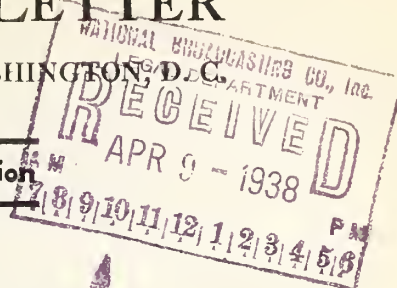


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TWO FCC GROUPS NAMED TO PUSH INVESTIGATIONS

Reverting somewhat to the division system he abolished on taking office, Chairman Frank R. McNinch this week announced that the Federal Communications Commission had set up two committees to supervise authorized FCC inquiries on monopoly and super-power.

Chairman McNinch will serve as ex-officio member of both committees, which are authorized to elect their own chairmen and report their findings and recommendations to the full Commission for action.

The group which will supervise the investigation of chain broadcasting and monopoly in the broadcasting industry, in compliance with the resolution adopted March 18, comprises Commissioners Paul A. Walker, former Chairman of the Telephone Division, Eugene O. Sykes, former Chairman of the Broadcast Division, and Thad H. Brown.

Named to control the super-power hearing, which is scheduled to begin May 16, were Commissioners T.A.M. Craven, George Henry Payne, and Norman S. Case.

The separation of the two inquiries and the setting up of separate committees was done ostensibly because of the accumulation of work before the FCC. However, it has the effect of removing from the monopoly probe two members who clashed with the Chairman at the time the inquiry was authorized.

Commissioner Craven sponsored the first resolution calling for an investigation of monopoly charges, and he was supported by Commissioner Payne. Mr. Craven subsequently voted for the substituted McNinch resolution, but Commissioner Payne opposed it.

The presence of Judge Sykes on the Committee which will investigate chain broadcasting and charges of monopoly will give supporters of the status quo in the industry considerable comfort because of his friendliness toward the networks in the past.

In announcing the appointment of the Committees, Chairman McNinch said:

"The Committees are to make reports to the Commission with recommendations for action by the Commission and will assume active direction over the work of the Commission staff in connection with the matters delegated to them.

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"The Commission deemed it necessary and advisable in order that these matters may be handled more aggressively and effectively, to divide the work among the members of the Commission. Through these committees the staff work which has been under way in connection with these matters for some time may be more effectively coordinated and more expeditiously brought to completion."

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FACSIMILE, TELEVISION PROGRESS CITED BY SARNOFF

While still in the experimental stage, facsimile broadcasting and television are "in the advanced stages of this cultivation period", David Sarnoff, President of the Radio Corporation of America, declared this week in his annual report.

"Various broadcasting stations will shortly commence experimental transmission by facsimile of news bulletins and pictorial material to a limited number of receivers in their local areas", he said. "The RCA Manufacturing Company is now building facsimile transmitters and several hundred receivers which have been ordered by independent broadcasting stations for this purpose. The fundamental technical problems of facsimile have been solved, and the immediate question is largely that of determining useful and self-supporting services for the medium.

"While the technical and economic problems of television are far more complicated, progress towards their solution continues to be made. Television pictures are larger, sharper, and more brilliant than a year ago, due to marked improvements in both transmitting and receiving apparatus. Developments now under way look toward the acceptance by the industry of definite technical standards, which must be established before any public television service is practicable.

"Meanwhile, the NBC is continuing its study and experiments with television programs, both inside and outside the studio. The new NBC mobile television unit, the only apparatus of its kind in the United States, is being tested on outside pickups. This is an all-important field for experiment, since on-the-spot pictures of news events are certain to furnish one of the most useful and popular services of television."

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WLW RENEWAL LINKED WITH SUPER-POWER HEARING

Renewal of the experimental license of Station WLW, Cincinnati, permitting operation on 500,000 watts, has been scheduled for hearing before the Federal Communications Commission along with the applications of 14 clear channel stations for similar power, it was disclosed this week.

WLW's second application for use of 500 KW on a regular non-experimental basis also is on the same docket.

With Commissioner George Henry Payne on the Committee that will conduct the hearing, a lively time may be expected in view of past encounters between Commissioner Payne and Powell Crosley, Jr., owner of WLW.

For several years the Cincinnati station has operated as the most powerful broadcasting station in the United States, and its experimental license has been renewed each six months without hearings or protests. FCC engineers have endorsed the experiment as an invaluable practical test of super-power and have declared as a result that super-power is technically sound.

