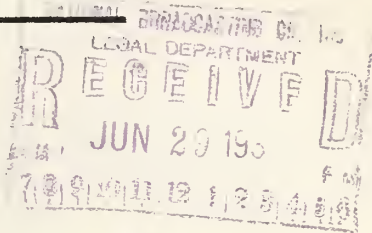


HEINL RADIO BUSINESS LETTER

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McNINCH CALLS HOUSE ACTION VOTE OF CONFIDENCE

Chairman Frank R. McNinch, of the Federal Communications Commission, considers the action of the House of Representatives in rejecting an FCC inquiry resolution a vote of confidence, he told the convention of the Atlantic Division of the American Radio Relay League in Washington last Saturday night.

After praising the radio activities of the amateurs, Mr. McNinch turned his address into a defense of the FCC, which he said had been the object of "a deliberate campaign of propaganda by innuendo and misrepresentation."

"My appeal to you is to assist in every proper way you can in establishing a broader and more universal public confidence in the Federal Communications Commission", he said. "I do not ask that you or that the public give to the Commission any larger measure of confidence than it actually earns or deserves on the basis of merit and performance. But I give you my pledge that I shall do everything in my power to have the Commission deserve the fullest possible measure of public confidence. A deliberate campaign of propaganda by innuendo and misrepresentation has been directed by a few against the Commission and I would be neither frank nor realistic did I not admit that this has had some effect upon the public mind.

"However, these attacks were unavailing in Washington where the facts could be known, for only ten days ago the House of Representatives defeated a resolution promoted by those who wanted an investigation of the Commission. The overwhelming defeat of that measure was a vote of confidence by the House of Representatives, of which I am justly proud. I regard that vote, however, as a vote of confidence which carried with it a solemn mandate that the Commission should proceed in the orderly, fair, impartial and courageous administration of the Communications Act. I have set myself to that very task and it is going to be done and done to the satisfaction of every fair-minded person.

"When President Roosevelt asked me to leave my work as Chairman of the Federal Power Commission for a season and become Chairman of the Federal Communications Commission to assist in the work here, I dedicated myself completely to what appeared to me to be a great public service to which I had been called. I am going to carry through this job without fear or favor and with the public interest as my guiding star.

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"There is, in my opinion, much yet to be done in the regulation of broadcasting in the public interest, and I shall not be turned aside by carping critics. I welcome criticism and especially do I welcome a free expression by the listening public, as I want to know what they are thinking and how they think the Commission can best serve their interest. It is my judgment that, in order that the Commission may function most effectively, there are changes that should be made in procedure and the efficiency of the staff personnel as a whole increased. These matters will be attended to in due time and many of these changes can best be made during the approaching Summer and early Fall because readjustments can now be made with less interference with the Commission's business than at any other time of the year.

"It is my ambition that, cooperating with the members of the Commission, we will be able to solve satisfactorily the vexatious problems inherent in a work so controversial as the regulation of broadcasting necessarily is, to the end that broadcasting, which involves the use under a license of radio frequencies which are a part of the public domain, shall become increasingly an instrument for the service primarily of the people to whom these frequencies belong.

"Being a practical man, I do not hope to attain all of the desired ends within a brief period of time, but I am unswerving in my determination that broadcasting, which goes directly into our homes and into the office and the shop, and into unnumbered places, and which reaches directly with its voice approximately 80 millions of people daily, shall be their servant and not their master and shall contribute to the general welfare of the nation. To this end I need and want the support of all, the broadcasting industry, the 47,000 amateur operators and the listening public as a whole."

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CHANNELS ASSIGNED BY FCC UNDER HAVANA TREATY

Although the North American Regional Broadcasting Agreement, ratified by the Senate just before adjournment, will not become effective until approved by other participating countries, the Federal Communications Commission this week issued new rules assigning channels to classes of broadcasting stations as provided for in the Treaty.

It was stated at the Commission that this action is preliminary and will not become effective until the Treaty actually goes into operation, probably a year from now.

