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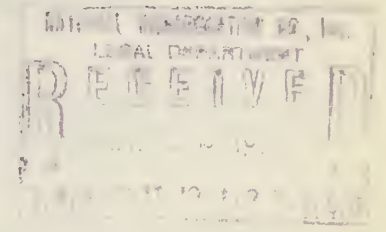
# HEINL RADIO BUSINESS LETTER

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## FCC TO CHANGE PROCEDURE ON STATION COMPLAINTS

The Federal Communications Commission this week decided to alter its procedure to be followed in the handling of informal complaints against broadcasting stations.

A Committee composed of Commissioners Frank R. McNinch, George Henry Payne, and Eugene O. Sykes was named to study the matter and make recommendations to the Commission.

Observers saw in the move the evolution of a new policy which will relieve the stations of the expense of hearings on license renewal applications and the FCC of much trivial administrative detail. Up to the present, the policy of the Commission has been to designate for hearing the license renewal application of any station against which there had been any serious complaints.

That the complaints were for the most part trivial is evident from the fact that despite the holding of hundreds of such hearings, the FCC has not cancelled the license of a single station since its creation in 1934. The hearings, however, took the time of the Commission as well as the broadcasters and were expensive.

Under the plan now under consideration, a special committee of the Commission, either a standing or a rotating group, will investigate all complaints thoroughly and report its findings and recommendations to the FCC. Only in aggravated cases, it is likely, will formal hearings be set on applications for license renewals.

Chairman McNinch, it is understood, also wishes to permit more publicity on the complaints as a further extension of his "glass house" policy for the FCC and to make the broadcasters careful not to make themselves subject to complaints from listeners or other stations.

While the plan has not been worked out definitely, it is likely that all complaints will be available for public perusal and examination by newspaper men.

The Interstate Commerce Commission, it was explained, now makes public all complaints against carriers under its jurisdiction.

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## INTERNATIONAL COMMITTEE INTERVIEWS BROADCASTERS

While shunning publicity for the time being, the President's Special Committee named to study international broadcasting has been quietly gathering data on the nature of international broadcasts by American short-wave stations.

Several of the operators of international stations have been called into conference with the Committee and asked to describe the nature of their programs, particularly to the Latin American countries.

On the outcome of the Committee's report, it is believed, will depend the success or failure of several moves to have the Federal Government build a Pan American short-wave station and to operate it on the Pan American channels now lent to the General Electric Company, the World Wide Broadcasting Foundation, and the Columbia Broadcasting System.

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## "ZENITH RADIO NURSE" BORN ON McDONALD YACHT

The "Zenith Radio Nurse", which is being distributed among dealers this week, in anticipation of a public exhibition next week, was born in the mind of Commdr. E. F. McDonald, Jr., according to Zenith officials, and it was first used aboard his yacht, "The Mizpah".

Early last Spring, a group of newspaper men was listening to one of the Zenith programs aboard the yacht and in the main salon, one of them noticed a gadget like the one which has been discussed for the past several Sunday evenings on the Zenith Foundation program. When he asked what it was, Commander McDonald told him this story:

"My little girl is just a little over a year old now. We keep a nurse for her but tonight happens to be the nurse's day out. Up to now either Mrs. McDonald, or myself, or one of the stewards had to be close to the baby's cabin so that if the baby cried or showed other signs of needing attention, our little daughter Marianne could be looked after. So the idea of a Radio Nurse was born in my mind.

"I conceived a super-sensitive system that would need no connecting wires and that could be simply plugged into the 110 volt light socket wherever one happened to be. Through several months' experimenting with my engineers, I developed what I finally determined to call the Radio Nurse. Now I can sit in the main salon here and if the baby cries or makes the least movement I am informed of it. As a matter of fact, even the nurse finds the device very handy."

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## RADIO REGULATION 11 YEARS OLD ON MARCH 15

The fifteenth of March is notable for something else than merely the deadline for payment of the Federal income tax.

Eleven years ago on that date the first body was named to regulate the radio broadcasting industry, then somewhat of a curious infant whose future was uncertain. Today only two officials and a couple of secretaries survive from that original Federal Radio Commission.

The officials are Judge Eugene O. Sykes, who acted as first temporary Chairman, and Frank G. Wisner, who was then and still is in charge of press relations. Judge Sykes has survived a half-dozen or more shake-ups and still is a member of the Federal Communications Commission.