A year and a half ago, however, Commissioner Payne and Mr. Crosley crossed words at a broadcast hearing before the full Commission. An exchange of acrimonious letters followed as Mr. Crosley refused to furnish statistical data on WLW requested by the Commissioner.

Commissioner Payne got his revenge this year when in the routine of the reorganized FCC, he received the application of WLW for renewal of its experimental license. Instead of granting it as the Commission had done in the past, he set the application for hearing.

The fourteen other applicants for super-power, and their present assignments, who this week were notified formally of the hearing scheduled for May 16th to determine whether the FCC rule limiting clear channel station power to 50 KW should be amended, are:

WHO, Central Broadcasting Co., Des Moines, Iowa, 50 kw, 1000 kc., unlimited time; WJZ, National Broadcasting Co., New York, N. Y., 760 kc., 50 kw., unlimited time; WGN, Chicago Tribune, Chicago, Ill., 720 kc., 50 kw., unlimited time; WHAS, The Courier-Journal Co., and The Louisville Times Co., Louisville, Ky., 820 kc., 50 kw., unlimited time; KFI, Earl C. Anthony, Inc., Los Angeles, Calif., 640 kc., 50 kw., unlimited time; WJR, WJR, The Goodwill Station, Detroit, Mich., 750 kc., 50 kw., unlimited time; WSM, The National Life & Accident Insurance Co., Nashville, Tenn., 650 kc., 50 kw., unlimited time; KDKA, Westinghouse Electric & Manufacturing Co., Pittsburgh, Pa., 980 kc., 50 kw., unlimited time.

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Also, WOR, Bamberger Broadcasting Service, Inc., Newark, N. J., 710 kc., 50 kw., unlimited time; KNX, Western Broadcast Co., Los Angeles, Calif., 1050 kc., 50 kw., unlimited time; WOAI, Southland Industries, Inc., San Antonio, Texas, 1190 kc., 50 kw., unlimited time; WGY, General Electric Co., Schenectady, N. Y., 790 kc., 50 kw., unlimited time; KSL, Radio Service Corp. of Utah, Salt Lake City, Utah, 1130 kc., 50 kw., unlimited time; WSB, Atlanta Journal Company, Atlanta, Ga., 740 kc., 50 kw., unlimited time.

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NETWORKS SET NEW RECORDS IN MARCH SALES

In the face of a business recession, the broadcasting business appears to be booming. Both major networks this week reported that March time sales had set new records.

The National Broadcasting Company announced that advertisers had invested more money in time on its networks in March than in any previous month in the company's history, the total gross billings amounting to \$3,806,831, up 5.3 percent over March, 1937.

The previous high was established in January, 1938, when the total was \$3,793,516. The February figure was \$3,498,053, a record for that 28-day month.

The accumulated NBC billings for the first quarter totalled \$11,098,400, up 6.2 percent over January - March 1937, the highest previous quarter in NBC history.

Gross time sales on the Columbia network for March totalled \$3,055,929, an increase of 19.4% over the same month in 1937 and the first time in the history of broadcasting that a month's revenue on any single network has exceeded \$3,000,000. Cumulative billings for the first quarter of 1938 totaled \$8,628,689, a 19.8% increase over the corresponding period last year and the largest three-month total ever recorded by any network.

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A new broadcasting station at Rice Lake, Wis., to operate on 1210 kc. with 100 watts power, daytime, was authorized by the Federal Communications Commission this week. The applicant is Walter H. McGenty.

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RADIO EXCISE TAX TO CONTINUE ANOTHER YEAR

Despite a diligent campaign by the Radio Manufacturers' Association for repeal of the 5 percent Federal excise tax on radio apparatus, the levy will be continued at least another year. It will expire June 30, 1939, unless renewed.

The Senate Finance Committee this week reported the general revenue bill without taking any action to eliminate the radio tax.

"In addition to the large revenue of over \$6,000,000 annually collected, easily, from the radio tax", Bond Geddes, Executive Vice-President of the RMA explained, "it is evident that Congress is not convinced that radio is a 'necessity' although a vast agency of public communication and in general usage. This is involved in the present consideration in Congress and by the Federal Communications Commission of a new tax on revenue of broadcast stations. Another factor in omission of action on the radio excise tax was that it now furnishes the only radio revenue to the government, while broadcasting enjoys free franchises of public domain airways."

