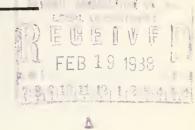
HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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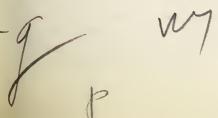
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INDEX TO ISSUE OF FEBRUARY 18, 1938

NAB Board Defers Selection Of Paid President2
FCC Chairman Says He'll Hold On Awhile
Listens To Us From Egypt
Two Stations Transfers Approved By Examiners
Young Roosevelt One Of New NAB Directors4
Herring Bill Not Censorship, Author Says
New NAB Dues Range From \$5 to \$500 A Year
wow and back items of items were a good in a containing the containing
Educators Show Interest In FCC Allocation6
McNinch Departs From Prepared Speech To NAB
G.E. Ultra Short-Wave Station Ready8
Trade Notes9
Trade Notes,,
Editor Notes Progress In Television Art
CBS Television Debut Delayed Until Summerll
WMCA Signs Off With Prayer For Oppressed Peoples
First Marconi Award Goes To Naval Officer

No. 1102



NAB BOARD DEFERS SELECTION OF PAID PRESIDENT

With Philip G. Loucks, Washington attorney, temporarily at the helm, the National Association of Broadcasters has deferred selection of a paid president at least until next month but will proceed meanwhile to set up an extensive administrative staff.

The newly elected Board of Directors, comprising 17 Regional Directors and six Directors—at—large, met immediately after the NAB convention was concluded Wednesday morning but reached no decisions other than the appointment of Mr. Loucks as Special Counsel.

The Board will meet again March 21st and at that time may or may not choose an executive head. The broadcasters insist that they are not looking for a "czar" or "dictator" but merely for a distinguished leader who will act as spokesman and "front" for the industry. No salary range has been specified, but indications are that the NAB would pay between \$25,000 and \$50,000 if they find the right man.

At the discretion of the new Board, the following administration posts may be filled: Director of Labor Relations, General Counsel, Director of Public Relations, and a Research Director. A paid Secretary-Treasurer also will be employed.

Broadcasters who attended the NAB convention are reported to be somewhat disturbed by the critical talk made by Chairman Frank R. McNinch of the Federal Communications Commission, last Tuesday, and there have been rumors that he might be offered the post of president in order to silence him. Authoritative sources, however, scoff at the possibility.

Chairman McNinch has been invited to attend a luncheon meeting of the Board on March 21st and at that time he probably will express his views as to the type of leader he believes the industry needs.

Among the names mentioned for the NAB plum, according to <u>Broadcasting</u>, trade organ of the industry, are the following:

Patrick Hurley, former Secretary of War; former Senator C.C. Dill, now a Washington attorney; John G. Winant, former Governor of New Hampshire and former Chairman of the Social Security Board; Stewart McDonald, Federal Housing Administrator; Edgar Kobak, Vice-President of Lord & Thomas; M. H. Aylesworth, former President of the National Broadcasting Company and now with Scripps-Howard.

- 2 -

James W. Baldwin, former Managing Director of the NAB, so far is entirely out of the picture of the reorganized organization, but it is reported that he will draw his \$16,000-a-year salary until next June.

A budget of \$250,000, double the former one, is anticipated to put across the new organization. Dues have been stepped up along the line in proportion to station profits.

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FCC CHAIRMAN SAYS HE'LL HOLD ON AWHILE

Frank R. McNinch, Chairman of the Federal Communications Commission, has no intention of quitting his job for sometime despite the fact that President Roosevelt is keeping the Chairmanship of the Federal Power Commission open for his return.

Chairman McNinch told broadcasters in an address at the NAB convention that he found the work "intriguing" and that he would not quite it until he had completed his assigned task of house-cleaning.

"When I took office as Chairman of the FCC", he said,
"I had but little understanding of the wide scope of the duties
and responsibilities of the Commission in the licensing and
regulation of the radio. Each week has brought to me an increasing realization of the importance of the Commission's work to the
public as well as to the industry. So intriguing and fascinating
has the Commission's field of opportunity for public service
become, that while, as it was expressed in the press, I was
loaned from the Power Commission to the Communications Commission
for a period of a few months, I am now planning, gentlemen, to
continue in this work until I may have had a part in at least
charting a course of constructive regulation and the formulation
of policies for the guidance of the industry and the solution
of some of the more important problems inherent in radio and
facing your industry."

