

HEINL RADIO BUSINESS LETTER

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INDEX TO ISSUE OF AUGUST 30, 1938

FCC Gathers Quorum As McNinch Returns.....	2
Broadcasters Watch O'Connor Contest In N.Y.C.....	3
DeForest Disappointed In His Brain Child.....	3
Capehart Hits Republican Bull's-Eye.....	4
Law Against Interference Passed By Roumania.....	4
1938-39 Radio Receivers Are Analyzed.....	5
FCC Chief Engineer Approves Five Mackay Transmitters.....	7
McFarlane Beaten In Texas Primary Run-Off.....	7
Facsimile Application Withdrawn.....	7
Broadcasting Abroad - Mexico.....	8
Denies Radio Is Killing Circus.....	9
Germany Exhibits Television In Color.....	9
Chinese General Governs Via Radio.....	9
Both Sides Must Be Heard, Says Editor.....	10
Harbord To Discuss Far Eastern Situation.....	11
WOR Officials To Address School On Radio.....	11

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August 30, 1938.

FCC GATHERS QUORUM AS McNINCH RETURNS

For the first time in several weeks the Federal Communications Commission obtained a quorum on Tuesday as Chairman Frank R. McNinch returned to his office after an absence because of illness and vacation of almost two months.

Judge Eugene O. Sykes, who has been Acting Chairman during Mr. McNinch's absence, and Commissioners T.A.M. Craven and Thad Brown, together with the Chairman, constituted the quorum.

Routine broadcast, radiotelegraph, and telegraph matters were being considered first, it was understood, as many of these have accumulated since the Commission last held a meeting. Judge Sykes and whatever colleagues have happened to be in Washington have disposed of minor cases but have refrained from acting on any matters in which there were "policy" angles or controversies.

With the Chairman at the helm again, the Commission is expected to tackle some of the more important jobs now in their preliminary stages.

An early announcement of the date for beginning the monopoly and chain broadcasting hearing is expected. Indications are that that part of the inquiry will not begin before October as the FCC probably will give 30 days' notice to participants.

Commissioners Paul Walker, George Henry Payne, and Norman Case were still on vacation early this week but were expected back around Labor Day.

William J. Dempsey, Special Counsel of the FCC in the monopoly inquiry, was back at his desk after a brief vacation in nearby Maryland. He was prepared, it was said, to make recommendations to the Commission regarding the conduct of the hearings. For the last several weeks he has been gathering voluminous data on the operations of the networks and their affiliated stations.

While reports persisted that Chairman McNinch was still ill, attendants at his office stated that he had recovered fully from the stomach ailment for which he underwent treatment at Naval Hospital in July.

Among other important matters to be considered by the FCC this Fall are adoption of proposed new rules and regulations

8/30/38

for the broadcasting industry and demands that the present 50 KW. regular power limitation be extended to 500 KW.

Associated with this, although considered separately, is the application of the Crosley Radio Corporation for renewal of its experimental license to operate as the Nation's most powerful station with 500 KW. as it has for the past several years.

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BROADCASTERS WATCH O'CONNOR CONTEST IN N.Y.C.

The broadcasting industry and members of the Federal Communications Commission are watching with interest the efforts of President Roosevelt to "purge" Representative O'Connor (D.), of New York, in the November election.

Representative O'Connor, as Chairman of the powerful Rules Committee, had much to do with the efforts to bring about a radio inquiry at the last session. First, he held up the Connery resolution, and then led an unsuccessful floor fight for its adoption in the closing days of the 75th Congress.

Washington political observers predicted this week that if Representative O'Connor is re-elected, he will head a conservative Democratic-Republican coalition that may exercise great influence on, if it does not control, the acts of the next Congress.

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DeFOREST DISAPPOINTED IN HIS BRAIN CHILD

Dr. Lee De Forest, called the "Father of Radio" because of his invention of the tube used in receiving sets, is not so proud of his off-spring, according to the United Press.

In an interview at Hollywood, Dr. DeForest, on the occasion of his sixty-fifth birthday, described as "sickening" the trend in modern radio programs toward "all swing and croon".

"The programs", he said, "are not only poor, but the interruptions for commercial announcements are maddening. It isn't at all as I imagined it would be."