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NO MOVE TO SELL S-W ADVERTISING, SAYS BULLOCK

American short-wave broadcasters are not trying to get the Federal Communications Commission's ban on advertising lifted, despite published reports to the contrary, according to Boyd Bullock, Assistant General Manager of Broadcasting for the General Electric Company.

A report that the proposal had been made during a recent meeting of international station representatives with Dr. John W. Studebaker, U. S. Commissioner of Education, was denied by Mr. Bullock.

"I am sure that no one there wanted to commercialize, that is sell, short-wave advertising", he said.

"The only thought expressed was that the ban placed on the use of the Pan American frequencies deprives Latin American listeners of some of the best programs in the world because it precludes the announcement of even the name of the sponsor.

"I am quite sure that none at the meeting was dissatisfied with the regulations surrounding the international frequencies, other than the so-called Pan American frequencies, but merely felt that the best interests of everyone concerned were served if the same regulations governed all international broadcast frequencies."

The General Electric Company was allocated two of the Pan American frequencies on February 1.

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SALE OF CANADIAN HOLDINGS BY RCA DISCLOSED

The sale of holdings in the Canadian Marconi Company two months ago by the Radio Corporation of America was disclosed by David Sarnoff, President of the Radio Corporation of America, in his annual report to stockholders this week. Disposal of stock in Japanese communications also has been effected, he said.

"This does not mean, however, that we are withdrawing from the foreign field", he said. "We have patent license and engineering service agreements with leading companies in the principal foreign countries and these agreements result in the payment to RCA of substantial royalties and service fees and, in addition, gives us rights in the United States under the patents of such companies."

RCA holdings in Canada were sold for \$1,725,000 cash, with a profit of \$719,000, Mr. Sarnoff said. The buyer was the Cable and Wireless Trust of London.

Mr. Sarnoff gave a detailed analysis of the gross revenues and net income received from the National Broadcasting Company, RCA's most important subsidiary. The National Broadcasting Company had a net profit of \$3,700,000 in 1937, after deductions for all operating expenses and charges, he said. This accounted for approximately 40 percent of RCA's entire net for the year. Gross revenues of NBC last year aggregated \$41,000,000, or about 36 percent of the corporation's entire gross of \$112,639,000.

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DENMARK TO IMPROVE S-W TRANSMISSIONS TO U.S.

Denmark is preparing to improve its short-wave transmissions to the United States, according to a report of the American Commercial Attache at Copenhagen.

"The budget of the Danish Government radio broadcasting monopoly, the 'Statsradiofonien', for its fiscal year beginning April 1, 1938, has been passed with income totaling 6,750,000 kroner and expenditures aggregating 5,310,000 kroner, leaving an estimated surplus of 1,440,000 kroner", he said.

"Plans discussed in connection with the budget included an improvement of the short-wave transmissions. These have so far been made on a wave length of 31.51 meter and have been the object of severe criticism because, among other things, they were difficult to receive by the Danish-Americans in the United States. Allotments have therefore been made to improve the short-wave sendings, including an extension of the short-wave aerial, etc. and to institute experiments with sendings on two new wave lengths, namely 19.78 and 16.90 meters."

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APPLICANT ASKED TOO LITTLE; DENIAL SUGGESTED

Because an applicant asked for too little, an Examiner of the Federal Communications Commission this week recommended that the Commission deny the application.

Reporting on the request of N. B. Egeland, of Fort Dodge, Ia., for a permit to erect a new station for operation on 1500 kc. with 100 watts power, daytime, Examiner Tyler Berry said:

"The applicant proposes a 100-watt daytime station to operate from 7:30 A.M. to 6:00 P.M. in an area where the local social, religious, educational, civic, and agricultural interests are shown to embrace an extensive area. Operating as proposed, the station would not serve all of the area within the city limits of Fort Dodge with a 10 mv/m signal. It would render a 2 mv/m signal to practically all of Webster County and small areas in four adjoining counties. However, this is but a very small part of the area from which the City of Fort Dodge draws its commercial and other activities, and no night service whatever is proposed.

"The granting of this application would, therefore, result in an uneconomical use of the frequency and its utilization, as proposed, would prevent its use for the benefit of an extensive area including the City of Fort Dodge."