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LISTENS TO US FROM EGYPT

John H. Payne, Chief of the Electrical Division of the Bureau of Foreign and Domestic Commerce, writes from the Cairo Radio Conference, where he is a delegate:

"I have a good radio and am listening to America frequently."

TWO STATIONS TRANSFERS APPROVED BY EXAMINERS

Approval by the Federal Communications Commission of two station transfers was recommended this week by an Examiner although both admittedly violated the Communications Act and a Commission rule.

The transfer of the control of the Honolulu Broadcasting Co., Ltd., operator of Station KGMB, to the Pacitif Theatres & Supply Co., Ltd., by the sale of 850 shares was held by Examiner Tyler Berry to be a violation of Section 310(b) of the Communications Act.

"However, there was no evidence of concealment or a wilful purpose to disregard the statute", he added, "and it does not appear that the public interest or any other service has suffered any injury because of the failure to report the attempted transfer of the stock."

Regarding a transfer of control of the Arkansas Radio & Equipment, Co., which operates Station KARK, Little Rock, Ark., Examiner Berry held that the transfer of 617 shares of stock by John R. Frazer to Radio, Inc., was not subject to the Communications Act but that the transfer of a similar number of shares from Radio, Inc., to T. H. Barton without the consent of the Commission was a technical violation of Section 310(b).

"However, Mr. Barton at that date owned in his own right, all of the outstanding stock of Radio, Inc. ", Berry said, "and upon the dissolution of Radio, Inc., Mr. Barton became the legal owner and entitled to the possession of the stock of Arkansas Radio & Equipment Co. so that the delivery of the stock of the Arkansas Radio & Equipment Co. to Mr. Barton, in fact, constituted no change in ownership. "

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YOUNG ROOSEVELT ONE OF NEW NAB DIRECTORS

Elliott Roosevelt, son of the President and head of Hearst Radio, Inc., was elected one of six Directors-at-large this week by the 17 Regional Directors of the National Association of Broadcasters.

Other Directors-at-large are: Harold Hough, WBAP, Fort Worth; Lamdin Kay, WSB, Atlanta; Frank M. Russell, WRC, Washington; John Elmer, WCBM, Baltimore; and Edward A. Allen, WLVA, Lynchburg,

An Executive Committee also was named following the convention. It comprises Edwin W. Craig, WSM, Nashville; Mark Ethridge, WHAS, Louisville; Walter J. Damm, WTMJ, Milwaukee; Frank Russell, WRC, Washington; and John Elmer, WCBM, Baltimore. The President, as yet unchosen, will head the Committee.
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HERRING BILL NOT CENSORSHIP, AUTHOR SAYS

Senator Herring (D.), of Iowa, this week sought to correct what he said was "an erroneous impression" that his radio bill would "interfere with free speech or provide for the Government censorship of radio broadcasts."

The Iowan, leader of a movement to "clean up" the radio broadcasts, said the amendments he was drafting for the Federal Communications Commission, asked no additional powers for the Federal Communications Commission.

He added he would propose establishment in the Commission of a Board of Review program voluntarily submitted by the broadcasters before they were put on the air.

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NEW NAB DUES RANGE FROM \$5 TO \$500 A YEAR

Broadcasting stations will pay well for their broader trade organization under the scale of dues adopted at the NAB convention this week.

The scale, based on the range of income, is as follows:

Range of Income			Monthly Dues	
\$	- 0	-	15,000	\$ 5.00
	15,001		36,000	10.00
	36,001	4010	60,000	15.00
	60,001		80,000	20.00
	80,001	444	120,000	30.00
	120,001		160,000	40.00
	160,001		200,000	50.00
	200,001		300,000	75.00
	300,001		400,000	100.00
	400,001	-	500,000	125.00
	500,001	-	600,000	150.00
	600,001	-	800,000	200.00
	800,001	- 1	,000,000	250.00
1	.,000,001			400.00
C	ver \$2,00	00,0	000	500.00

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EDUCATORS SHOW INTEREST IN FCC ALLOCATION

Although only one application for short-wave educational facilities has been filed with the Federal Communications Commission since it set aside 25 ultra-high frequencies for educational use, schools all over the country are showing a keen interest in the matter.

The first application came from the Cleveland Board of Education and asked for 41,500 kc., with 500 watts unlimited time.

