

HEINL RADIO BUSINESS LETTER

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December 31, 1938

NEW CONGRESS SEEN TAKING KEEN INTEREST IN RADIO

An over-hauling of the Communications Act and a thorough investigation of the Federal Communications Commission and the radio industry appear likely during the 76th Congress, which convenes on January 3.

While it is too early to determine what support such proposals will have either in the House or the Senate, radio and the FCC seem sure to stir up considerable debate.

That President Roosevelt has decided not to give the right-of-way to Thomas G. Corcoran and others who have been studying FCC reorganization was indicated last week in announcement that the Chief Executive has warned department heads to leave the job of drafting legislation to Congress.

This statement, it is believed, will definitely forestall any definite Administration plan for an FCC shake-up. However, it will not prevent any "suggestions" for reform or any "inspired" bills from congressional friends of the New Deal.

The first probe into FCC activities, including the "purge" directed by Chairman Frank R. McNinch, will be conducted behind closed doors early next month.

Members of the House sub-committee that handles the FCC budget plan to put several of the commissioners on the grill, it was learned, and to lay the groundwork for further inquiry by Congress.

This sub-committee is headed by Representative Woodrum (Democrat), of Virginia, a friend of the Administration, however, and includes Representative Wigglesworth (Republican), of Massachusetts, arch-critic of the FCC in the past.

Senator Wheeler (Democrat), of Montana, chairman of the powerful Senate Interstate Commerce Committee, which handles radio legislation, has already indicated his dissatisfaction with certain aspects of the radio industry.

A resolution demanding a broad investigation of radio will be reintroduced by Senator White (Republican), of Maine, best informed member of either house on radio matters.

Because of the unpopularity of the word "purge" in congressional circles the McNinch "house cleaning" is apt to come in for close scrutiny and some debate.

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Censorship, whether by the FCC or broadcasters, is expected to be more clearly defined before the session ends because of the confusion that has been apparent in recent months. Whether this will take the form of an amendment to the Communications Act or not is conjectural at this time.

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WHEELER RAPS NAB STATEMENT; COLUMNIST TO DEFENSE

Broadcasters were a bit alarmed and somewhat confused this week by a sharp attack from Senator Wheeler (Democrat), of Montana, on an earlier statement by Neville Miller, president of the National Association of Broadcasters, on freedom of speech over the air.

Miller had said in a formal statement, interpreted as upholding Station WMCA, New York, in barring the Rev. Charles E. Coughlin from the station's air waves, that the radio industry could not tolerate "abuse" of freedom of speech over the air.

"Who is Mr. Miller that he should set himself up to say when free speech should be denied to any citizen of the United States?" the Senator asked.

"What special knowledge does he possess that he can judge when I or any one else abuses free speech?"

"In times of hysteria which sweeps this country there are always those superpatriots who believe they are destined to regulate the actions and the speech of their fellowmen."

In an interview, Senator Wheeler declared he did not agree with the political views of Father Charles E. Coughlin, for example, but said that "if Father Coughlin is intolerant, any radio station that would prevent him from speaking because it disagreed with him would be equally intolerant."

Mr. Miller had declared that broadcasts "inciting racial and religious hatred" were an "evil not to be tolerated." The Association of Broadcasters said Mr. Miller made his statement "in response to inquiries from member stations concerning the broadcasting of controversial radio talks by religious leaders."

The responsibility to accept or reject material prepared for the radio lies "on the shoulders of the American broadcaster," Mr. Miller said, "and it is up to him to evaluate what is and what is not in the public interest."

Senator Wheeler contended that opposition to continuation of Father Coughlin's broadcasts was a manifestation of "hysteria which, unless it is checked, is very apt to lead us into war with Germany or some other totalitarian power."

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The Montanan asserted also that "high public authorities should not seek to inflame the public mind or create hysteria," but that they could not be denied the right to express their views.

