidate for reappointment.

Along with Commissioner George Henry Payne, Dr. Stewart has been one of the severest critics of the broadcasting policies of the Commission. His reappointment for a seven year term was assured, and no opposition was expected to his confirmation.

He will, after June 30th, when his term as Commissioner expires, assume the post of Director in immediate charge of activities of the Committee on Scientific Aids to Learning, which was set up by the National Research Council.

Dr. Stewart said the primary object of the new committee would be to "find methods by which advances of science can be applied to learning." The committee will have its headquarters in New York City.

Dr. Stewart has served on the Federal Communications Commission for about three years and his reappointment at the expiration of his term on June 30th had been expected. He has notified President Roosevelt that he will not be a candidate.

Serving on the new committee will be Dr. James B. Conant, President of Harvard University, Chairman; Vannevar Bush, Dean of the School of Engineering, Massachusetts Institute of Technology; L. D. Coffman, President of the University of Minnesota; Frank B. Jewett, President of the Bell Telephone Laboratories; Ben D. Wood, Associate Professor of Collegiate Educational Research, Columbia University; Bethuel M. Webster of New York, Secretary, and Ludvig Hektoen, Chairman of the National Research Council, member ex-officio.

The National Advisory Council on Radio in Education, which has been in existence for six years, will make a report soon to serve as a basis for some of the studies of the new committee.

"The purpose of the committee", said the Council's announcement, "is to canvass, and to report to the Council, the extent to which and means by which certain methods, data, materials and products of science are and may be applied to learning."

Experts will be retained to make special studies in the fields of radio, sound recording and reproduction, motion pictures, and others. A number of persons will be invited to serve as consultants.

Dr. Stewart was appointed by President Roosevelt in 1934 for a three-year term. A Texan, he had been in the State Department previous to selection for a post on the newly created Communications Commission. During his service with the Commission, Dr. Stewart has been particularly active in studying regulatory procedure with regard to telephone and telegraph services.

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NO OUTSTANDING CANDIDATE FOR STEWART'S JOB RUMORED

Although many names are being discussed as possible candidates for the \$10,000 a year job being relinquished by Dr. Irvin Stewart, Vice Chairman of the Federal Communications Commission, rumors so far have been indefinite and scattered.

Indications are that even President Roosevelt was taken unawares by Dr. Stewart's decision not to be a candidate for reappointment and that consequently he has had not had an opportunity to survey the field of prospective successors.

The general belief in informed circles, however, is that the President will select a man of good reputation and recognized ability, probably with liberal tendencies, in view of the criticism that has been directed at the Commission in recent months.

Among the possibilities who are being discussed in broadcasting circles is Hampson Gary now General Counsel of the FCC, who stepped off the Commission at the time Anning S. Prall was named. At the time of Mr. Prall's appointment, President Roosevelt is reported to have thanked Mr. Gary and to have said he hoped to see him back on the Commission some time later.

Two former Representatives, Swagar Sherley and D. J. Driscoll have been mentioned, but it is doubtful whether either would take the job. Mr. Sherley, formerly of Louisville, was one of the group that made a survey of radio regulation prior to the creation of the FCC and is close to the President. He declined an offer to be Director of the Budget, however.

Mr. Driscoll made a reputation last year by his part in the exposure of fake telegrams during the inquiries that proceeded the passage of the Utility Holding Company Act. He now is Chairman of the Pennsylvania Public Service Commission, and it is believed he has no desire to return to Washington politics.

Representative Fritz Lanham, of Texas, has been suggested also. As Dr. Stewart was from Texas, Representative Lanham would keep the South representation on the FCC. In addition, he probably would swing a large congressional backing. He is, moreover, a friend of Gene Buck, President of the American Society of Composers, Authors and Publishers.

Two other FCC officials who have been mentioned, are T.A.M. Craven, Chief Engineer, and Carl Arnold, Assistant General Counsel in charge of telegraph matters.