Back in 1927, after Congress had passed the Federal Radio Act setting up the Radio Commission to operate as a temporary agency to retrieve reception from the chaos into which it had drifted, four men got together in the old Department of Commerce Building in an office loaned them by the then Secretary of Commerce, Herbert Hoover. There wasn't any money with which to operate the organization and all they had to go by was a law. Actually five men were named to the Commission, but one of them - the late Admiral W. H. G. Bullard, named as Chairman - was in China at the time. Judge Sykes called that initial meeting to order.

The Federal Communications Commission of today, with its personnel roster of over 650 and with elaborate headquarters in the ultra-modern Post Office Building in official Washington, makes the original regulatory body pale into insignificance in comparison. The FCC succeeded the Radio Commission in 1934, becoming a permanent body with jurisdiction over all phases of radio, telephone, telegraph and cable communications. Besides it is conducting a special investigation of the American Telephone and Telegraph Company, invading deeply the rate structure, etc.

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## GERMANY TO BUILD "RADIO VILLAGES"

The Director-General of German Broadcasting, Dr. Glasmeier, recently announced that provision has been made to erect modern Broadcasting Houses at Stuttgart, -Saarbrücken, and Cologne. Later a new centre is to be erected in Berlin. Dr. Glasmeier explained that his ideal was to erect the new buildings away from the towns in the form of radio villages where the officials and artists would live within a few minutes' walk from the studios.

A site for Saarbrücken has already been chosen, but it is not expected that the new centres will be ready for some time.

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## HOUSE VOTES DOWN TAX ON RADIO STATION RECEIPTS

Broadcasters had reason to believe that Congress will impose no tax on radio stations at the current session, at least, after the House had refused flatly to adopt a tax on broadcasting station receipts during a turbulent session on the general tax bill.

The radio tax amendment was offered by Representative McFarlane (D.), of Texas, arch critic of the present radio system, in the House. It was voted down on a division vote 60 to 30.

Representative Thompson (D.), of Illinois, who has said he will hold hearings on the Payne-Boylan wattage tax bill this session, spoke in opposition to the amendment.

"The question of taxing radio broadcasting stations and radio broadcasters", he said, "goes into a new field which should be thoroughly studied by the committee charged with raising revenue as well as the committee charged with the regulation of the radio broadcasting industry. In order to give these committees an opportunity to study this matter, I ask that the amendment be defeated."

Representative McFarlane, in a brief speech which he later extended in the Record, called attention to the cost of regulation of the broadcasting industry and asserted that its advertising receipts aggregate more than \$140,000,000 a year.

"It is the only natural monopoly existing in the utility field that does not pay one cent of revenue toward the upkeep or maintenance of the department supposed to regulate it", he said.

He intimated that Chairman Frank R. McNinch, of the Federal Communications Commission, had approved the type of tax he was proposing.

The text of the tax amendment is as follows:

"(a) Definitions: As used in this section -

"(1) 'Broadcasting' means transmission by radio of sounds, pictures, or writing, intended to be received by the public, directly or by the intermediary of relay stations.

"(2) 'Gross receipts' of any person engaged in the business of broadcasting means the total sums paid to such person for broadcasting, but there shall be excluded from such sums such portions thereof as are paid by such person to any other person for broadcasting if such other person is engaged in the business of broadcasting under license from the Federal Communications Commission.

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"(b) Imposition of tax: There is hereby imposed upon every person engaged in the business of broadcasting under license from the Federal Communications Commission, with respect to the carrying on of such business after July 1, 1938, an excise tax of 10 percent of the gross receipts of such person after such date,

"(c) Collection of tax: Every person required to pay the tax imposed by this section shall make quarterly returns under oath in duplicate and pay the tax to the collector of Internal Revenue for the district in which is located his principal place of business. Such returns shall contain such information and be made at such times and in such manner as the Commissioner, with the approval of the Secretary, may by regulations prescribe. The tax shall, without assessment by the Commissioner or notice from the Collector, be due and payable to the Collector at the time so fixed for filing the return. If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 6 percent per annum from the time the tax became due until paid.

"(d) Administrative provisions: All administrative, special, or stamp provisions of law, including penalties and including the law relating to the assessment of taxes, so far as applicable, are hereby extended to and made a part of this section."

