

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

**CONFIDENTIAL — Not for Publication**

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No. 1144

July 26, 1938.

WORLD S-W PARLEY DISCUSSED BY U.I.R.

At the end of 1937, according to the annual report of the Council of the International Broadcasting Union, which recently held its Summer meeting at Ouchy, Lausanne (Switzerland), the number of registered or licensed radio receivers throughout the world was about 87,500,000, representing a figure of approximately 350,000,000 listeners, the British Broadcasting Corporation reports. Of that number, 31,200,000 sets (approximately 125,000,000 listeners) are in Europe.

Delegates representing twenty-three European countries, three U.S.A. broadcasting systems, Porto Rico, and the Dutch East Indies, together with observers from postal-telegraph administrations in various parts of the world, attended the meeting, during which the Greek broadcasting service and the Spanish Republican broadcasting service were elected full members of the U.I.R.; the Argentine Government station LRA, of Buenos Aires, the broadcasting service of the Department for Press and Propaganda attached to the Mexican Foreign Office, and the Mutual Broadcasting System of the United States were elected associate members; and the broadcasting service of General Franco's administration was admitted as a special member.

Preliminary discussions by the Technical Committee on the groundwork of a plan for the revision of European broadcasting wavelengths, which the recent World Telecommunications Conference at Cairo invited the U.I.R. to draft, were an important feature of the meeting's business.

The President of the Technical Committee (M. Raymond Brailiard, Director of the Brussels Checking Centre) was asked by the Council to prepare a memorandum on the existing conditions in the short-wave field, with a view to a possible world conference on short-wave broadcasting.

Questions of copyright, the international protection of artists (a problem that is to be examined in the Autumn by expert committee convened by the International Labor Office), and the unauthorized recording of broadcast transmissions were discussed by the Juridical Committee, over which Dr. Sourek (Czechoslovakia) presided.

A recommendation by the Program Committee (President, Monsieur Dymling, Director-General of the Swedish broadcasting service) that the Canadian Broadcasting Corporation should be invited to provide the fifth World Concert, to be relayed in five

continents and to consist of music characteristic of both the English-speaking and French-speaking peoples of Canada, was adopted by the Council.

With the object of facilitating the international exchange of programs and so promoting understanding among nations, the Program Committee recommended the arranging of periodical meetings of the officials responsible in each organization for international relays.

During the General Assembly, Monsieur Antoine Dubois (Holland) was re-elected President of the U.I.R. for 1938-1939; Monsieur R. Jardillier (France) and Monsieur le Professeur V. Ylostalo (Finland) were re-elected Vice-Presidents. Messieurs von Boeckmann (Germany) and M. E. Nelky (Hungary) were elected Vice-Presidents in the place of Vice-Admiral Sir Charles Carpendale (Great Britain) and Professor Vallauri (Italy).

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#### McFARLANE, CRITIC OF FCC, LOSES PRIMARY FIGHT

While returns were not complete, reports from Texas early this week were that Representative W. D. McFarlane, outspoken critic of the Federal Communications Commission, had lost out in the Texas Democratic primary.

Representative McFarlane during the 75th Congress made frequent attacks on the FCC and what he termed "the radio monopoly" on the House floor and was one of the members who demanded a thorough Congressional investigation.

The apparent victory of W. Lee O'Daniel in the gubernatorial race also had a radio tie-in but of a different sort. Mr. O'Daniel achieved his large following via a radio program and a hill-billy band.

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The British Navy radio station under construction at the Singapore naval base will be completed during this year. This station will be used by the Admiralty as a relay station in the Far East and will provide direct communication with all British warships in Far Eastern waters, direct to London.

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FCC TO PRESENT CASE IN WLW HEARING THIS WEEK

With the Crosley Radio Corporation nearing the end of its presentation of testimony in the WLW case, the Federal Communications Commission was expected to present evidence this week on the social and economic aspects of super-power.

The hearing recessed over Monday so that the full Commission could hear oral arguments with regard to its orders on ultra high frequencies.

The highlight of WLW's testimony to date in behalf of continuation of its 500 KW. experimental license was the financial statement submitted by E. J. Ellig, Comptroller of the Crosley Corporation, covering operations from 1929 through 1937.

The statement showed that for 1937, WLW's net revenue totaled \$2,658,806.22, with total expenses of \$1,546,796.46 and after deducting probable income taxes, the net profit amounted to \$702,954.61, or 26.4% profit. The statement further disclosed that WLW's net income increased from \$43,464.20, or 6.4% profit in March, 1930, to a maximum percentage of profit for the year ending March 31, 1934, of 34% when the net income was \$408,951.58.

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UNION POLL OF CBS TECHNICIANS ORDERED

The National Labor Relations Board on Monday scheduled a collective bargaining election "as promptly as practicable" among approximately 200 broadcasting technicians and engineers employed by Columbia Broadcasting System, Inc.