Boards of Education in New York City and Detroit have asked the FCC for information concerning the new allocation, while the U.S. Office of Education has been besieged with inquiries, according to Dr. John W. Studebaker, the Commissioner.

"The reservation of 25 channels means that a large number of allocations can be made to educational groups throughout the United States", Dr. Studebaker said. "Engineers point out that a minimum of about 50 stations in various parts of the country may use each frequency, since the ultra-high radio waves are distinctly local in character. This indicates that there is room in the sector reserved for at least 1,250 local non-profit educational radio stations.

"The new frequencies will be used to stimulate the interest of students in subjects they would not ordinarily be eager to learn. Detroit is presently engaging in such broadcasts. There will be broadcasts to classrooms as there now are to science classes in Rochester. Model lessons broadcast by especially expert teachers in various subjects will gradually improve classroom teaching. Cleveland is one city now following this practice. The University of Wisconsin's radio classes in singing doubtless will be duplicated in many other areas. Chicago and Long Beach have made emergency use of radio to reach pupils in their homes when schools were closed.

"These frequencies can be a great boon to the isolated rural school withits one or two teachers. At present county superintendents or supervisors may be able to visit each school in the county or district only once or twice a year. Under this plan constant contact may be maintained with all schools.

"The newly allocated frequencies are distinctly local in character. They will be serviceable at a radius of 5 to 15 miles from the transmitter. A radio tower on a hill top probably will be a characteristic adjunct of many American schools in the not-too distant future."

McNINCH DEPARTS FROM PREPARED SPEECH TO NAB

Chairman Frank R. McNinch, of the Federal Communications Commission, departed from the text of an address given to the press this week when he addressed the National Association of Broadcasters. Some of his interpolations were more critical than the comments in his prepared speech.

A stenographic report of Chairman McNinch's address, published in the current issue of <u>Broadcasting</u>, contained the following comments by the FCC Chairman on programs and program standards:

"While the broadcasting industry is to be highly commended for the quality of most of its program service, I would be less than candid if I did not say that in my opinion some of the program featurds fall below the standard which I believe the public expects and has a right to expect.

"This comment and such further comments as I may make on programs is made in a friendly, cooperative and purely advisory spirit. It is not intended to carry the least threat. I want to help you if I can, for that is my job. I hope I may be able to look at these things from the standpoint of the average citizen. Maybe you are not quite so well placed to do that, for sometimes we are so close as not to be able to see the woods for the trees. All that I say is intended to be helpful to you rather than hurtful.

"I am neither a purist nor a prude, although I have had questions asked me indicating that I was both - and then some.

"Not at all! I think I am just an average American citizen. If I have ideals and fairly high conceptions of public interest, public taste and public desire, I do not believe I overrate the concepts of the average American citizen. I do not think I have any higher conception of the home thatn you have, and I am not willing to grant that any other has a more exalted opinion of the home than I have. I have a family, a wife and five children, and I can get a fair impression similar to that made upon the average American home by program material that is broadcast.

"As I sit in our family circle listening to the radio, we are, I believe a typical American family. Some programs are not welcomed. They subtly and sometimes boldly suggest to young people things that I wonder if any of you think it proper to suggest to young minds in their plastic and formative stage when impressions are quickly and indelibly made, often to last through life. Beware of the danger to the ideals, the morals, the thought-habits of our youths and children. I wonder if here there is not the highest possible degree of responsibility that is carried by any public agency because you do come into our homes, whisper your message or your song whether for good or ill to those assembled.

"I do not believe in, I do not want, I shall not exercise consciously any power of censorship. The supervision of your programs rests squarely upon your shoulders, but it is definitely there and it goes with and is incident to your license. You cannot escape that responsibility.

"I have heard that some have the jitters about what the Commission may do about censorship. I do not know what I may say about it that would not be misleading, but I shall try to say a helpful word. Why have the jitters about censorship? The Commission has done nothing that I know to justify your sitting on edge lest you be hailed into court upon some frivolous accusation as to a broadcast over your station.

"If you sat at my desk you would read many, many complaints against the stations, about which you do not hear because they do not appear to warrant active consideration.

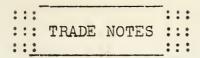
"I send other complaints to you from time to time without any expression of opinion but for your information. I think I owe that to you. You would not like, would you, that the Commission should continue to receive complaints against your station without your knowledge? When the complaints are received from the Commission without comment, I would like you to be sure that the Commission has formed no opinion whatever touching the matter complained of."