As Dr. Stewart's present term expires on June 30th, the President's choice probably will be made within the next fortnight.

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FCC BAR RULE HITS LAWYERS WHO PROMISE "INFLUENCE"

The Federal Communications Bar Association this week adopted an amendment to its canon of ethics denouncing the practice of some radio attorneys who promise clients that they will be able to exercise unusual influence on the Commissioners or FCC employees.

The action comes on the heels of sharp criticism of certain radio attorneys by George Henry Payne, who charged during a recent New York address that a few radio lawyers were ruining the profession in Washington.

The text of the Federal Communications Bar Association's rule, adopted upon recommendation of the Committee on Professional Ethics and Grievances, of which Ralph A. Van Orsdel is Chairman, follows:

"It is improper for a lawyer to represent, or cause to be represented, or knowingly to permit any other person to make such representation in his behalf, that he is able, or, if employed, intends, to secure favorable action from the Commission or any division, member or employee thereof, on a basis other than on the merits of the case to be presented and in accordance with the rules, regulations and practices governing presentation to or action on such cases, whether because of such attorney's prior employment by or other connection with the Commission or because, for any other reason whatsoever, he is in a position to exert, or to cause to be exerted, influence calculated or intended to bring about such action."

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TELEVISION WILL NEVER SERVE ENTIRE U. S., SAYS NBC OFFICIAL

Large portions of the United States will have to rely solely on radio for their entertainment out of the ether as television, even when fully developed, will be unable to serve the total area of the country, according to C. W. Farrier, television co-ordinator of the National Broadcasting Company.

Speaking today (Friday) before New York Advertising Club, Mr. Farrier analyzed "The Present Status of Television." His address follows, in part:

"At the present time, several experimental transmitters are being tested under operating conditions in this country. Abroad, where the public is less exacting, transmitters sending pictures of less definition than some of the experimental transmitters in our country are sending out regular programs and receiving sets are being sold to the public.

"Certain standards of transmission, which may be expected to meet the exacting demands of the American public, have been tentatively proposed by the Radio Manufacturers' Association. One of the transmitters built according to these standards is now being tested by experimental operation in the New York area. This transmitter was built by the Radio Corporation of America's Manufacturing Company and is installed in the tower of the Empire State Building. It is being operated by the National Broadcasting Company. The experimental programs are fed to the transmitter from special studios in the RCA Building in Rockefeller Center.

"Approximately seventy-five receiving sets have been built and distributed over the metropolitan area in the homes of the executives and engineers of the RCA group of companies. The operation of these sets, together with the program reception conditions at each point, are being carefully watched and studied. As operating defects in the system develop, they are being corrected.

"Data now available seems to point out that reliable reception of the television signals is limited to points which can be seen by a person who is standing so that his eye level is that of the sending antennae. This is not wholly true, as it has been found that reliable reception extends a few miles further than the horizon line as seen from the antennae. It has been found also that under certain conditions, reception is good behind hills which obscure the point from visual observation at the antennae. Under these limitations, reliable reception of television from the present transmitter could be expected at most points in the New York area which are within fifty miles of the Empire State Building.

"Beyond these points, the waves under most atmospheric conditions seem to pass off into space and be lost.

"If present indications hold up under further test, the television system for reaching the whole of the United States becomes a very extensive one. For example, suppose that the principal market areas of the country are covered by television service. Each one, with very few exceptions, would require a separate transmitter, as they are rarely close enough together to permit the covering of two or more areas by one transmitter. In covering these principal market areas, but one and one half percent of the total area of the country has been covered. Such a system would, however, reach forty-five percent of the people. A system for these principal market areas would require approximately one hundred transmitters for single coverage.

"In the British Isles, television coverage is a comparatively simple problem. This compact area with its dense population can be adequately covered by a small number of television transmitters. It has been reported that ten transmitters have been planned as the complete system of the British Broadcasting Corporation.