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CANADIAN RADIO RECEIVER LICENSE FEE INCREASED

Canadian radio receiver licenses which formerly have been issued at \$2.00 per year will be increased to \$2.50 per year, according to a recent announcement by the Minister of Transport reported to the Department of Commerce by the office of the American Commercial Attache at Ottawa.

It was announced at the same time that the existing regulations which permit a single license to cover more than one radio receiver in a residence or a household receiver and an automobile receiver, will be cancelled.

The action was said to be necessary in order to provide additional revenue to cover the increased expenditure of the Canadian Broadcasting Company.

It was reported that a total of 988,140 private receiving station licenses were issued in Canada during the first eight months of the current fiscal year and is expected that a total of 1,125,000 licenses will be issued during the entire fiscal year.

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TRADE NOTES

Radio exports last February decreased 32 percent compared with February 1937, but were larger than January, according to the latest report of the U. S. Bureau of Foreign and Domestic Commerce. Total February exports were \$1,621,426, a slight increase over the preceding month, but compared with radio exports of \$2,375,752 in February, 1937.

Francis C. Barton, Jr., has joined the Columbia Broadcasting System to be associated with Leonard Hole, Director of Program Service. Mr. Barton was formerly with N. W. Ayer & Son, Inc., where he was a member of the radio department for seven years, and head of the agency's Albany office since last August.

Examiner George H. Hill this week recommended to the Federal Communications Commission that it deny the application of C. Bruce McConnel, of Indianapolis, Ind., for a construction permit to operate a new station on 1500 kc. and renew the license of WKBV, Richmond, Ind., now on 1500 kc.

The first meeting of the Department of Labor in consideration of minimum wage rates to be established for the radio manufacturing industry under the Walsh-Healey Act has been ordered for 10 o'clock, April 26, at Washington. The first meeting will be an informal conference of the "panel" constituting leading manufacturers and labor representatives invited to serve by the Government and including Bond Geddes, Executive Vice-President of the RMA, which has been cooperating with Government officials in securing proper industry representation.

The National Broadcasting Company's total number of stations will rise to 150 on May 1 when KGKO, Fort Worth-Dallas, and KTOK, Oklahoma City, join the networks as part of a new Southwestern Group available to either the Blue or Red network. KGKO, owned by the Wichita Falls Broadcasting Co., at present is located at Wichita Falls, Tex., but is being moved to midway between Fort Worth and Dallas, where it will operate full time on 570 kc., with 5,000 watts daytime power and 1,000 watts at night. KTOK is owned by the Oklahoma Broadcasting Co., Inc., and operates full time on a frequency of 1370 kc. with 100 watts.

Nominations for the second annual William S. Paley Amateur Radio Award, presented "to that individual who, through amateur radio, in the opinion of an impartial Board of Awards, has contributed most usefully to the American people, either in research, technical development or operating achievement",

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were sent out this week to the members of the Board of Awards. The decision of the judges is expected to be received during the latter part of this month, and the trophy will then be awarded by Mr. Paley, President of the Columbia Broadcasting System, to the selected recipient early in May.

Important projects for the entire radio industry will be considered at a meeting called of the RMA Board of Directors on Thursday, April 21, at the Hotel Roosevelt, New York City. Included will be plans for general industry promotion, including sales stimulus, and also development of industry statistics by the RMA. The projects were outlined tentatively at a meeting March 31 in New York of RMA Directors engaged in receiving set manufacturing, presided over by President Leslie Muter of the Association. The RMA Board also will complete the program for the Fourteenth Annual Convention of the Association at the Stevens Hotel in Chicago, June 7-8, coincident with the National Radio Parts Show.

The Columbia Broadcasting System, Inc., announces the following changes in personnel: W. A. Schudt, Jr., who has been manager of Station WBT, Charlotte, N.C., will become Manager of Station WKRC in Cincinnati; Lincoln Dellar, of the Station Relations Department, will become Manager of Station WBT; John McCormick will move from Cincinnati to Minneapolis, where he will become Assistant to Earl Gammons, General Manager of Station WCCO.

A bust of Guglielmo Marconi was presented last Sunday night to David Sarnoff, President of the RCA, by the Italian Professional Women of America. Maria Lo Pinto, President of the organization, who presented the bust, explained that it was only a preliminary effigy. A final plaque would be made, she said, to be placed in the RCA Building of Rockefeller Center.