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G.E. ULTRA SHORT-WAVE STATION READY

General Electric's new ultra-short-wave radio transmitter erected on top of the State Office Building in Albany, N. Y., will officially inaugurate its broadcast schedule Monday night, February 21st. This new station, to be known by the call letters of W2XOY, will operate on a frequency of 41 megacycles or 7.31 meters with a power output of 150 watts. It will be on the air four times each week, on Mondays, Wednesdays and Fridays from 8 to 9 P.M., and on Saturday afternoons from 3 to 5 o'clock. All programs will originate in General Electric's short-wave studios in Schenectady and will be carried by a special wire line to the Albany transmitter.

Signals on this ultra band are supposed to travel in straight lines, the same as light waves, to be heard within a distance of 20 or 25 miles from the point of origin. However, in one of the early tests about two months ago a report was received from an amateur in Phoenix, Arizona, more than 2,000 miles distant, telling of receiving the station



Station WIXK, Boston, this week placed in operation a new directional rhombic antenna beamed on Capetown, South Africa, and expected to greatly improve service to all of South Africa. The new antenna comprises four 60 foot wood poles arranged in the form of a diamond 205 feet on each side. The resultant power gain is 20 times, thus giving an effective beam power of approximately 120 KW.

"Monopoly in Radio" is the title of an article in the March issue of Pacific Monthly. The author is J. F. Burke, "editor of the air", who speaks daily over Stations KFVD and KMTR.

Mae West got in the last word in the recent radio row by taking a whole page in <u>Variety</u> to address "salutations" to the National Association of Broadcasters during the Washington convention. The tag line was: "Remember me, boys!"

Station WMCA has become the New York outlet for the WLW line following a deal worked out between John L. Clark, head of Transamerican Broadcasting & Television Corp. and Donald Flamm, President. The alliance became effective this week with the clearance of two WLW line commercials over WMCA. Other new line commercials will be moved over to WMCA from WHN as spots become available on the former station, and as approvals for such changes are obtained from the clients concerned, <u>Variety</u> reports.

Station WOR, Newark, announced this week the placement of an order for radio facsimile equipment to be supplied by RCA. This additional equipment, to be delivered within a few weeks, differs in a number of points from the facsimile system now being used by the station during experimental broadcasts which are being conducted daily by the WOR engineering staff.

Work on a series of recordings for the National Association of Manufacturers was started this week by the NBC Electrical Transcription Service. The 15-minute programs will consist of talks on current events and economic trends by George E. Sokolsky, well-known writer, lecturer and commentator. The recordings will be made available without charge to one local station in each community. They already are reported to be scheduled on more than 235 stations throughout the country.

"Radio as a Political Instrument" by Cesar Saerchinger, formerly a U. S. network representative abroad, appears in the current issue of <u>Foreign Affairs Quarterly</u>.

General Electric's enlarged short-wave broadcast schedule, to include use of the two new frequencies recently granted W2XAD by the Federal Communications Commission, will go into effect March 4th. Four frequencies will then be used by Stations W2XAD and W2XAF in transmitting programs to international listeners. The broadcasting schedule will be increased by two and one-half hours with the use of the new frequencies. W2XAD, on 21,500 kilocycles or 13.95 meters, will be in operation from 8 A.M. to 12 noon; on 15,330 kilocycles or 19.56 meters from 12:30 p.m. to 7 p.m.; and on 9,550 kilocycles or 31.41 meters from 7:30 p.m. to 12 midnight, EST. Station W2XAF, operating on a frequency of 9,530 kilocycles or 31.48 meters, will be in service from 4 P.M. to 12 midnight, EST.

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EDITOR NOTES PROGRESS IN TELEVISION ART

Encouraging developments in television experimentation were noted by Orrin E. Dunlap, Jr., Radio Editor of the New York Times, in the lead article on his radio page last Sunday.

"Along two new fronts the attack on television is being widened to simplify and make telepictures practical for reception in the home", he wrote. "First, research experts here and abroad have turned their attention to the development of a television attachment for standard broadcast all-wave sets to convert them into receivers of ethereal cinema.

"Second, apparatus, including cathode ray tubes or 'eyes' is being designed at prices that encourage amateur experimenters to enter the field of radio optics. In addition, several new systems of flickerless telecasting are being evolved which promise to simplify transmission and reception in an effort to make both as practical and clear as the broadcasting of sound.