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RULES ON EMERGENCY SERVICE RELEASED

Another important step in the control of radio in the public interest was taken last week by the Federal Communications Commission when it made public rules and regulations covering the emergency service, providing for the permanent allocation of frequencies between 30,000 and 60,000 kilocycles.

The emergency service, it was explained, means a radio communication service carried on for emergency purposes and includes municipal, state, and interzone police stations as well as marine fire stations. Provision has been made for the use of ten frequencies for forestry stations for radio-communications necessary for the prevention and suppression of forest fires. This is a new service.

Applications for assignment of frequencies in accordance with these rules and regulations will be received by the Commission beginning July 1. It is expected that prior to the time of expiration (October 1, 1938) all experimental licenses will be converted to permanent licenses. Licensees and applicants are requested to arrange for the proper choice and use of frequencies to minimize interference, the agreement to be filed with the Commission.

In adopting rules and regulations for the emergency service the Commission is rapidly clearing the way to put into effect its order (No. 19) adopted October 13, 1937, and made effective October 13, 1938. That order covers the allocation of frequencies between 30,000 and 300,000 kilocycles on a permanent basis for commercial use.

Promulgation of rules and regulations for the emergency service has been delayed because of protests filed by licensees. Recently the Commission amended Order No. 19 and as a result these protests have been withdrawn in so far as they relate to the frequencies below 60,000 kilocycles. The hearing scheduled for June 20, 1938, for these protestants will be limited to the allocation of frequencies above 60,000 kilocycles.

As previously announced as a result of experimentation during the past few years, encouraged in every possible way by the Commission; it was decided last Fall to provide allocations of frequencies to various classes of services in the newly developed portions of the radio spectrum from 25,000 kilocycles to 300,000 kilocycles. It was pointed out that from the standpoint of space in the so-called radio ether there now comes under regulation ten times the "ether space" than has ever before been attempted in this country.

The first major step taken by the Commission to put into effect allocation of frequencies in the high frequency band occurred January 26, 1938, when Chairman Frank R. McNinch announced that twenty-five channels in the band between 41,000 and 42,000 kilocycles had been assigned to non-commercial educational broadcast stations. Educational stations to use these frequencies are being established throughout the United States under the direction of Dr. John W. Studebaker, U.S. Commissioner of Education, in cooperation with the Commission.

It is the hope of the Commission as expressed by Chairman McNinch that these radio frequencies will provide adequate facilities for educational service to every city and town in the United States.

The rules and regulations promulgated today for the emergency service, in addition to existing frequencies, cover twenty-nine new frequencies made available to state, municipal police systems, two additional frequencies for marine stations, ten new frequencies for special emergency stations (for use when all other means of communication have been crippled or destroyed by floods, hurricanes, etc.) and ten frequencies for the new forestry stations.

The forestry service, it is believed, will greatly reduce the loss and hazard of forest fires which yearly seem to become more destructive and will be valuable in forestry development and conservation work.

The rules and regulations governing police stations are made as flexible as possible, with the view of rendering the maximum service to the officials of municipal, state, and interzone stations in their efforts to suppress crime and apprehend criminals. Notable progress has been made in a few years in the use of radio as an aid to police systems and it is expected when the new allocations go into effect the results will be most gratifying.

In connection with the allocation of police channels in the high frequency band the Commission calls attention of municipalities on the border of the United States to provisions of the "Inter-American Arrangement Concerning Radiocommunication" which authorizes limited international communication under specific conditions and limitations as to the emergency nature of the messages and as to their authentication. The establishment of this service should be of material advantage in the control of crime, particularly with respect to those criminals who endeavor to escape to a foreign country.

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STATIONS AIR GRIEVANCES AS POWER PROBE CONTINUES

With organized broadcasters having completed their cases on super-power or other aspects of the new rules and regulations of the Federal Communications Commission, individual stations this week began airing their grievances as the inquiry before a three-man FCC committee entered its fourth week.