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#### HEARST REPORTED TRYING TO SELL RADIO INTERESTS

William Randolph Hearst was reported this week to be trying to dispose of his newly-organized radio broadcasting interests which are managed by Elliott Roosevelt, son of the President, as General Manager of Hearst Radio, Inc.

The sale by Hearst of Station KEHE, Los Angeles, to Earle C. Anthony, owner of Stations KFI and KECA, Los Angeles, for a reputed \$400,000 accounted for the unverified rumor. The KEHE sale is subject to approval by the Federal Communications Commission.

"It is reported that Hearst recently sought to dispose of his radio properties en bloc but a deal which had Wall Street interests involved got nowhere", Variety stated. "Other negotiations for Hearst's remaining outlets, which would not include WCAE, Pittsburgh, are reported to be in progress. As an en bloc proposition the asking price for the Hearst outlets was said to be \$4,600,000, with the buyer putting up \$3,200,000 in cash and mortgages held by New York downtown interests figuring in the balance."

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## EDUCATIONAL GROUP SEES CHALLENGE IN FCC GRANT

The recent reservation of 25 of the high frequency radio channels for allocation to non-profit educational agencies constitutes a challenge to the educational world, according to the National Committee on Education by Radio.

Citing the Federal Communications Commission's action in the current "Education by Radio" bulletin, the Committee comments:

"The reservation of these channels constitutes perhaps the greatest recognition of the importance of educational broadcasting yet given by the Federal Communications Commission. To a certain extent this action of the Commission reverses the position taken by that body in 1935 when it recommended to Congress that no frequencies be set aside for education or labor. The Commission has granted in the ultra-high frequencies substantially what the National Committee on Education by Radio was demanding at that time in the regular broadcast band.

"It should be clearly understood that this grant of facilities outside of the regular broadcast band should not in any way prejudice the position of the existing educational broadcasting stations. These stations are for the most part state-owned and render service over an area much larger than that which can possibly be covered by a station broadcasting on the ultra-high frequencies. Instead of weakening their position, the reservation of channels now made by the Commission constitutes a recognition of the importance of the service educational stations are rendering and should strengthen their position.

"To school administrators the new grant is at once an opportunity and a challenge. For the first time channels have been set aside for which their applications must be given preference. However, the maintenance of this preference will depend upon the extent to which organized education in the United States moves to take advantage of the frequencies set aside. Unless the schools show an ability within the next few years to make good use of these facilities, the reservation may be set aside and the channels thrown open to commercial exploitation."

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## McNINCH TALKS WITH F.D.R. ON TAXES, S-W STUDY

Chairman Frank R. McNinch, of the Federal Communications Commission, conferred with President Roosevelt on Thursday of this week regarding the proposed tax on radio stations and the study of international broadcasting being made by a special committee of which he is Chairman.

He declined to discuss the conference other than to state the subjects.

Upon leaving the White House, Chairman McNinch told newspapermen that the long-awaited report on the FCC investigation of the American Telephone & Telegraph Company will be submitted to Congress shortly. He said he had heard rumors but could not verify reports that it recommended a change in the set-up of the A. T. & T.

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## ARABIAN KING BARS RADIOS ON RELIGIOUS GROUNDS

Despite the growing influence of the special Arabic language short-wave broadcasts recently inaugurated by the British Broadcasting Corporation to offset Italian propaganda, religious prejudices are proving obstacles in some sections of Arabia.

"Prejudice against light music, on religious grounds, is retarding the progress of radio in parts of Arabia," the BBC reports. "The King of the Yemen, for example, does not allow his subjects individually to own receivers, though he has many installed in his palace. There are believed to be many privately-owned sets in the Hedjaz, and King Ibn Saud attaches such importance to the various news broadcasts that he has regular transcriptions made of them."

In other localities the service is building a vast audience, however.

"It is almost impossible to estimate the number of listeners who may be reached by the Arabic Service", the BBC continues. "Seventy thousand licenses have been issued by the Egyptian authorities, and some 28,000 are in force in Palestine; it is believed that more than half of these cover receivers that permit reception on the short waves. Community-group listening has been organized in some villages in Palestine, and many well-to-do Arabs have installed receivers in their own homes. But the people of the Near and Middle East spend a large part of their time in the coffee-house, the centre of their social life, and it is here probably that the largest audience for the broadcasts will be found."

