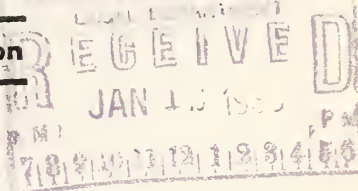


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J. L. Lee

C. M. Holdaway

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January 11, 1938

50 KW. POWER RECOMMENDED FOR WRVA, RICHMOND

An increase in power from 5 KW to 50 KW was recommended to the Federal Communications Commission this week for Station WRVA, Richmond, Va., by Examiner Robert L. Irwin.

The recommendation comes at a time when the FCC is preparing to study the question of higher broadcasting power involved in its own Engineering Division report and the North American agreement that was drafted at the Inter-American Conference in Havana.

The Examiner, in his report, called attention to the varied public services of Station WRVA and the need for additional service in the Richmond area. Station WRVA, if its application is granted by the FCC, will use a directional antenna.

Station WRVA, which is owned by the Larus & Brothers Co., tobacco manufacturers, was the first broadcasting station in the country to use a wooden tower for its transmitter. It is managed by C. T. Lucy.

Frank D. Scott, as counsel for the station, brought out at the hearing that the antenna and equipment to be installed by Station WRVA would cost approximately \$200,000. The applicant already has an investment of more than \$240,000 in the plant, which includes five studios, several business offices, and a reception lounge, and control rooms.

Station WRVA maintains 11 permanent lines to the State Capitol, hotels, churches and amusement places. The various departments of the State government have used the station almost exclusively for broadcasting informational programs, and special programs include addresses by the Governor, openings of the General Assembly, and important Legislative Committee hearings.

At the same time, another Examiner, John P. Bramhall, filed an adverse report on the application of John Stewart Bryan, Richmond publisher, for a permit to establish a station in Petersburg, which is within a few miles of Richmond.

Examiner Bramhall, considering three applications for the same facilities, 1210 kc., recommended that the license be granted to the Petersburg Newspaper Corp., of which Walter Everett Harris is President. The applicant is editor of the Progress Index, a daily newspaper in Petersburg.

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Examiner Tyler Berry recommended that a permit be granted for a new station at Salisbury, N. C., to operate on 1340 kc. with 1 KW power, daytime. The applicant is Burl Vance Hedrick.

Other reports submitted by Examiners to the FCC recommended that:

WELI, New Haven, Conn., be granted authority to change from 900 to 930 kc., and increase broadcasting time from daytime to unlimited hours.

KSLM, Salem, Ore., be authorized to transfer from 1370 to 1360 kc. and increase power from 100 to 500 watts.

WMFJ, Daytona Beach, Fla., be denied permission to switch from 1420 to 1240 kc. and increase power from 100 watts to 1 KW.

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FCC PREPARING DATA ON NEWSPAPER ROLE IN RADIO

Anticipating legislation proposing a curb or ban on newspaper operation of broadcasting stations, the Federal Communications Commission is gathering data for submission to Congress on the subject, it was disclosed this week.

Commissioner T.A.M. Craven told a House sub-committee that while the FCC is not in a position to make any recommendation at this time, that the subject is being studied. It will have a report later, however, he said.

The divorcing of newspapers and radio, already discussed in both Houses of Congress, is believed to have the approval of President Roosevelt.

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Television in Italy is only in the laboratory stage and is also under the exclusive control of the sole concessionaires. Two laboratories of the broadcasting service are working on television and are said to be experimenting on such sets with 30, 60, 90 and 180 lines of analysis; a project is awaiting approval of the Government for the installation of three television stations in Rome, Milan and Turin, which are to be connected by means of a coaxial cable (cavo collasiale).

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STATE RADIO COMMISSION URGED IN MASSACHUSETTS

A bill has been introduced in the Massachusetts Legislature to set up a three-member State Radio Commission which would be authorized to issue licenses, make rules and regulations for stations, and "to safeguard public morals by eliminating obscene and defamatory utterances from radio speeches or statements."

All stations would be required to keep transcripts of every speech or statement uttered over their respective facilities on file for a year and open to public inspection. The author, Representative Phillip G. Bowker, however, insisted that the bill is not designed to infringe on the rights of free speech.