The National Association of Regional Broadcast Stations concluded its plea for more flexible rules governing regional stations and voiced its opposition to super-power for clear channel stations with John Shepard, III, President, on the stand.

Counsel for the Clear Channel Group cross-examined him severely regarding his statements on power.

Questioned with respect to the competitive effect of a super-power stations carrying network programs on regionals and locals in its service area, Mr. Shepard stated that as the 500 KW. station would take only those programs with the widest popularity that the regionals and locals would gradually lose a large percentage of their listeners, necessitating a reduction in their advertising rate. As to the possibility of national spot advertisers using more live talent to attract a local audience, Mr. Shepard stated that an advertiser would be reluctant to spend \$5,000 for talent on a station whose rate was \$400 per hour although the same advertiser would readily spend that amount on a network on which he was paying \$10,000 per hour.

Mr. Shepard admitted that advertisers do not now buy on the basis of power alone but he contended that if Class 1-A stations were permitted to go to 500 KW. that power would again become a predominant influence in the sale of time. As to whether an average person would listen to a low signal carrying a good program rather than a strong signal transmitting a less desirable program, Mr. Shepard stated that it would depend on whether the low signal brought in good programs regularly, thereby causing the listener to depend upon the station for entertainment, etc.

Station WMBI, which was the next in the order of appearances, was represented by Henry C. Crowell who traced the license history of Station WMBI, presented its financial statement and brought out that the station was operated as a non-profit, educational undertaking.

Mr. Crowell was followed by Wendell P. Loveless, Director of the Radio Department of Station WMBI, who introduced several exhibits showing its typical programs. He testified that the cost of operating the station was approximately \$4,500 per month but that this did not include a great

amount of free musical talent furnished by the members of the student body. He pointed out that the stations was operated by a non-sectarian institution and that all of its programs were made up of live talent except for theme songs and background musical effects.

Gene T. Dyer, President of Station WCBD, and Glenn D. Gillett, consulting engineer, were next in order. They were followed on the stand by George G. Davis, consulting engineer for Stations KFEG and WPTF, and James C. McNary, consulting engineer for Station WHKC. Their testimony was all of a technical nature.

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FCC TO HOLD HEARING ON GREAT LAKES RADIO

Radio and safety requirements necessary or desirable for the protection of life and property on the Great Lakes, is the subject of the hearing to be conducted by Commissioner Thad H. Brown, beginning July 18th, in Cleveland, Ohio. This hearing is an important part of the Survey of the Great Lakes and Inland Waters, which is being conducted by the Federal Communications Commission.

This survey is being made for the purpose of promoting safety of life and property at sea through the use of wire and radio equipment, and to make more effective the International Convention for the Safety of Life at Sea, drawn up in 1929.

The Federal Communications Commission, by authorization of Congress, appointed Commissioner Thad H. Brown as the Commissioner in Charge of this investigation. Under Commissioner Brown's supervision, research work has been going on for some time, to obtain factual information in regard to shipping and communication conditions and requirements relating to commerce on the Great Lakes.

Commissioner Brown reports that preliminary conferences have been held with Canadian officials, looking to their cooperation in providing for uniform radio requirements covering the Great Lakes area. Recommendations growing out of the Survey are to be made by the FCC to Congress before December 31, 1939. Possible legislation in the matter may involve an international agreement between the United States and Canada in matters pertaining to the installation of radio and its most effective use to protect safety of all shipping on the Great Lakes.

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WORK OF RADIO AMATEURS LAUDED BY FCC CHIEF

Amateur radio transmission is the only hobby that is officially recognized and fostered by the United States Government, Chairman Frank R. McNinch, of the Federal Communications Commission, told the Atlantic Division of the American Radio Relay League meeting in Washington over the week-end.

Pointing out that there are 47,000 amateur stations in the United States, Chairman McNinch said this constituted 78 per cent of the radio amateurs in the world.

The phase of radio amateur activity which appealed most to him, the FCC Chairman said, was not the scientific investigation nor the heroic work during times of national emergency.