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CAPEHART HITS REPUBLICAN BULL'S-EYE

Although he had to dig down into his pockets to the tune of \$30,000, Homer Capehart, a leading figure in the radio, as well as the musical instrument industries, of Buffalo, New York, easily secured advertising space worth a million dollars to the Republican party with the success of his "Cornfield Rally" held last week at Capehart Farms, Washington, Indiana. The papers had been heralding the event for a week in advance but the climax came with radio network, newspaper, news photograph coverage which would have done credit to a National political convention. The story was carried the next day after the party on the front-page of practically every newspaper in the country, including the New York Times and the Baltimore Sun, the two strongest Democratic organs in the East. News magazines, such as "Life" and news-reels are yet to be heard from, but altogether Mr. Capehart single-handed succeeded in giving the Republican party the biggest boost it has had since it went into the eclipse with the first Roosevelt election.

The hour's program on last Saturday afternoon was offered to the entire Red Network of the National Broadcasting Company and it is believed that most of the stations that could, availed themselves of the opportunity of tuning in on the rally. The principal speakers were John Hamilton, Chairman of the Republican National Committee, Representative James Wadsworth, of New York, and Raymond Willis, Republican candidate for Senator from Indiana.

A loud speaker and microphone system, second to none, was installed, and sufficient speakers were placed throughout the 120-acre grounds so that one could hear just as well 2,000 feet away from the speaker as though he were sitting next to him.

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LAW AGAINST INTERFERENCE PASSED BY RUMANIA

Roumania is evidently making big efforts to ensure reception as free from "interference" as possible, World Radio notes. In this connection a law has been passed under which owners of electrically operated apparatus of any kind have to send a written notification within sixty days. Even if the apparatus is not in use it must be reported.

Fines will be imposed for failure to comply with the new law, and any money raised in this way will be devoted to broadcasting revenue. Neglect to take steps to suppress unnecessary interference is punishable by the confiscation of the machinery or apparatus after the first warning.

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1938-39 RADIO RECEIVERS ARE ANALYZED

The 1938-39 radio receivers have many new improvements and yet sell for an average of 15 percent less than sets of the previous year, according to Radio Today.

"Most important fact about the new sets is that two-thirds of all consoles and table models have push-button tuning (miniature table sets not included)", the review states. "Approximately 85 percent of the console models offered this year have automatic tuning. In table models the figure is slightly under 50 percent, mainly because of the much lower price-ranges.

"While the use of push buttons for tuning has greatly increased, the average prices have dropped quite a few percent. The average price of all table (including miniature) and console models is \$57.60 for 1938-39, as compared to \$67.50 for last year and \$65 for two years ago. In one year the average price has dropped 15 percent.

"The reduction in the average price is noticeable in both the table and console models, showing that it is not due entirely to the introduction of the miniature table models. The average console price is \$100.50 for this year as compared with \$116 a year ago - this is a reduction of about 13 percent.

"The average number of tubes used has also decreased somewhat. In the AC-DC sets the decrease is partly due to 'Radio Today's' application of the R.M.A. tube definition which rules out plug-in line dropping resistors (ballast tubes). This year's average AC-DC table set has $5\frac{1}{4}$ tubes as against 6.1 for 1937-38. For AC-DC consoles the figures are $7\frac{1}{2}$ for this season and 8.6 tubes for last year. The average miniature table model (mainly AC-DC sets) has $4\frac{1}{2}$ tubes. All table models including miniature have an average of 5.35 tubes, while a year ago it was $6\frac{1}{4}$.

"In the AC type sets the reduction in the number of tubes is a smaller percentage. The average AC table model employs 6.1 tubes as compared with $6\frac{1}{4}$ for last year. AC consoles this year have an average of 9 tubes while a year ago the figure was $9\frac{1}{2}$.

"While neither chairside sets nor combinations are included in the preceding averages, the following comparisons are available. For this year there are 27 chairside models which are offered by 10 manufacturers, while in the 1937-38 season there were 18 companies making 40 models. Combinations, on the other hand, are on the increase. This year we have listed in our specifications a total of 115 models under 20 trade-names (electric phonographs are omitted). A year ago there were 19 manufacturers of combinations with only 92 models. And announcements to be made in the next month will add several more manufacturers to the

list of combinations. Furthermore, this year's prices are way under those for a year ago. All indications point to an increase in the combination's popularity.

"This year's line of sets uses automatic tuning systems that are far superior to those of a year ago. Station set-up has been greatly simplified and electrical circuits stabilized against temperature changes. The telephone-dial type mechanism is used in only one or two models. The mechanical lever type of device has been perfected and is used in more than one-third of the table models having push button tuning.