Editor & Publisher in an editorial on the proposal denounced the idea.

"We can't work up enthusiasm for the idea of State Radio Commissions, the first of which has been proposed in Massachusetts", the publishers' organ stated. "If the experience of State regulatory boards over banking, public utilities, and insurance are a guide to what can be expected, any public hopes of benefit from State radio regulation are likely to be disappointed. Political patronage and recurrent malfeasance scandals have been the outstanding products of most State efforts to regulate even definitely intrastate business.

"The Massachusetts bill specifically declares itself free of censorship of free speech inhibitions, and practically duplicates the Federal ban on indecent, profane, defamatory, or libelous utterance in broadcasting. It also would compel broadcasters to keep an accurate written or recorded transcript of every broadcast statement, the record to be available for public inspection for one year after its utterance.

"All of that can be adequately done under existing Federal laws. Interstate commerce considerations have not yet entered the broadcasting field and we can see no useful purpose in introducing them. If varying industrial and geographical conditions require exceptions to general rules, they can be accomplished by district organization under the FCC."

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FEW RADIO OFFICIALS CARRIED IN BIG SALARY LISTS

Only the names of a few of the outstanding figures in the radio industry were carried in the lists of the highest salaries of the Nation for 1936 as disclosed this week by the House Ways and Means Committee. The names of most radio artists were not carried as many were not paid salaries in the sense that the 1934 Revenue Act defines the term.

Among those listed were the following:

William S. Paley, President of the Columbia Broadcasting System, \$236,924; Edward Klauber, Vice-President, \$71,359.

Maj. Gen. James G. Harbord, Chairman of the Board, Radio Corporation of America, \$54,000; David Sarnoff, President, \$75,000.

Lenox R. Lohr, President of the National Broadcasting Company, \$50,259.

A. J. McCosker, President of Bamberger Broadcasting Service, Inc. (WOR), \$78,270.

James M. Skinner, President, Philadelphia Storage Battery Company, \$79,000; Larry E. Grubb, President of Philco Radio & Television Corporation, \$72,651; Sayre M. Ramsdell, Vice-President, \$69,077.

Paul V. Galvin, President and Treasurer, Galvin Manufacturing Co., Evanston, Ill., (Motorola), \$60,420.

Among the electric and communications companies were the names of:

Owen D. Young, Chairman of the Board, General Electric Company, and Gerard Swope, President, \$146,500 each.

Sosthenes Behn, International Telephone & Telegraph Company, \$66,479.

A. W. Robertson, Chairman of the Board, Westinghouse Electric & Manufacturing Company, \$108,588; F. A. Merrick, President, \$84,485; Arthur E. Mullen, Vice-President, \$52,816.

The name of A. Atwater Kent, President of the Atwater Kent Co., formerly in the radio manufacturing business, was listed at \$50,000.

The National Radio Institute of Washington, D. C., carried two officials, J. E. Smith, President, at \$36,000, and E. R. Haas, Secretary, at \$30,000.

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SCOPE OF RADIO INDUSTRY OUTLINED BY FCC FOR CONGRESS

An estimate of the scope of the radio industry was prepared by the Federal Communications Commission and submitted to Congress during the recent House hearings on the Independent Offices Appropriations Bill. Presented by Commissioner T.A.M. Craven, the report outlined the industrial aspects of radio as follows:

"It is common knowledge that this industry occupies an important place in the national welfare of this Nation and affects the employment of hundreds of thousands of people and is estimated to involve an annual expenditure of over three-quarters of a billion dollars. The best estimate we can give as to the scope of the industry is as follows:

"1. An investment of 45,000,000 receivers purchased by the public at a conservatively estimated cost of approximately \$30 per receiver, which amounts to an investment of \$1,350,000,000. In 1936 it was estimated that the public purchased 8,000,000 receivers at an estimated cost of \$440,000,000. (Radio Today, January 1937 issue.)

"2. There are 1,037 factories engaged in the manufacture of receivers, radio vacuum tubes, radio parts, transmitters, and sound equipment. (Radio Today, January 1937 issue.) The capital investment in these factories is not known, but obviously it runs into millions of dollars.