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## PROBE OF WIRE COMMUNICATIONS ASKED IN SENATE

A resolution calling for investigation of the wire communications industry was introduced in the Senate this week by Senator Neely (D.), of West Virginia. It was referred to the Committee on Interstate Commerce of which Senator Wheeler (D.), of Montana, is Chairman.

It reads, in part, as follows:

"Whereas the Communications Act of 1934 has declared it to be the purpose of Congress to regulate the practices of companies engaged directly or indirectly in wire communications in interstate commerce and has conferred upon the Federal Communications Commission full power to make investigations and inquiries into the various aspects of the business of these companies; and

"Whereas the functioning of the wire communications industry which is vital to the Nation in war as well as in peace is at the present time threatened with permanent injury by managerial policies such as discriminations between classes of patrons and understaffing to the point where efficient public service is seriously impaired; and

"Whereas the communications companies have taken steps toward the creation of an unsanctioned monopoly by collusion in the fixing of rates and by allocation of exclusive leases and by joint action in reducing the number of telegraph offices at the service of the public; and

"Whereas the precarious situation of the industry is further aggravated by unstable and hazardous labor conditions due to the large proportion of part-time employment, to the introduction of labor-saving devices unaccompanied by any provisions for displaced employees, to the high degree of occupational disease, to the abrogation of pension and sick benefit systems, and to the extremely high rate of turnover among children employed as messengers; Therefore be it

"Resolved, That the Committee on Interstate Commerce is authorized and directed to make a thorough investigation of the following aspects of the wire communications industry in the United States and to report to the Senate the results thereof."

Then follows the suggestions for investigation of managerial policies of understaffing, discriminations between classes of patrons, wasteful service; the tendencies toward monopoly such as are exhibited by the joint action of the companies in closing down branch offices, reducing personnel, rate fixing; collusion of wire communications companies with competitors; conditions of employment, the extent of unemployment and the wage structures, etc.

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 ::: TRADE NOTES :::  
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Frank Braucher, Vice-President in Charge of Sales at Station WOR, has announced the appointment of Eugene S. Thomas as Sales Manager of the station. Mr. Thomas has been Assistant Sales Manager for the past two years and prior to that was Manager of the Sales Promotion Department. He joined WOR in 1934.

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Renewal of the license of Station KDAL, Duluth, Minn., and increase of the operating hours of WMFR, High Point, N. C., from daytime to unlimited, were recommended to the Federal Communications Commission this week by Examiners.

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The Office of the American Commercial Attache, Warsaw, reports that there are 36 towns and cities of Poland having more than 2,000 sets as of January 1, 1938. On January 1, 1938, there were only 25 cities with over 2,000 sets. During 1937, two towns dropped below the 2,000 mark and 13 rose above it.

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Sidney M. Robards, for the last year and a half a member of the Publicity Department of the National Broadcasting Company, has joined the Department of Information of the Radio Corporation of America, RCA Building, New York. Mr. Robards has served since last May as Assistant Editor of the Press Division of the NBC.

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Denial of the application of the Madison Broadcasting Company, Madison, Wis., for a construction permit to operate on 1450 kc. with 250 watts power, unlimited time, was recommended to the Federal Communications Commission this week by Examiner Melvin H. Dalberg.

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Through special arrangements with affiliated stations, the National Broadcasting Company is now offering advertisers network service at selected periods hitherto used for local programs. Networks during these restricted hours may consist of some stations from both Red and Blue Basic Networks. Procedure will be to offer the program to stations on one basic network (Red or Blue) but if any station prefers to retain the time for local or spot use, the network advertiser has the option of making his program available to any other NBC affiliated station in that city. The first advertisers scheduled to avail themselves of this new arrangement are Chesterfield and General Mills.

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## POPULAR IDEAS ABOUT SUNSPOTS AND RADIO HELD WRONG

All sunspots do not disturb radio reception, nor do all magnetic displays of the Aurora Borealis, according to a British writer, R. W. Hallows, M.A., in World-Radio, weekly organ of the British Broadcasting Corporation.