"Since last year a trimmer type of push-button tuning using iron-core coils or inductances has been introduced and it is featured in almost one-third of the push-button consoles. Motor-type tuning is still very popular in the higher-priced consoles, but it is only in third place as shown in the accompanying chart. The diagram showing the use of the various types of push button tuning is based on the number of models listed in Radio Today's specifications. Miniature table, chairside, and combinations are not included.

"With the advent of temperature compensating condensers and iron-core trimmer units, automatic frequency control has become less popular, being used in only a few of the most expensive models. The drift that was common in previous push-button models not having A.F.C. seems to have been conquered through the use of better and new circuit components.

"As might be expected, the glass tube with the octal base is increasing in popularity, and at the expense of the old type glass tubes. Metal tubes are used in more models this year than last. An accompanying chart shows a break-down of the various tube types as employed in consoles and table-type sets for this year and the past two seasons. The white portion of the bar shows the percentage of sets which use the type of tube exclusively. The shaded portion means that the tube type is used in combination with other types of tubes, but that it is the predominating type.

"The Octal-G bar for 1939 table models is interpreted as follows: 12.7 percent of all models use the octal-based glass tube; 21.8 percent of the sets (shaded section) use octal glass tubes in combination with either the old glass or metal types (octal-G tube predominates in the combination). The white portion of the bar at the right indicates that 2.6 percent of the table models are using the small or miniature type octal-based glass tube.

"The increased use of metal tubes in the table sets is found mainly in the miniature and other extremely compact receivers.

"As was true last year, the price range of radios starts at a few dollars and soars to many hundreds for the super deluxe models. However, most of the manufacturers have curtailed their activity in the really expensive models. To date only five manufacturers have announced consoles costing over \$170, while a year ago there were eight. This fact is even more significant when one considers the increased use of push button tuning with its attendant increase in cost."

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FCC CHIEF ENGINEER APPROVES FIVE MACKAY TRANSMITTERS

The Mackay Radio & Telegraph Company was notified this week by John B. Reynolds, Acting Secretary of the Federal Communications Commission, that the FCC Chief Engineer, Lieut. E. K. Jett, had approved five types of radio telegraph transmitters as capable of meeting specifications of the ship radio telegraph safety rules.

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McFARLANE BEATEN IN TEXAS PRIMARY RUN-OFF

Representative W. D. McFarlane (D.), of Texas, arch critic of the Federal Communications Commission in the House, was definitely eliminated from the Texas Congressional contest in a primary run-off this week.

Complete returns from the run-off showed that Ed Gossett, Wichita Falls attorney, had won the nomination by a vote of 29,782 to 27,444. Representative McFarlane had boasted that he was an "Old friend" of President Roosevelt.

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FACSIMILE APPLICATION WITHDRAWN

Station KSD, of St. Louis, operated by the Pulitzer Publishing Company, has been granted withdrawal without prejudice of an application for extension of experimental authority to operate a facsimile station, on 550 kc., 1 KW power, from 1 to 6 A.M.

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DENIES RADIO IS KILLING CIRCUS

Gardner Wilson, of the Al. G. Barnes Circus, writes to Variety, in part, as follows, from Sioux City, Ia.:

"To say that radio and flickers can compete with flesh and right-before-your-eyes amusement seems to be off. And to say this phantom sort of entertainment has hurt the circus is away off. If you could see the reception 'Bring 'Em Back Alive' Frank Buck gets in each city, you'd know you were wrong. There isn't a spot but the radio guy is on the lot begging for Buck on his station. The audience whoops when he comes in. And as for the giant Gargantua, they turn out in droves to see him.

"So don't let those lads who never trouped try to tell you the circus business is over. It's been a hard year for everyone, but I wouldn't be surprised if we'd stay out until late November. And we are not staying out to play to empty houses."

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GERMANY EXHIBITS TELEVISION IN COLOR

Color television was demonstrated for the first time in Germany at this year's Radio Exhibition, the Berlin correspondent of World-Radio reports. Pictures were shown on a cathode-ray tube screen with 180-line definition. Films were transmitted using a two-color system. Red and green were clear colors, but faces of girls wearing bathing suits were not recognizable. It is generally considered that for a first effort these color pictures show that television in natural colors is a possibility. Some films in color were made of the Television station's Revue as program material for further color television experiments.

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CHINESE GENERAL GOVERNS VIA RADIO

In North China, Gen. Chiang Kai-shek is believed to be operating the world's first "Government by radio", the Associated Press reports. More than 60 military radio stations are operating in the nominally Japanese-controlled provinces of Hopeh and Shansi, sending and receiving political orders from the head of the Central Chinese government. Through these stations Chiang Kai-shek directs an undercover army of Chinese guerrillas, who farm by day and fight by night.