"3. There are more than 4,000 retailers who engage exclusively in the business of selling receivers to the public. This does not include thousands of other retail outlets which also handle radio receiving sets.

"4. It is common knowledge that talent, including comedians, actors, singers, composers, publishers of music, etc., number in the thousands. No estimate can be given of the monetary investment or other economic factors directly charged to broadcasting and involved in this grouping.

"5. There is a large investment in transcriptions and radio recordings, of which the Commission has no specific knowledge.

"6. There are thousands of service men with their offices and shops dependent upon broadcasting, and who engage in a business of several hundreds of thousands of dollars. In 1936, approximately \$75,000,000 was estimated to have been spent on servicing radio sets. (Radio Today, January 1937 issue.)

"7. Both transmitting stations and most all radio receivers, particularly those in the cities, require power equipment. This involves the electrical manufacturing industry as well as the power industry. We have no figures to show the

exact amounts invested, but it is common knowledge that the amount is not small. In 1936, \$150,000,000 was estimated to have been spent for electricity for receivers. (Radio Today, January 1937 issue).

"8. It is common knowledge that advertising agencies and the men usually employed by these agencies, engage in radio business to a large and profitable extent. We are unable to state specifically the total amount invested, though in 1935 advertising agencies handled \$63,307,000 of the medium's total business.

"9. It is common knowledge that various organizations, both those having national scope as well as those having local scope, pay money for the benefits of broadcasting and secure returns therefrom in augmented sales of their merchandise. While the money expended by these organizations is large, no knowledge of the benefits received therefrom is known to us.

"10. There have been over 40 millions of dollars invested directly in broadcasting stations and several millions expended each year in the operation of these stations.

"11. \$6,578,956 was expended by broadcasters in 1936 for telephone 'private line service' and for wires, which are especially adjusted technically for this service.

"The only elements of this vast industry which are directly regulated by the Federal Government are the communication companies and the broadcast transmitting stations. As is known, the facilities of the communication companies are hired by the broadcasters for interconnecting land wire between stations while the latter are the actual instrumentalities for radio transmission to the general public.

"In the earlier stages of development the stations were in general supported directly or indirectly through the sale of receivers. However, today, even though the investment in stations is a relatively small portion of the total investment in the industry, the radiotransmission system can be characterized as the keystone in a large arch. The failure of this keystone will result in destruction of the remainder of the structure. It is thus most essential that the Government regulatory body proceed with caution when considering matters of frequency allocation as well as other policies which have such a direct bearing on the continued successful operation of this very important industry.

"According to the Bureau of Census Report on Radio Broadcasting, published in October 1936, 561 stations and 8 national and regional networks had net billings for sale of time in 1935 (i.e. gross billings after deduction of time and other promotional discounts), amounting to \$79,617,543, of which \$27,216,035 accrued to the chain companies for sale of time, \$26,327,032 to network and non-network stations for sale of time

to national and regional advertisers, and \$26,074,476 to all stations for sale of time to local advertisers. For the sale of talent and other revenue the figure of the Bureau of Census Report shows that \$2,983,245 accrued to the chain companies and \$3,891,865 to stations. Of the grand total, \$86,492,653 (time plus talent and other revenue), 92.1 percent was obtained by the sale of time and 7.9 percent for the sale of talent. Also, of the total, 62 percent was from national and regional advertisers and 30.1 percent was from local advertisers. Furthermore, of this total 34.9 percent was received by chain companies and 65.1 percent was received by stations.

"Of particular significance was that of the \$56,293,373 revenue in 1935 accruing to stations, 46.8 percent was from national advertisers, 46.3 percent was from local advertisers, and 6.9 percent was from sale of talent and other revenue. It is estimated that the gross billings for each of the years 1936 and 1937 are in excess of \$100,000,000."

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FCC SAYS FACSIMILE WILL BE AN A.M. SERVICE

The Federal Communications Commission visualizes facsimile broadcast as a service supplementing other media, competing more with the morning paper than with evening editions.