Striding restlessly about his office, he added, "But whatever any politician may think, this country is in no mood for war."

He suggested that if broadcasters were to take the responsibility for preventing abuses of freedom of speech, some groups might want to prevent Secretary of the Interior Ickes from "constantly making remarks about foreign affairs and attempting to stir the country up to the breaking point of diplomatic relations."

It wasn't a question of agreeing or disagreeing with a speaker's views, Senator Wheeler said, but "if a radio station can censor in one particular, it can do so in all particulars."

David Lawrence, newspaper commentator, a few days later in his copyrighted column asserted that both Senator Wheeler and Miller were right in their views of radio censorship.

"Both Senator Wheeler and Neville Miller, head of the National Association of Broadcasters, are right--that is, each is talking about different aspects of the same problem when they discuss the latest controversy over censorship of radio stations which permit speeches inciting racial or religious hatreds", he wrote.

"The Montana Senator doesn't want anybody to set himself up as a censor for any group of radio stations, and Mr. Miller would be the last, no doubt, to essay such a role.

"What the National Association of Broadcasters did in its recent meeting was to discuss ways and means of avoiding speeches that incite religious and racial hatred. Associations of editors often discuss what they think is good or bad for newspapers. They have at times discussed whether crime news is a help or hindrance to social progress. They have discussed what to do about news of commercial sports and the like.

"So now, when the trade association of broadcasters takes up what to do about speeches that promote religious or racial hatreds, it doesn't mean that radio has imposed a legal censorship. It means that each and every radio station may do as it pleases, but that customs will arise among radio stations, just as they do among newspapers, to avoid issues that tend to involve them in unnecessary controversies and sometimes in litigation."

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LARGEST LOUD SPEAKER PLANNED FOR WORLD'S FAIR

The Radio Corporation of America is building "one of the largest loudspeakers ever constructed" at the New York World's Fair--using the Perisphere as the horn of the instrument, according to the New York Times.

The huge speaker, which will be used to provide music at the Theme Center of the fair, is but one of the many powerful sound distribution and reproducing systems being supplied by the corporation for the exhibition grounds.

According to announced plans, a battery of thirty-six high and low frequency sound reproducers will be installed in a large concrete chamber below ground level at the base of the Perisphere, which with the 700-foot Trylon has become the symbol of the exhibit.

This chamber, which is entirely concealed from view, will couple the reproducers to the horn created by the Perisphere and the surrounding ground surface, forming a horizontal 360-degree circular speaker. The massive unit is being designed to cover the audible range of sound from 20 to 10,000 cycles. It will reproduce sounds so low that in the lower register "they will be felt rather than heard," according to the announcement.

According to Alexander Fisher, president of RCA's New York sound-distributing division, "no comparable unit has ever been built before because a large sphere has never before been available."

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1938 GROSS INCOME OF NBC \$38,432,170

The gross income of the National Broadcasting Company for 1938 was estimated this week by Mark Woods, vice president and treasurer, at \$38,432,170.87, a 6.1 percent increase over the previous twelve-month period.

This figure represents the official gross income of the company. The yearly billing figures, however, represent gross client expenditures before deduction of discounts. In arriving at the gross income figure, discounts as well as company revenue from sources other than time sales are taken into account.

For purposes of comparison, the eleven-months cumulative total of gross billings for 1938 was \$37,575,607.00 a rise over the same period last year of 7.3 percent.

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WJSV and KSTP GET 50 KW. EACH ON 1460 KC.

The highest power allowed broadcasting stations under commercial licenses was granted two stations late last week by the Federal Communications Commission. The stations - WJSV, of Washington, and KSTP, of St. Paul, Minn., -- both operate on 1460 kc.

The FCC pointed out in its grounds for decision that the increase in power will diminish if not eradicate the mutual interference between the two stations. KSTP has been using 25 kw. daytime and 10 kw. at night, while WJSV operates on 10 kw. at all hours.