"The total area of the United States will probably never be covered completely by television service. Large portions of the country will, of necessity, obtain their radio entertainment only from the present sound broadcasting system. Television will be one leg of a dual system and will offer at the best a limited coverage in this country.

"It is obvious that production and operating expenses for television are going to be considerably higher than for the present sound broadcasting system. Television with its accompanying sound necessitates really two complete control and transmission systems. Productions must be staged so that they can be seen as well as heard. Thus expenses multiply.

"So as to alleviate the gloom cast by the above statement, let me state that pictures transmitted by the present system are quite good. This quality is about the same as that of the better grades of 16 mm. home movie projector. The sound channel provides for the transmission of practically all audio frequencies heard by the average human ear.

"The ultra short waves used in transmission are much less subject to 'static' than the longer waves used in sound broadcasting. The exception to this last statement is that television is very susceptible to interference from diathermy machines and from unprotected ignition systems on automobiles. These sources of interference can be eliminated by the cooperation of the manufacturers.

"The television system as it is now developed projects visual images and sound into the home in a most satisfactory manner. As an instrument of public entertainment and education, it has a field all its own. It has limitations and possibilities which it alone possesses. It is unlike the motion picture house or the theater in that each television audience is a small group and is in the home atmosphere."

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"AMOS 'N' ANDY" SEEKING ANOTHER RADIO SPONSOR

Announcement was made this week that "Amos 'n' Andy" are looking for another broadcasting sponsor. Their present contract with Pepsodent Company expires next January 1st, it was stated by Albert D. Lasker, President of Lord & Thomas, and the famed radio comedians feel that it is time they were changing the product they advertise.

The following statement was issued by Mr. Lasker upon behalf of Freeman F. Gosden and Charles J. Gorrell ("Amos 'n' Andy"):

"On January 1, 1938, the contract of the Pepsodent Company with Amos 'n' expires. The Amos 'n' Andy contract is the longest ever entered into in the history of radio. Even more significant is the fact that after this record run Amos 'n' Andy are today, as through the years, America's favorite radio institution.

"Messrs. Amos 'n' Andy have reappointed Lord & Thomas as their exclusive advertising agency. They have expressed themselves as feeling, however, that their association with one product over so many years should be brought to a happy end, and that sponsorship should be transferred to another worthy major product."

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The first major radio production of William Shakespeare's plays featuring world renowned stars of the theater and screen will be presented by the Columbia Broadcasting System during July and August. Twenty-five ranking artists of the stage and motion pictures, supported by more than 100 players of note, will be cast in one of the most ambitious series in the history of radio drama. The plays will be offered weekly in a cycle of eight one-hour productions on a nighttime schedule to be announced.

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U. S. AGENCY COMPLETES THOROUGH RADIO AUDIENCE SURVEY

One of the most thorough analyses of a radio audience ever attempted has just been completed by the Educational Radio Project, which analyzed ten thousand questionnaires returned by persons who are regular listeners to the educational radio series, "The World is Yours", according to an announcement by the United States Department of the Interior, Office of Education.

Questionnaires, asking the listener's age, occupation, place of residence, number of persons listening to the programs with him, whether the subjects of the broadcasts were later discussed and comments and criticisms regarding subject matter and presentation, were mailed by the Office of Education Project to 34,000 known listeners. Of those returned, 10,000, representing a cross-section of the "The World Is Yours" audience, were chosen for the analysis.

Every State in the Union was represented by persons whose questionnaires were examined and tabulated. New York, with 1,770 questionnaires topped the list. Ohio was second with 1,127 and Pennsylvania was third with 937.

Analysis showed, also, that while the listening audience was composed of persons of all ages and from all walks of life, the series was most popular with students and professional workers. Of the 10,000 questionnaires analyzed, 2,273 were from grade school, high school and college students. The professional group was represented by 1,651 questionnaires, while the third largest group was skilled and unskilled workers, of whom there were 1,156. Clerical workers were fourth, with 989 replies tabulated. Farmers, social workers, invalids and retired business and professional persons completed the list of 10,000.