In its annual report to Congress, FCC comments:

"The most popular suggestion is that regular broadcast stations be used for facsimile service between midnight and 6 A.M. to supply the citizen with a complete record of the latest news for perusal during his breakfast."

Because facsimile can be transmitted within the narrow limits of the available low frequency bands, midnight to early morning use may be made of existing broadcast stations, it is pointed out.

"The latest news flashes, market reports, weather maps, etc., can be broadcast hundreds of miles and automatically recorded in the home ready for the rural observer or the residents of small communities", says the report.

But the innovation is not without its difficulties. The Commission states: "The principal questions are: What will be the public reaction, and will the cost of maintaining this new service be prohibitive?"

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Announcement of eight interim models, all equipped with Stromberg-Carlson's New Electric Flash Tuning, has been made by Lee McCanne, Radio Sales Manager of the Stromberg-Carlson Telephone Manufacturing Co.

Included among these latest models is a horizontal table radio in a new Worthington design, three Labyrinth radios, two standard consoles, a decorator's half-round console, and a combination radio and automatic phonograph. Two of the new Labyrinth-type radios are in the decorators' group, taking the forms of a modern desk and a drop-door console.

A. E. Joscelyn will this week become Eastern Sales Manager of the Radio Sales Division of the Columbia Broadcasting System, Inc. He succeeded Arthur Hayes, who relinquished the post in order to devote his full time to the development of local business on Station WABC in New York. Mr. Joscelyn, who recently entered the Chicago office of Radio Sales, has had long experience in the advertising field, especially in radio and newspaper representation work.

The American Radio and Telegraphists' Association, according to the A.P., asked the Labor Relations Board Monday to order the Association of Western Union Employees to return \$500,000 in dues the union said had been collected since the Wagner Act was passed. The union is Committee for Industrial Organization affiliate. The petition alleged the Western Union Association was an illegal "company union". The Board was asked to order its dissolution.

Beginning January 30th, Station WBRE, Wilkes Barre, Pa., becomes an NBC outlet available to advertisers using either the basic Red or basic Blue Networks. Station WBRE will bring the total number of NBC stations to 144. The new affiliate is owned by Louis G. Baltimore, and operates on 1310 kilocycles with 100 watts power. A power increase to 250 watts daytime is expected this Spring, and a new RCA transmitter will be installed. A new 180-foot vertical antenna already is in operation.

Effective January 15th, John Bates will resign from his post as Commercial Program Manager of Station WOR. He will be succeeded by Jerry Danzig, now of the Special Features Division of the Press Department. Mr. Bates will leave to establish a private agency devoted to production work.

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Dr. Frank Baldwin Jewett of Brantwood, Short Hills, N.J., an expert in the field of telephone engineering, and radio, has been chosen to receive the Washington Award for 1938. L. S. Keith, Secretary of the Washington Award Commission, announced that the award given annually since 1919 to the engineer whose work has contributed most to human progress, would be presented in April or May. Dr. Jewett is President of the Bell Telephone Laboratories and Vice-President of the American Telephone and Telegraph Company. He is a past president of the American Institute of Electrical Engineers.

Vittorio Giannini, distinguished young American composer, and Robert A. Simon, author, critic and librettist, will collaborate on a radio opera commissioned by the Columbia Broadcasting System. Their work will be precisely 29 minutes and 30 seconds long in order to insure a practical production which can be given in a half-hour broadcast. The new radio opera will be performed at an evening concert broadcast some time during the coming Summer season.

The latest check on newspaper readership made by George Gallup, Director of the Institute of Public Opinion, Professor of Journalism at Columbia University, and Director of Research for Young & Rubicam, New York advertising agency, reveals that more people are interested in reading radio columns than they are in reading Hollywood gossip columns.

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INCREASE IN POWER FOR WGAR IS RECOMMENDED

An increase in power for Station WGAR, Cleveland, was recommended to the Federal Communications Commission this week by Examiner George Hill. The jump would be from 500 watts-1 KW to 1 KW-5KW on 1450 kc.

In recommending the increase, Examiner Hill called attention to the application of Station WJSV, which operates on the same frequency, for an increase in power to 50 KW, but he stated that with both stations using directional antennae, there would be no interference although they are separated only by 304 miles.