The decision, forecast several weeks ago, completely changes the location of Station WJSV, which began as a Virginia outlet. Its new transmitter will be built in Montgomery County, Md., although the studio will remain in the National Capital.

The FCC action gives Washington its first high-power radio station. There are 35 stations with 50,000 watts power in the country.

Harry C. Butcher, vice president of the Columbia Broadcasting System, which operates WJSV, stated that the cost of the station changes will amount to \$270,000. Construction of the new transmitter will start when authorization of the new order becomes final, according to A. D. Willard, jr., WJSV manager.

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FLAMM SEES NEW RADIO "EDITORIAL POLICY" IN 1939

The New Year will find radio one step closer to the "free expression of an editorial policy based upon democratic ideals", according to Donald Flamm, president of WMCA, New York, who recently established a precedent by cutting the Rev. Charles E. Coughlin off the air for alleged anti-Semitic utterances.

"During the early part of last year, radio was shying away from 'stunt' broadcasts in favor of programs appealing to the public desire for education and information", he said.

"That was the beginning of a social consciousness heretofore unknown in radio. As the year went on, this growing responsibility of management placed additional problems before broadcasters in the airing of programs which were controversial in nature.

"The year 1939 will find these problems increased as radio management seeks a policy for their expression consistent with public welfare. In this connection there will probably be some definite position taken regarding the differences between fact and opinion. There can be disagreement on opinion; as a

matter of fact, a healthy democracy thrives on such disagreement. But there can be no disagreement about the facts upon which the opinion is based. Radio will, in its evolutionary stage, discover that it has a moral obligation to its audience to prevent distorted or untrue facts from being broadcast.

"The usual disclaimer of responsibility broadcast before and after any controversial subject does not eliminate the moral responsibility of the station to insure accuracy of fact. Such a disclaimer is useless because any injury to public thinking which misrepresented or distorted information may inflict, is already accomplished once the broadcast is permitted without benefit of refutation.

"Obviously, radio is emerging into that realm of public education where it must dedicate its powers to the preservation of democracy. In line with this thought, it will eventually adopt a fearless editorial policy which by virtue of its pronouncement will stand as refutation for any distortions of fact or misleading propaganda. But here enters the question of liability, a question still unsolved in the legislation of the country."

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NEW RULES FOR RADIO OPERATORS ADOPTED

Adoption of a revised set of rules governing all classes of commercial radio operator licenses was announced this week by the Federal Communications Commission. The new rules, which apply to 40,000 operators of ship, broadcast, police, aviation, special emergency, point-to-point, forestry and other stations, except amateur, are a composite of the original proposals and the evidence produced at the informal hearings held before the Chief Engineer of the Commission during the summer. These hearings were attended by representatives of practically all branches of radio communication.

Of particular importance to the operators is the deletion under the new rules of the former proposal concerning the applicant's mental, moral and physical qualifications.

Other features of the new rules are the adoption of the previous proposal of the Committee which set 21 years as the minimum age for first class radio telegraph operator licenses. Provision is also made for the renewal of operator licenses on the basis of employment, credit being given for service obtained as an operator in lieu of taking the examination for renewal of license.

The new rules change the title of radiotelegraph and radiotelephone third class operator licenses to restricted radiotelegraph and radiotelephone operator permits. This change was necessary because certain misinformed employers acted on the assumption that the license issued by the Commission, regardless

of class, technically qualified the holder to make adjustments on the transmitter, whereas the examination for the former third class radiotelephone operator required no technical knowledge of this kind. The commercial operators also expressed resentment at the recognition of non-technical licenses in the same general category as licenses representing highly skilled technicians.

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HOUSE WIRED FOR SOUND; NO BROADCASTS YET

The House of Representatives has been wired for sound, it was disclosed this week as members began assembly for the 76th session. Periodic broadcasts from the chamber, however, are not planned immediately, it was said.

Workmen have put the finishing touches to a public address system described by David Lynn, Capitol architect, as the "most up-to-date in existence."