All CBS engineers and technicians, except those employed at Station KMOX, St. Louis, will decide whether they wish representation by the C.O.O.'s American Communications Association, by the unaffiliated Associated Broadcast Technicians, or by neither. Each claims a majority.

Employees at Stations WABC, New York; WBBM, Chicago; WBT, Charlotte, N.C.; WKRC, Cincinnati; WCCO, Minneapolis; WECL, Boston, and WJSV, Washington, will be polled.

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## AIR CENSORSHIP HIT BY CIVIL LIBERTIES UNION

Continuation of its fight against any form of radio censorship was promised by the American Civil Liberties Union recently in its annual report. One of its objectives for the new year, the Union said, would be:

"Greater freedom of the air by setting aside time for public discussion free of station managers' control; by requiring equal facilities for all sides of controversial topics; and by opposing governmental censorship in any form."

Discussing the past year, the Union said:

"While censorship by station managers continues as a part of the accepted set-up, the Federal Communications Commission which disavows censorship - and from which, in fact, it is prohibited by law - for the first time assumed such powers in criticizing a National Broadcasting Company sketch featuring Mae West and Charlie McCarthy. The Commission announced that it would take into consideration in considering renewal of licenses the character of programs. The Civil Liberties Union protested this announced assumption of powers by the Commission, and, as far as we know, it has not been exercised.

"While no cases of censorship by station managers came to public notice, it is a matter of common knowledge that the networks do not sell time to labor unions in order to avoid being drawn into industrial strife; nor do they, it is true, sell time to employers' associations. But the inequity of the situation is plain, for employers are able to get across their propaganda on commercial programs.

"The Union endeavored to push in Congress bills which would correct this inequality of opportunity to reach the public. No hearings, however, were held in the face of opposition by the companies and politicians desirous of retaining the good-will of the radio industry. Senate and House resolutions for sweeping investigations of the radio set-up and of freedom of the air died in Congress though reported favorably. The Civil Liberties Union worked actively for their passage. The Federal Communications Commission has announced its own investigation covering some of the issues on which the Union has been long campaigning."

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### McNINCH STILL IN NAVAL HOSPITAL

Chairman Frank R. McNinch was still in Naval Hospital early this week undergoing treatment for colitis although he had been expected to return to his office by the middle of the month.

He was said to be resting well although it was not known when he would be discharged from the hospital.

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### AUTHOR ADVISES AGAINST LATIN AMERICA PROPAGANDA

Broadcasters who have opposed the proposed entry of the United States in a short-wave propaganda contest with Germany and Italy for Latin American listeners received encouragement this week from an American authority on Latin American affairs.

Edward Tomilson, author and lecturer, upon returning from a tour of South America during which he made a special study of Nazi and Fascist influence, expressed the opinion that the United States should refrain from propaganda, according to the New York Times.

The Latin Americans are surfeited with the continual evidence of foreign influence and are growing wary of propaganda, he said, and the United States should carefully reject any attempt to add its voice to the tumult, especially since the existing friendly feeling for the United States would render any such urging superfluous.

He quoted Dr. Gil Borges, Foreign Minister of Venezuela, as saying:

"The United States does not need to put on a campaign of propaganda. The actions of your country and your President have done more to improve the standing of the United States in Latin America than any special campaign of propaganda could possibly do."

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## CLEVELAND HEARINGS RECESS TILL AUG. 1

Hearings of the Great Lakes and Inland Waters Survey of the Federal Communications Commission, which commenced before Commissioner Thad H. Brown in Cleveland on July 18th and continued until Friday afternoon, July 22nd, have been recessed until Monday, August 1st.

In his opening statement Commissioner Brown emphasized that the investigation was not an adversary proceeding, but a public hearing in aid of legislation to determine factually the nature and extent of shipping and commerce upon the Great Lakes, the facilities for navigation, the navigation hazards and casualties, and the need, if any, for radio communication facilities.

Congress in 1937 in "An Act to amend the Communications Act of 1934", which contained a provision for the promotion of safety of life and property at sea, directed the Federal Communications Commission to make a special study to determine what, if any, different radio facilities and uses are required in the Great Lakes and inland waterways trades than those ordered by Congress for coast-wise and inter-coastal ocean shipping and required by the International Safety at Sea Convention and Treaty for international high seas shipping.

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## RADIO SERIES CUTS TRAFFIC DEATHS

A 35 percent reduction in deaths on Maryland's highways thus far in 1938 over 1937 was traced in part at least this week to the 13 Sunday radio dramatizations over Station WBAL in Baltimore of death on the highway.

Walter R. Rudy, Commissioner of Motor Vehicles, who worked out the programs with the Commercial Credit Co., of Baltimore, said he felt the dramatizations had a healthy psychological effect on motorists starting out for Sunday or vacation trips.