Examiner Tyler Berry filed a favorable report on the application of Station KVEC, San Luis Obispo, Calif., for authority to increase its operating time from daytime to unlimited, using 100 watts at night and 250 watts daytime.

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CBS FORMS ADULT EDUCATION BOARD

The Columbia Broadcasting System this week announced the formation of an Adult Education Board under whose guidance it will launch early this year a series of educational programs in evening hours definitely reserved for that purpose. The Board, headed by Dr. Lyman Bryson, and composed of educators and publicists representative of the nation as a whole, will meet in New York on January 17 and 18. It will first reach a practical decision as to the scope and purpose of adult education over the air best fitted to meet the needs of a democracy. The Board and Columbia's own staff will thereafter cooperate in production to the end that the first experimental year may be devoted to perfecting techniques designed to attract the largest possible audiences and to give them what they best can use.

Besides the Chairman, Lyman Bryson, who is Professor of Education at Teachers College, Columbia University, and also a member of the Executive Committee of the American Association for Adult Education, other members of the Board are:

Stringfellow Barr, President of St. John's College; William Benton, Vice-President, University of Chicago; Harry Woodburn Chase, Chancellor, New York University; Robert I. Gannon, President, Fordham University; Alvin S. Johnson, Director of the New School for Social Research; Henry R. Luce, President, Time, Inc.; Ruth Bryan Rohde, Former U. S. Minister to Denmark; Thomas V. Smith, Professor of Philosophy, University of Chicago; George Edgar Vincent, former President of the Rockefeller Foundation; William Allen White, Editor, Emporia Gazette; Ray Lyman Wilbur, President, Leland Stanford University, and Joseph H. Willits, Dean of the Wharton School of Finance, University of Pennsylvania.

In announcing the formation of the Board and its forthcoming meeting in New York, William S. Paley, President of CBS, said:

"Adult education has been one of the most vexed and controversial questions in radio. A great deal that has been constructive already has been done, and practically everyone recognizes that many programs already regularly on the air have great educational value. The time appears to have come, however, when broadcasting should come more definitely to grips with the whole problem. After long study and a good deal of experience, we at Columbia decided that a rightly constituted Board of men and women, competent to deal with the problem and willing to devote enough time to it to be effective, could be working with us help to a degree to take the whole subject out of the realm of discussion and into the field of practical achievement."

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RCA ASKS REHEARING IN LICENSE CASE

The Radio Corporation of America filed a petition in Chancery Court in Wilmington, Del., last week asking for a reopening and rehearing of litigation brought by the Philadelphia Storage Battery Co., parent organization of Philco Radio & Television Corp., against RCA whereby the Philadelphia concern sought to enjoin RCA from terminating a licensing agreement.

The petition asked Chancellor Josiah O. Wolcott to issue an order permitting RCA to present further argument and to take further testimony, to introduce a letter from PSB to RCA attached to an affidavit of Lewis MacConnach, to introduce in evidence certain patents under which the Philadelphia Storage Battery Co. has been licensed by RCA, to explain the principle of operation of inventions in patents and to compare claims of patents.

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MUTUAL DECEMBER BILLINGS SHOW 10% INCREASE

A 10.6 percent increase in time billings is reported for the Mutual Broadcasting System for the month of December, 1938, in comparison with the same month's figures in 1936. The total billings for December, 1937, were \$214,039. For the same month in 1936 they were \$193,496.

Total billings for the year 1937 were \$1,862,820, a loss of 1.2 percent under 1936. Total billings for the year 1936 were \$1,884,963.

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RATES FOR WWL RAISED WITH POWER BY CBS

A new schedule of rates for time on Station WWL, New Orleans, was announced this week subsequent to an authorization by the Federal Communications Commission to increase the station's power from 10,000 to 50,000 watts on 850 kc.

H. K. Boice, Vice-President in Charge of Sales of the Columbia Broadcasting System, said that present advertisers will continue to pay the rates of their contracts but in renewals the new rates will prevail.

The hourly rate ranges from \$250 to \$375, the quarter hour from \$100 to \$150, and the half-hour from \$150 to \$225.

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