Two previous attempts have been made to so equip the House but were abandoned because, Representative Cannon (Democrat), of Missouri explained, many members got the impression they were to be used to broadcast proceedings of the House to the Nation. Leaders feared most of the 435 House members would want to make a speech every day.

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WALKER DISSENTS AS FCC REJECTS SEATTLE REQUEST

Holding that a municipality should be given preferential treatment, Commissioner Paul Walker last week filed a dissenting report after the Federal Communications Commission rejected an application of the City of Seattle, Washington, for a construction permit to build and operate a coast harbor radio telephone station.

Answering each of the Commission's grounds for decisions, Commissioner Walker challenged the FCC contention that to grant the application would be inconsistent with its own policy and regulations.

"I feel that where there is conflict with the policy of giving cooperation with and effectiveness to the administration of the duties of public bodies", he said, "this commission should find a basis for reconciliation of the two."

Commissioner Walker pointed out that shipping is one of the major industries of Seattle.

"I feel that this case merits careful consideration from a point of view not mentioned in the statement of facts, grounds for decision, and order, which is that the applicant is a municipality, representing a community or public as distinguished from a commercial interest," he stated.

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COPENHAGEN SEES TELEVISION DEMONSTRATION

Two television trucks from the Philips Company of the Netherlands have spent ten days in Copenhagen demonstrating the latest developments in television, according to the U. S. trade attache. The trucks are equipped with 2 ultra-short wave senders for pictures and sound respectively. They also carry two antenna masts as well as amplifiers; control apparatus, etc., and equipment for broadcasting sound films by television. The public followed the broadcasts with the aid of three television receiving apparatus which projected the pictures on a dull glass screen measuring 50 cm. by 40 cm. Broadcasts are made on wave lengths of 6.7 and 7.2 meters. Politiken, a Copenhagen newspaper, sponsored the exhibition.

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CROSLY TO ERECT EXHIBIT AT NEW YORK FAIR

Crosley Corporation of Cincinnati signed a contract this week for three-quarters of an acre of space on the grounds of the New York World's Fair.

According to Powel Crosley Jr., corporation president, who participated in the contract-signing ceremony at the fair grounds, an exhibit hall and broadcasting studio will be erected.

The broadcasting studio will be used by Station WLW of Cincinnati to present direct broadcasts from the fair to most of the Middle West. WLW is owned by the Crosley Corporation.

Mr. Crosley said plans for the construction of the hall and studio were nearing completion and that construction would get under way within two weeks.

Grover A. Whalen, fair president, expressed his pleasure at having the Crosley Corporation as an exhibitor. He said he was particularly pleased with the company's broadcasting plans.

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JAPANESE DEVELOP STATIC-FREE TELETYPE

A wireless teletype has been discovered which overcomes static and will transmit one Japanese letter in eight segments at a speed of about three 1,000th of a second, as well as a 5,000-letter per second telegraph receiver, which may be of some military value, both developed by communications engineers, according to the Japan Advertiser.

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WORLD-WIDE S-W RECEPTION SEEN BY 1950

World-wide short-wave reception for all listeners will be an accomplished fact by 1950 in the opinion of F. W. Ogilvie, director general of the British Broadcasting Corporation.

"Short-wave and ultra short-wave broadcasting is only beginning" he told the British Radio Manufacturers Association recently. "But in view of the astonishing progress which has been made in this field in the last two or three years, would it be rash to suggest that before this century has passed its half-way mark short-wave reception from one side of the world to the other may become as generally accessible to the ordinary listener as medium-wave reception is at home today?"

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RUMANIA IMPOSES "SUBSCRIPTION" TAXES ON RADIOS

On January 1, 1939, owners of radio receiving sets in Rumania will be assessed "subscription" taxes by the Rumanian Radio Broadcasting Company, according to a new tariff drawn up by the Ministry of the Interior.