"To me the glory of amateur radio lies in the creation and the development of this altruistic passion for the unselfish dedication of the time and talent of more than 60,000 radio amateurs of the world to the public service.

"The amateur has lent assistance to these arms of the Government on many occasions. In 1924 amateurs maintained reliable communication with the United States dirigible 'Shenandoah' as it made a tour of the country. In 1925, when the United States battle fleet made a cruise to Australia, the Navy wanted to test out short-wave equipment. The American Radio Relay League furnished amateur operators for the job who proved the value of these short waves for Naval use.

"So valuable were the amateurs considered, that in 1925 both the Army and the Navy came to the American Radio Relay League with proposals of definite cooperation. The result is that the Navy now has its Naval Communication Reserve and the Army its Army Amateur Radio System with several thousand members throughout the entire United States. These amateurs secure actual training and handle routine matters over the air, become skilled in military procedure, and thus add greatly to national security.

"In providing a secondary reserve line of national and international communication the amateur fills a role scarcely less important from the standpoint of the national welfare of our country than his role as a supplement to our military and naval forces. There are some 47,000 amateur stations in the United States and an equal number of amateur operators, all licensed by the Federal Communications Commission. This, in effect, constitutes a complete nationwide communication network which is available for emergency purposes and with the other 13,000 amateur stations and operators in other parts of the world, a fairly effective international communications system."

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MORMON CHURCH DENIED INTERNATIONAL STATION

Reversing an Examiner, the Federal Communications Commission this week denied an application of the Church of Jesus Christ of Latter Day Saints, of Salt Lake City, Utah, for a permit to construct an international short-wave station to operate on 6020, 9510, 11710, 15170, and 25,675 kc. with 50 KW. power.

The applicant proposed to establish a far-flung missionary service via radio with 860 listening posts in 30 countries and "to encourage peace and good will among all the inhabitants of the earth regardless of race, creed or color."

The FCC pointed out that of the 91 frequencies available for international broadcasting the United States is now using 21. Four of the five frequencies requested by the Mormon Church, the Commission said, are now occupied by foreign international broadcast stations.

A suggested time-sharing arrangement whereby the Salt Lake City station would use the frequencies only when the foreign stations were silent would not be satisfactory, the FCC held.

"The applicant has failed to submit sufficient evidence to reasonably assure the Commission that the operation of an international broadcast station such as proposed herein will not involve objectionable interference with the service of existing foreign international stations occupying the frequencies requested for this purpose", the report stated. "Therefore, the burden of establishing the absence of such interference was not maintained by said applicant. Under these circumstances a grant of the application under consideration would involve possible violations of the terms of the Telecommunication Convention of Madrid of 1932, a treaty to which the Government of the United States is a party."

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NBC ISSUES S-W PROGRAMS IN SEVERAL LANGUAGES

NBC short-wave programs and news are now being distributed in printed forms by the recently organized Short-Wave Division headed by Frank Mason, Vice-President of the National Broadcasting Company.

The programs are being distributed in Spanish and Portuguese for the convenience of newspapers in the Latin Americas, Consul Generals, and other interested parties.

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WAGE-HOUR LAW APPLIES TO BROADCASTING

The National Association of Broadcasters was informed last week by Gerald D. Reilly, Labor Department Solicitor, that the wage and hour bill would affect the broadcasting industry.

He pointed out that the bill, approved by Congress and awaiting President Roosevelt's signature, excepted bona fide executives, administrators, professional workers and employees acting in a local retailing capacity, from both its wage and hour provisions.

Hours for all others are limited to 44 a week unless time and one-half is paid for overtime. This maximum is to be reduced to 42 during the second year of the Act's operation and to 40 during the third year and thereafter.

The minimum wage for the first year was fixed at 25 cents an hour, at 30 cents an hour for the next six years and at a maximum of 40 cents thereafter.