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BOTH SIDES MUST BE HEARD, SAYS EDITOR

"The Federal Communications Commission is about to begin taking testimony in its investigation of chain broadcasting and monopoly in the broadcasting industry", the Washington Evening Star, which owns WMAL, notes in an editorial this week. "There are many ramifications to the problem, as indicated by the preliminary studies by Commission personnel and by complaints which have been received from time to time.

"But the problem which stands out most from a monopolistic standpoint is what control may be exercised by a single station or even a chain in the dissemination of information on public questions, whether they be local or national. Aside from what the testimony may show at the hearings, the matter has been definitely placed before the regulatory body in the form of complaint that certain organizations or lines of thought have been denied time on the air to exploit their doctrines or their particular side of a question.

"There is the possibility that interests seeking to foster particular projects may own or control stations. They might, if they so pleased, use the stations for the dissemination of propaganda supporting their side and might deny to those who were opposed any time to give their views. There is no way now, under the law or regulations, by which such a use of so powerful a medium could be halted. The law now gives the Commission power only to regulate political broadcasts by regularly constituted candidates for public office.

"Furthermore, the Commission has no power of censorship. If a group of Reds, Fascists, Nazis or any others should get a station and undertake to use it for propaganda, restraint and corrections would be difficult. Neither could the Commission require that such a station give time to others who might propose to broadcast the patriotic side to the same group of listeners. Nor, on the other hand, has it the right to say to a station that it must give time to those fostering such creeds.

"It is one of the most difficult problems which has been presented to the regulatory body, and one that will require considerable study before a decision is reached. But it is believed and hoped that the Commission in its consideration of so important a problem as the possibility of choking off public opinion will find a means of assuring a full discussion from all angles and at the same time rule out propaganda and discussions that have for their purpose the upsetting of the United States system."

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8/30/38

HARBORD TO DISCUSS FAR EASTERN SITUATION

Two additional broadcasts giving first hand information on the situation in the Pacific and the Orient by Maj. Gen. James G. Harbord, Chairman of the Board of RCA, to be heard from 8:30 to 8:45 P.M., EST, over the NBC-Blue Network on September 6 and 13, have been scheduled by the National Broadcasting Company. Originally General Harbord was to make but one broadcast on Tuesday, August 30, on "Some Observations Around the Pacific".

In his two added talks, General Harbord will deal specifically with conditions in the Philippine Islands and in Manchukuo, both of which he visited during a tour of the Pacific from which he returned recently. During his visit, which was extended as far south as Australia, he refreshed a thorough knowledge of problems in the East which he gained during his twelve years' service with the United States Army in the Philippines.

His September 6 talk will be devoted entirely to economic and political conditions in the islands. While there he was the guest of President Manuel Quezon at Malacanan Palace, and aboard his yacht and special trains during an extended tour of inspection. One subject which he looked into closely was the growing feeling of apprehension in the Philippines at the prospect of independence in view of the turmoil in the Far East. He also will deal with the strides which have been made agriculturally and in industry to improve living conditions in the islands.

His September 13 broadcast will deal with Manchukuo and Japan. Besides describing the intense activity to enlarge the industrial and raw material output of Manchukuo, he will discuss the political situation. While there he was near the scene of the recent fighting between Japanese and Russian troops. Included will be a resume of how the present undeclared war between Japan and China has affected the daily lives of the Japanese people.

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WOR OFFICIALS TO ADDRESS SCHOOL ON RADIO

Characterized as the first university course on record to offer a comprehensive survey of the entire broadcasting industry, the evening session of the City College of New York will inaugurate this Fall a class in "Radio Broadcasting, Theory and Practice".

8/30/38

Four members of the WOR-Mutual organization will serve as guest lecturers along with other prominent radio figures representing the major networks when the classes begin on September 28th.

Representing WOR-Mutual will be Julius Seebach, Program Director; George W. Johnstone, Director of Public Relations and Special Features; John S. Hayes, Assistant Production Manager and Bert Greene, Secretary to Alfred J. McCosker, President of WOR and Chairman of the Board of the Mutual Broadcasting System.

The course, conducted by Dr. Seymour N. Siegal, is designed as a practical training ground to prepare young men and women for constructive work in the radio broadcasting industry. Each of the nineteen scheduled guest lecturers is a thorough expert in his branch of the field, and all necessary steps in radio program building, production, publicizing and presentation are to be outlined and analyzed, including technical operation as well as audience reaction.

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