Because of this apparent success, Commissioner Rudy recommended a continuation of the program, which has been entitled "It Happened So Quick."

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## ICKES MAKES DEBUT AS RADIO COMMENTATOR

Secretary Ickes made his debut as a radio news commentator Monday night over Station WOL, Washington, taking the place of a vacationing commentator.

During a review of the news, Secretary Ickes commented editorially on President Roosevelt's prospects for a third term, Senator Tydings' campaign for reelection, and the defeat of Representative Maverick in the Texas primary.

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## CIVIL WAR DIVIDES SPANISH STATIONS

The Spanish Civil War has had the effect of dividing the broadcasting stations into a number of groups, each controlled by one party or the other to the conflict, according to World-Radio. The Government stations are divided into two groups - the first under the Ministry of Telecommunications of Valencia, and the second under the Director-General of Broadcasting, Barcelona. The first of these groups consists of the following stations:

		<u>Metres</u>	<u>kc/s</u>	<u>KW</u>
Madrid	EAJ2	410.4	731	5
Jaen	EAJ70	410.4	731	1
Valencia	EAJ71	410.4	731	2
Almeria	EAJ54	200.	1,500	0.2
Murcia	EAJ17	201.1	1,492	0.2
Aranjuez	EAQ	30.4	9,870	20.

The second of:

Radio Barcelona	EAJ1	377.4	795	5
Radio Barcelona	EAJ1	( 42.7	7,026	-
		( 21.35	14,051	-
Radio Asociacion (Barcelona)		393.5	1,022	3

There are, in addition, 9 stations belonging to this group.

The following stations are controlled by General Franco's Administration of Radio Communications:

		<u>Metres</u>	<u>kc/s</u>	<u>KW</u>
Salamanca (Radio Nacional)		238.5	1,258	20
Saragossa EAJ10		201.1	1,492	0.2
Burgos EAJ27 (Radio Castilla)		207.3	1,447	6
San Sebastian EAJ8 (Radio Espana)		207.3	1,447	1
Seville EAJ5		410.4	731	5
Pamplona EAJ6		227.3	1,320	0.5
	(more)			

Short-Wave Stations:	<u>Metres</u>	<u>MC/s</u>	<u>KW</u>
Tenerife EAJ43	28.93	10.37	23
Valladolid	48.82	7.00	0.4
San Sebastian	41.66	7.20	1

In addition, there are 39 local stations using a small power.

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#### FRENCHMAN GATHERS DATA HERE FOR RADIO SERIES

Hoping to present a true picture of the United States and the American people to French radio audiences, D. G. van Ackere, French representative of the Columbia Broadcasting System, is touring this country to gather material for a series of 30 weekly programs to be given over world-wide as well as French radio networks.

Mr. van Ackere arrived in Washington Friday from New York and spent the week-end viewing outstanding features of the Nation's Capital in order to prepare his Washington program.

"You know", he said, "the bulk of the population in France, due to the sensational treatment of American news by the majority of French papers, has a very warped idea of the true nature of America. They read of gangsters and love nests and mechanical feats with steel and stone."

By giving French audiences a clear picture of American life, Mr. van Ackere hopes in some measure to overcome popular understanding.

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#### SWEDEN STARTS S-W PROGRAM FOR U.S.

The Swedish Radio Broadcasting Company has commenced a regular radio program intended for Swedes abroad, especially in the United States, Canada, Australia, and South America, according to a report to the Department of Commerce by the office of the American Commercial Attache at Stockholm.

The program, which is broadcast bi-weekly for one hour, is at present conducted on an experimental basis in order to ascertain the most suitable wavelength and time, the report stated. In their experimental state, the programs consist of selected interviews, music of all kinds, and songs by Swedish artists, according to the report.

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TRADE NOTES

The deadline for submitting briefs in the super-power hearing has been extended by the special FCC Committee from August 1 to August 15, it was announced this week.

A labor representative on the Federal Communications Commission and a complete Federal investigation of the communications industry were demanded in the report of Mervyn Rathbone, President of the American Communications Association, adopted at the C.I.O. Union's convention in New York City last week.

Measures taken by Columbia technicians to assure continuous operation under any emergency of the new \$350,000 KNX transmitter at Torrance, Calif., have made it practically impossible to cut Los Angeles off from communication with other parts of the country, according to James Middlebrooks, engineer in charge of construction of the new plant. To withstand earth tremors of any registered intensity, the transmitter house has been built of reinforced concrete in two adjoining units, each designed to "carry" horizontal or vertical shocks.