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STATE STATION BALKED IN MOVE TO EXPAND SERVICE

An unfavorable Examiner's report this week stood in the way of a move by Wisconsin's State station, WLBL, Stevens Point, to broaden its service to farmers of the State by adding night broadcasts. Examiner Robert L. Irwin said the expansion would cause interference with privately-owned stations.

Operated by the Department of Agriculture and Markets, WLBL broadcasts market and weather reports to farmers of the State throughout the day. The night service was intended for dairy farmers, who could not tune in in the daytime.

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PRINTING OF TELEPHONE REPORT ASKED BY WHEELER

A resolution authorizing the printing of the proposed report of the Federal Communications Commission, as written by Paul A. Walker, on the telephone inquiry, be printed as Senate document was introduced in the Senate this week by Chairman Wheeler, of the Committee on Interstate Commerce. The resolution was referred to the Committee on Printing for recommendation.

Senator Bone (D.), of Washington, in commenting on the resolution on the Senate floor, said:

"This report is one of the most elaborate and comprehensive reports prepared by any of the agencies of the Government in many years. It has cost \$1,500,000, and some 300 employees and experts were utilized in gathering this valuable compendium of information. The Commission has not acted on the report, which was merely presented to it by Commissioner Walker, with the request that it be transmitted to Congress for such action as might be deemed in the public interest.

"Mr. President, all of us will have many requests for this report. Whether or not we agree with the conclusions of Commissioner Walker is beside the point. Every Member of the Senate and every Member of the House will be asked for copies of this very comprehensive report; and, unless it be printed, most Members of Congress will never have an opportunity to see it, because only a few mimeograph copies of it are available. I think it is in the public interest that the report be printed; and had not my colleague, the Senator from Montana (Mr. Wheeler), requested authority to have it printed, I myself should have done so.

"I sincerely hope the Committee on Printing, to which the resolution has been referred, will see fit to report back the resolution with the recommendation that it be adopted by the Senate."

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DAMROSCH REPRIMANDED BY MUSICIANS UNION

Dr. Walter Damrosch, of radio and theater fame, was reprimanded by his own union, the American Federation of Musicians, this week in New York. The action was taken by the Executive Board of Local 803 "for conduct injurious to" the Union as a result of several speeches made by Dr. Damrosch in which he said some members of the Union are incompetent and that the Union is causing unemployment by insisting on high wage scales.

In adopting the decision the Executive Committee said it had found Dr. Damrosch "guilty as charged" but did not expel him from the Union. The reprimand admonished him that "a repetition of the offense will be more severely dealt with."

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EUROPE INTERESTED IN U.S. S-W BROADCASTS

Rapidly growing interest in American short-wave news broadcasts throughout Europe and the Eastern Hemisphere was reported by E. K. Cohan, Director of General Engineering for the Columbia Broadcasting System, as he returned to America after attending the International Telecommunications Conferences at Cairo, Egypt, during February and March, and then making an extended tour of Europe.

Europeans are discovering, Mr. Cohan declared, that American short-wave news broadcasts are a medium whereby they can get world news uncensored and unflavored by nationalistic propaganda as it is in most of the foreign broadcasts and in the foreign press.

"When I left for Cairo", he said, "I had only the vaguest hope that I would be able to find someone in Egypt who listened to Columbia's international short-wave station, W2XE.

"But, as it turned out, I had a real job to find someone who wasn't a constant listener to it, both in Cairo and throughout Europe, wherever I traveled after the conferences."

Mr. Cohan attended the Telecommunications Conference as an American representative and he had high words of praise for the work done there by the official American delegation, headed by Senator Wallace White, of Maine.

After the conferences in Egypt, Mr. Cohan visited broadcasting centers in Italy, Germany, Holland, Belgium, France and England.

While all the continental powers are spending large amounts on radio development, particularly on short-wave operations, he said, he yet believed that American radio's technical standards in every instance were as high and, in many instances, much higher than those of European nations.

Mr. Cohan declared that he was somewhat disappointed in the public response to television in England, the country which admittedly is in advance of other nations in that field. While the BBC engineers were making highly satisfactory advances, he said, the public seemed to be just curious rather than evincing a real program interest in television.

"It wasn't possible to get actual figures on the number of home sets in operation", he added, "and the estimates ranged from 3,000 to 10,000. I believe the lower figure is probably the more accurate."

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