"Today, under television methods in use in New York and London, the sending and receiving machines must be synchronized, and this is quite a complex electrical trick. The practice is to 'paint' the picture at the sending end and also at the receiver, locking the two terminals by electrical synchronization so they will work in step or harmony. When the electron 'brush' sweeps a line across the transmitter's eye, a similar 'brush' must sweep a duplicate stroke across the screen at the receiver.

"To simplify the magic, Allen B. DuMont, veteran radio engineer, at his laboratory in Upper Montclair, N. J., recently demonstrated a new system in which the image or scene is 'painted' electrically at the transmitter. Then the complete picture is broadcast, along with what the engineers call the 'controlling factors' necessary for holding the receiver in perfect step with the transmitter. This eliminates much of the work heretofore done at the receiver and facilitates simplification of the apparatus.

"As television is now evolving there is to be no overnight upset of the nation's broadcasting system; there is to be no overnight obsolescence of home radios, for a radio of 1938-39 design may well be a television receiver some day when the 'eye' attachment is ready to be plugged into the circuit to 'see' what the loud speaker is talking about. That day may not be far away."

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CBS TELEVISION DEBUT DELAYED UNTIL SUMMER

Due to a change in specifications for the visual transmitter, the Columbia Broadcasting System will not make its debut in television before late Summer. Earlier plans called for the transmissions from the Chrysler tower to begin this Spring. RCA is making the equipment.

Plans for the studios also have been changed. Instead of permanent stage fixtures, as originally proposed, it is planned now to use portable fixtures until the period of experimentation in television broadcasting is past.

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Speaking in the Australian House of Representatives recently, a member of the Cabinet stated that newspapers have complete control of 20 broadcasting stations in Australia. In addition to this, newspapers had interests in 11 other broadcasting stations which they did not control. These facts were given to refute any suggestions that newspapers were gaining control of the majority of radio broadcasting stations in Australia, which at the present time number 102, of which 20 are "National Stations" owned by the Government and operated by the Australian Broadcasting Commission, while 82 are "commercial stations".

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NOTE: DUE TO THE GOVERNMENT OFFICES BEING CLOSED FOR THE WASHINGTON BIRTHDAY HOLIDAY, THERE WILL BE NO ISSUE ON TUESDAY, FEBRUARY 22ND.

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WMCA SIGNS OFF WITH PRAYER FOR OPPRESSED PEOPLES

Station WMCA, New York, last Sunday broadcast a prayer for "oppressed people in other lands" and stated it will be given nightly at the conclusion of the regular program. The announcement, made by Donald Flamm, President of Station WMCA, marks the first definite expression of an editorial policy by any American radio station.

The prayer, set to appropriate music and preceded by the national anthem, reads: "At this time, may we express the fervent prayer that the sweet freedom of democracy, so keenly enjoyed by all Americans, may some day soon, be restored to those people of other lands who, tonight, are yoked by oppression. And may the spirit of brotherly love preserve inviolate the glorious principles on which our own great country was founded. Peace on earth, good will to men."

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FIRST MARCONI AWARD GOES TO NAVAL OFFICER

The first Marconi Memorial Gold Medal for Valor established by the Veteran Wireless Operators' Association in memory of the Italian inventor, who was honorary president of the organization, was awarded in New York last week at the Association's annual dinner to Lieutenant Carl O. Petersen, U.S.N.R., for outstanding radio work as a member of the Byrd Antarctic Expeditions.

David Sarnoff, President of the Radio Corporation of America, a life member of the Association, made the presentation to Lieutenant Petersen.

The RCA president also announced his personal gift of \$1,000 toward the erection of a suitable memorial in New York to Marconi, who died on July 20, last year, in Italy. Funds for this purpose, it was learned, already have reached nearly \$3,000. The monument is to cost more than \$10,000.

Lieutenant Petersen received the Marconi medal for his work in connection with radio communication from an airplane during an exploration flight over the Antarctic Continent by Rear Admiral Richard E. Byrd on Jan. 3, 1934. For that occasion Lieutenant Petersen rigged up a radio compass which was said to have been of inestimable value in aiding the fliers to reach their landing place at Little America after hours in the air over the inland polar wilderness.

For his work with the Byrd parties the radio man also has received the Congressional Gold and Silver Medals, the Navy Distinguished Flying Cross and the Lief Erikson Medal. Only three of the latter ever have been awarded.

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