Mr. Reilly also pointed out that the administrator could appoint a wage board representing the broadcasting industry, broadcasting labor and the public, to fix the minimum wage at a maximum of 40 cents before the expiration of seven years, if the board's findings showed such to be advisable. The administrator probably would be so busy with the so-called sweated industries, however, that he would not likely turn to radio for some time, Mr. Reilly believed.

The bill is to become effective 120 days after it is signed.

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NEW STATION, TRANSFER AUTHORIZED BY FCC

A construction permit for a new broadcasting station at Baker, Oregon, was granted by the Federal Communications Commission last week simultaneously with an authorization for a transfer of Station KRGV, Weslaco, Texas.

The new station will operate on 1500 kc. with 250 watts daytime power and 100 watts nighttime. The applicant is Louis P. Thornton.

KRGV was sold, subject to FCC approval, by M. S. Niles, to O. L. Taylor, Gene A. Howe, and T. E. Snowden for \$54,000. The original cost of the station was \$51,804.18 and the depreciated value is \$45,640.88.

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TWO NEW STATIONS, TRANSFERS ARE APPROVED

Construction permits for new broadcasting stations at Montgomery, Ala., and Prescott, Ariz., were issued this week by the Federal Communications Commission. The applicants are John S. Allen and G. W. Covington, Jr., and the Southwest Broadcasting Co., respectively.

The Montgomery station will operate on 1210 kc. with 100 watts power, daytime only, while the Prescott station will use 1500 kc. with 100-250 watts power, unlimited time.

The FCC rejected an application of the Colonial Network, which is headed by John Shepard, III, for a permit to erect a new station at Providence, R. I., on the ground that it would cause objectionable interference.

Sale of Station KARK, Little Rock, Ark., by Radio, Inc., to T. H. Barton in a Stock Exchange deal that preceded passage of the Communications Act was approved along with the transfer of Station KGMB, Honolulu, from J.L.P. Robinson to Pacific Theater & Supply Co., Ltd.

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McGRADY ELECTED RCA VICE-PRESIDENT

Edward F. McGrady was elected Vice-President of the Radio Corporation of America last week at a meeting of the RCA Directors in New York City. Mr. McGrady, formerly Assistant Secretary of Labor under Secretary Perkins, joined RCA in the latter part of 1937 as Director of Labor Relations.

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The Swedish Government has given its approval for the construction of a new radio broadcasting station to be erected in Falu, Dalecarlia, the Commerce Department reports. This project is expected to cost 1,510,000 crowns, which have been appropriated. The apparatus and auxiliary equipment will, according to the State Telegraph Board, be of foreign manufacture, several bids having already been received. The staggered radio mast, which will also serve as antenna, will be of Swedish manufacture.

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 :::: TRADE NOTES ::::
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The Federal Communications Commission has decided to hold oral arguments during the month of July. In recent years, hearings and arguments have rarely been held during the summer months.

Public offerings of 99,500 shares of capital stock of American Television Corp. will be made Thursday in New York by J. A. Sisto & Co. at \$1 per share, the par value of the stock. The corporation has been formed under the laws of the State of New York with a capitalization of 1,000,000 shares.

Warren Wade, for eight years Program Director at Station WTAM, has been added to the National Broadcasting Company's experimental television staff. Mr. Wade, who will work under supervision of Thomas H. Hutchinson, Director of Television programs, has begun to adapt plays for future presentation over Station W2XBS.

A course in radio broadcasting has been added to the Blackfriar Institute of Dramatic Art for the second Summer session opening at Catholic University, Washington, D. C. The course will be directed by William Coyle, National Broadcasting Company announcer and commentator, and will cover the fundamentals of and practice in the technique of radio work.

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SOUSA BRIDGE NOW ASSURED

The bill to name the bridge to be erected over the Anacostia River in the District of Columbia after the late "March King", John Philip Sousa, composer of the "Stars and Stripes Forever", one of the radio's most popular patriotic pieces, was considered by the House of Representatives, ordered to be engrossed for a third reading, read the third time and passed.

The bill had previously been passed by the Senate.

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