An unusual discovery revealed by the analysis was that more questionnaires were sent in by men than women. There were 5,416 men and only 3,804 women in the tabulated list.

According to the analysis, from one to 100 or more persons listened to the programs over one radio. The average number, however, was found to be four. The larger listening groups, it was disclosed, were composed of persons in hospitals or other institutions, and groups that met especially to hear and discuss the broadcasts. A great majority of the listeners heard the programs in their homes with their families.

The questionnaires showed that wherever more than one person listened on the same radio, there virtually always was a discussion of the programs' content following the broadcasts. In many instances, teachers declared that they set aside a period each week for classroom discussion of the presentations.

"The World Is Yours", a half-hour program presented Sundays from 4:30 to 5:00 P.M., EDT, over the National Broadcasting Company's Red Network, is produced by the Office of Education in cooperation with the Smithsonian Institution, Washington, D. C. Each program dramatizes the history of some important exhibit on display at the Smithsonian Institution. To supplement the programs, a free monthly magazine, giving a more detailed history of the different subjects, is offered to interested listeners. The analysis shows that this magazine is used extensively in the home, school and office. Most listeners say they preserve their copies for future reference.

"The analysis, in the belief of many educators, is a long step toward the production of more instructive and entertaining educational radio programs. It will enable the producer better to estimate the groups most interested in radio education and the localities where such broadcasts are best received. It also will permit the producer to write his scripts with a more specific audience in mind.

It is estimated that "The World Is Yours" has several million regular listeners. Using the analyzed questionnaires as a yardstick, the Office of Education will be able to estimate the number of listeners living in each section of the country and the average age of the listeners.

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FCC ISSUES NEW RULES FOR SAFETY OF LIFE AT SEA

New rules and regulations designed to promote the safety of life at sea in conformance with amendments recently adopted to the Communications Act by Congress were approved this week by the Federal Communications Commission.

The Act has for one of its purposes, "to make more effective the International Convention for the Safety of Life at Sea, 1929." Pursuant to that Convention, the Commission has heretofore issued its Ship Radiotelegraph Safety Instructions of October 1, 1936, as amended March 10, 1937. This week's order (No. 29) supersedes these Instructions and, pursuant to the provisions of Section 303(r) of the Communications Act of 1934 as amended, adopts Ship Radiotelegraph Safety Rules which include the provisions of the Instructions heretofore issued pursuant to the Convention with such changes and additions as are immediately made necessary by the new law.

Section 15 of the Act repeals the Ship Act of 1910 as amended so far as it relates to the ocean and steamers navigating thereon but the Ship Act is continued in force with regard to vessels navigating the Great Lakes of the United States. As to the last-named vessels the new law makes a specific exception relieving them from meeting the new requirements with regard to qualified radio operators and equipment; therefore, all

previous rules and instructions of the Commission under the Ship Act remain in effect as to such vessels.

The Act extends to cargo ships of 1600 gross tons or over the requirements of the International Convention for Promoting Safety of Life at Sea of a continuous radio watch by means of at least two qualified radio operators. The Act provides, however, that such cargo vessels, if fitted with an auto-alarm approved by the Commission, shall not be required to maintain such continuous watch by means of human operators provided that such ships maintain a radio watch by means of a licensed operator of the proper grade of at least eight hours per day in the aggregate.

"The Commission is engaged in the revision and compilation of its Rules and Regulations relating to ship radio operation with a view to consolidating all ship radio provisions in a single document", a FCC statement explained. "The Commission is aware of the necessity for certain changes in present requirements in order fully to carry out the purposes of Congress as disclosed in the new law. These changes are being made the subject of study and an opportunity will be given to interested parties (if possible prior to August 6, 1937) to express their views with regard to the proposed new rules and regulations prior to final adoption."