The government of Australia has awarded contracts for nearly \$460,000 worth of radio aids to aerial navigation to be installed at airports in New South Wales, Queensland, Victoria, South Australia, Tasmania and the Federal Capital Territory, the Commerce Department reports. The equipment includes ultra-short wave landing beacons for six ports, two-way communication equipment for nine ports and radio navigation beacons for four ports, the Department said.

The 154th station of the National Broadcasting Company will become affiliated with the NBC Mountain Group No. 10 on August 1st, when the Utah Broadcasting Company opens KUTA in Salt Lake City. It will be a supplementary outlet available only to advertisers using Station KLO in Ogden.

Since the inauguration of radiotelephone broadcasts of information of use to mariners, made from the Key West Depot of the Lighthouse Service in both the English and Spanish languages, there has been a gratifying response from mariners, including a number of masters of Cuban vessels which operate partly in United States waters, according to the Bureau of Lighthouses, Department of Commerce.

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## CRITICISM OF DUTCH PATENT MONOPOLY GROWS

There is a growing amount of criticism against the pool patent control situation over radio goods in The Netherlands, the U. S. Commercial Attache at The Hague reports. The most energetic of the critics is a man by the name of Aalberts, who publishes a magazine called "The Lamp", or "De Lamp". Both forms of the name are given because he publishes sometimes in Dutch and sometimes in English, and the magazine nearly always carries articles in both of these languages, and in German, French and Spanish as well.

"Incidentally", the report states, "one of the larger import-wholesale-retail radio stores in Amsterdam issued a catalog listing American sets and evidently prospective buyers place their orders abroad, personally assuming the risk of suit for patent infringement. This concern doubtless gets sales commission and as far as is known has not been sued. Many smaller shops also do business in a similar manner and despite Philips' vigorous prosecution, there is a growing and almost wholesale disregard for its alleged 'rights'.

"A new move on the part of Philips at Eindhoven is to make the sales of sets, kits and parts impossible. It is stated that Philips has bought the American patent No. 18770, application presented June 12, 1925, under number 30472 and issued April 16, 1928. It is asserted that this patent covers all variable condensers on which trimmers are mounted and on which end plates are slotted.

"Therefore Philips forbids the sale of all variable condensers with mounting trimmers, even though they themselves will not deliver variable condensers. Thus, the independents assert, it is impossible to sell kits or sets so they are taking action in the courts and are hopeful of securing relief in spite of the strong backing the courts have always given the Philips Company. It is asserted that unless some relief can be obtained from America, the import of kits and other radio set parts from the United States probably will cease."

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## RCA DECLARES QUARTERLY DIVIDENDS

David Sarnoff, President of the Radio Corporation of America, announces that quarterly dividend number ten on the outstanding shares of the Corporation's \$3.50 Cumulative Convertible First Preferred stock, and a quarterly dividend on the outstanding shares of "B" Preferred stock, were declared at the regular meeting of the Board of Directors held in New York last week.

The dividend on the First Preferred stock, covering the period from July 1, 1938, to Sept. 30, 1938, is 87½ cents a share and payable on October 1, 1938 to holders of record of such stock at the close of business on Sept. 7, 1938. The dividend on the "B" Preferred stock is for the period from July 1, 1938, to Sept. 30, 1938, and amounts to \$1.25 a share being payable on Oct. 1, 1938 to holders of record at close of business Sept. 14, 1938.

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## RADIOS HOLD BIG LEAD IN RURAL ENTERTAINMENT.

Although less than two decades old, the radio receiver has far outstripped the piano and the phonograph as an entertainment medium in rural villages, according to a survey made by the Bureau of Home Economics of the Agriculture Department.

U. S. agents made the surveys in 139 representative villages throughout the country during 1935-36. The results have only recently been announced.

They show that from 76 to 93 per cent of the white families included in the study owned radios; from 27 to 42 per cent owned pianos; and from 13 to 22 percent owned phonographs.

Three out of four white families interviewed in the Southeast, 76 percent to be exact, owned radios. There were 2,100 such families studied in 33 villages of the Carolinas, Georgia, and Mississippi.

More than four out of five families interviewed in the central portions of the country had radios. Specifically, the proportion was 85 percent for the 1,103 families reporting on ownership of radios in 22 villages of the Dakotas, Kansas, Colorado, and Montana; and 89 percent for the 3,042 families studied in 46 villages of Pennsylvania, Ohio, Michigan, Wisconsin, Illinois and Iowa.

Nine out of ten village families interviewed for expenditure data in New England and on the Pacific Coast had radios. In 24 villages of California, Oregon, and Washington, the percentage was 92 for the 1,471 families interviewed. In 14 villages of Vermont and Massachusetts, ownership was reported by 94 percent of the 743 families visited.

A special Negro study of 972 families in the 33 Southeastern villages plus Mound Bayou, Mississippi, an all-Negro village, showed 18 percent of the families owning radios, as against 20 percent owning phonographs, and 10 percent owning pianos.

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