"There are one or two ideas about sunspots and the Aurora which have become widely accepted, though it appears they are entirely wrong", he writes. "One of these is that all sunspots cause magnetic disturbances and upsets and adventures in radio reception, especially on the short waves; another, that the Aurora Borealis, which we saw on January 25 is invariably due to some action produced by big sunspots; a third, that during magnetic storms or displays of the Aurora all short-wave transmitters might as well close down, so far as reception at any distance is concerned.

"Not every sunspot gives rise to magnetic storms, to violent atmospherics on various wavelengths, or to poor reception or 'fade-outs', on the short waves. We may, in fact, go a good deal farther than this. When the phenomena just mentioned occur they are not caused by the sunspots themselves, but by whatever it is that is responsible for the appearance on the visible surface of the sun of these gigantic maelstroms of activity.

"Magnetic storms and their concomitant interruption of short-wave radio signals - and, often, of signals sent over land-lines or cables - can and do occur without there being any visible sunspot of more than ordinary size. Equally, quite large spots or groups of spots may pass across the Sun's disk without such phenomena being present to any marked extent.

"Nor is it true that an Auroral display wipes out all short-wave signals; it usually affects those coming from a northerly direction, though its effects may be much more widespread when it is visible in latitudes unusually far south. When Professor E. V. Appleton took an expedition to the north of Norway for the purpose of investigating the effects of the Aurora on wireless reception he found that during its occurrence the various layers in the upper atmosphere that are normally reflectors of short and medium radio waves ceased to perform this function. In other words, the sky-wave of any short-wave or medium-wave transmission passing through the Auroral area was liable to be no longer effective.

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## ARGENTINE BANS PROPAGANDA ON SPANISH WAR

The Argentine Post & Telegraph Department, which exercises control over radio broadcasting, has issued a resolution which prohibits the broadcasting of all comment, propaganda or distorted news regarding the present war in Spain, according to the American Commercial Attache at Buenos Aires. Future broadcasts on this subject must comply strictly with facts emanating from responsible sources.

This resolution is based on the view that radio should elevate the cultural level of the listener, the report states, but that some comments broadcast on the Spanish situation have served only to produce the opposite effect. Furthermore, it is pointed out that there have recently been misleading broadcasts, capable of offending other countries, which are not in accordance with various South American radio conventions designed to promote peace and international understanding.

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#### NAVY RADIO METEOROGRAPH READY FOR DAILY USE

A radio meteorograph system that will add to the safety of flying, developed for the Navy Department, has reached a stage where it is ready for daily use, according to the U. S. Bureau of Standards.

The device was announced last year, but since that time "the component parts of the system have been materially improved", the Bureau of Standards stated, "and its performance has been determined through simultaneous radio meteorograph and aerograph soundings of the upper atmosphere under typical service conditions."

"While affording the same order of accuracy of measurement as the aerograph, the radio meteorograph can be used during adverse visibility conditions and can attain much higher altitudes (12 to 15 miles) instead of about 4 miles for the usual airplane sounding", the Standards Bureau continued.

"The radio meteorograph attached to a small unmanned balloon, sends down radio signals which give a measure of the variations in atmospheric pressure, air temperature, and air humidity as the balloon ascends. The decrease in barometric pressure as the balloon rises is utilized to operate a small switch arm which moves over a set of electrical insulating and conducting strips. The conducting strips are electrically interconnected with two resistors which control the modulating frequency or pitch of the radio signals. One of these resistors consists of a small capillary glass tube filled with an electrolyte which varies markedly in electrical resistance with the surrounding air temperature. The second resistor is mechanically varied by the expansion or contraction of a hair element and hence varies with the relative humidity. The temperature resistor is normally in circuit so that the modulating frequency or pitch is normally proportional to the temperature.

"At predetermined pressure levels, corresponding to approximately 500-foot increments in the height of the balloon, the switch-arm switches in the humidity resistor and the modulating frequency or pitch becomes a measure of the relative humidity. At the ground receiving station, an automatic graphical frequency recorder connected in the output of a receiving set converts the variations in pitch into a plot of temperature and humidity against pressure.

"The improvements incorporated in the system during the past year have increased the stability of the modulating oscillator and the accuracy of frequency measurement at the ground receiving station. The design of the capillary thermometer has been materially improved and its cost reduced. A simplified calibrating and operating procedure has been evolved which increases the accuracy of the observations while at the same time permitting rather wide tolerances in manufacture, in order to reduce cost.

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