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N. Y. OFFICIALS SCRAP OVER SALE OF RADIO RIGHTS

New York's Park Commissioner Robert Moses was sharply criticized this week by Frederick J. H. Kracke, Commissioner of Plant and Structures for having sold broadcasting privileges for a Randalls Island track meet, to the exclusion of WNYC, the city's station.

Mr. Kracke sent a letter to the Park Commissioner, reminding him that a written agreement had been signed on May 13, 1936, which provided that WNYC should participate in the broadcasting of events under the jurisdiction of the Park Department. He also pointed out that Mr. Moses had sold the broadcasting privileges for the track meet without open and competitive bidding. Mr. Kracke closed his letter with the observation that fair-minded and ethical men recognized moral obligations.

Commissioner Moses subsequently denied the charges. He made public a reply he sent to Mr. Kracke in which he characterized the latter's letter as "a bedtime story, that has all the charm of fiction without a trace of fact."

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Mr. Moses, who signed his letter to Mr. Kracke "Yours for better bedtime stories", pointed out that the Department of Parks had succeeded in getting the intercollegiate games here after an absence of thirty-four years. The radio contract, he said, was arranged between the Intercollegiate Association and the National Broadcasting Company, the Department of Parks not being a party to it in any way.

"Just to show you what good sports we are, we are asking the National Broadcasting Company to let the WNYC be one of their network stations", Mr. Moses informed Mr. Kracke.

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FISHING TRAWLERS INSTALL TWO-WAY RADIOS

Five Argentine fishing trawlers have been equipped with radio telephone sets, having an effective two-way communication range up to 200 miles. The use of these sets is still in an experimental stage, with the Post & Telegraph Department at Buenos Aires utilized as the central station at present. The trawlers can also communicate with each other, or with other radio-equipped ships in case of emergency.

This is the first Argentine fishing fleet to install wireless, such a move being prompted by the mysterious disappearance during bad weather of one of the company's trawlers two years ago.

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NBC Transcription Service will put into effect June 1st a substantially reduced price schedule for "reference recordings." A graduating scale of discounts ranging up to 15 percent applies to the new rates for quantity orders.

According to a report from the U. S. Commercial Attache at Shanghai, the Ministry of Education of China has just ordered the distribution of an additional 5,000 radio receivers to schools, to supplement the 2,000 radio sets now installed in the schools. The Chinese Government electric works at Shanghai which furnishes government supplies is manufacturing the majority of the radio sets. The Central Broadcasting station at Nanking has been instructed to furnish daily broadcasts on educational and scientific subjects.

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CBS SIGNS AGREEMENT WITH GUILD

The Columbia Broadcasting System, Inc., announced yesterday (Thursday) that it had concluded negotiations with the representatives of the American Guild of Radio Announcers and Producers and had signed an agreement covering hours, wages and working conditions for announcers and assistant directors employed in its New York studios.

The agreement, which runs for a period of five years, is based upon a five day week of forty hours. The Guild is recognized as exclusive bargaining agency for these employees. The principle of a Guild Shop is recognized, with the Guild agreeing to either accept into membership any employee engaged by the Company or to waive this requirement of membership.

A scale of wages extending over a period of years is provided and immediate salary increases were granted thereunder. Announcers are to receive fees for commercial broadcasts. Pay for vacations and during periods of illness are to be continued in accordance with the Company's existing policy. Arbitration under the rules of the American Arbitration Society is provided for.

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U. S. BROADCASTING COMPANY JOINS MUTUAL

It was announced last week that the United Broadcasting Company of Ohio will become a participating member of the Mutual Broadcasting System, effective not later than December 1, 1937. The United Broadcasting Company owns and operates WJAY, in Cleveland, 500-watt station, operating on 610 kilocycles; WHK in the same city, 2500-watt station (1000-watts at night) operating on 1390 kilocycles, and WHKC in Columbus, Ohio, 500-watt station operating on 640 kilocycles.

On the date this arrangement becomes effective, WJAY will become a full time Cleveland outlet and originating station for Mutual carrying a majority of the programs, while WHK will carry certain other additional Mutual programs.

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