Annual subscriptions vary from 360 lei for crystal sets to 780 lei for residential tube sets. Higher rates are prescribed for public places and lower rates for peasants. The tariff also provides extra charges for supplementary outlets from the same radio and annual subscription fees for radio companies selling through traveling representatives, radio stores and repair shops. The stores and repair shops are in 3 categories: those in municipalities, those in urban centers and those in rural communities.

The only exemptions provided are for sets belonging to blind persons, certain charitable institutions and the rest houses of the Tourist Offices.

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ITALY ESTABLISHES RADIO UNIVERSITY

A radio university has been started by the Italian Ministry for Popular Culture, in conjunction with the Ministry of Education and Relations abroad, according to World-Radio. Its main purpose will be to assist listeners to study Italian, and, after an elementary course of instruction, there will be lectures on Italian literature and culture generally.

The radio university courses will coincide with the academic year, at the end of which there will be examinations for foreign listeners who have been taking the course. The prizes offered include a free trip to Italy for students gaining the highest marks.

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 :: TRADE NOTES ::
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The nation's first aluminum concentric transmission cable, an innovation in radio engineering, is now being installed at the transmitter of Station WTAM, Cleveland, according to an announcement by the National Broadcasting Company. The new cable will complete a \$50,000 improvement program begun at the station last year, which also includes the building of a 470-foot antenna of the vertical radiator type. The conductor, regarded as a noteworthy improvement over wire lines suspended by poles, limits power radiation to the antenna itself, and eliminates the spurious radiation of harmonics from the transmission line before the radio signal reaches the antenna. Energy loss due to heat generation also has been reduced to a minimum.

Mrs. Helen S. Mark, widow of Leroy Mark, president of the American Broadcasting Company, operator of station WOL, Washington, who died recently, has been named to succeed him as head of the company in a general reorganization of the executive officers. Others named are William B. Dolph, executive vice president and general manager; W. L. Shaffer, treasurer, and A. J. Jett, secretary.

J. J. Devine & Associates, newspaper special representatives, announced this week that it would discontinue its radio station representation division at the end of December and would thereafter represent only newspapers. J. J. Devine, president of the firm, stated that increasing competition between radio and newspapers made it impractical for a sales organization to represent both. Mr. Devine said the majority of the 21 stations he had represented were newspaper-owned and after Jan. 1 would be represented by Burn-Smith Company, Inc., New York.

H. E. LeRoy, formerly executive assistant to the vice president in charge of engineering and research of the R.C.A. Manufacturing Company's engineering and research division, has been appointed manager of the company's reorganized special apparatus manufacturing division, G. K. Throckmorton, president announced yesterday. A. L. Pipper, formerly manager of the standardization department, takes Mr. LeRoy's place and H. C. Shepard, formerly a member of the standardization department, takes Mr. Pipper's post.

Eleven food accounts, four petroleum accounts, four drug accounts and two tobacco accounts are among the 22 which have been renewed with the National Broadcasting Company since December 1. All take effect during the last week in December or the first week in January.

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I. T. & T. ASSOCIATE GETS DANISH CONTRACT

Standard Electric Aktieselskab, associated company of the International Telephone and Telegraph Corporation in Denmark, reports that it received from the Danish authorities, the order to supply all studio equipment for the new Broadcasting House to be erected in Copenhagen. This will be one of the largest radio centres in Europe. Among its features will be a concert hall to accommodate 100 musicians, and a grouped system of studios for putting together dramatic productions so that the various components of a play may be segregated for finer volume and quality control but handled visually by a common directing staff.

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LITTLEPAGES FORM LAW PARTNERSHIP

Thomas P. Littlepage, Sr., and John M. Littlepage, who handle considerable radio litigation, announced this week the formation of a partnership as of January 1.

Joining them in the partnership are William A. Porter, Thomas P. Littlepage, Jr., and A. Rea Williams. The firm name will be Littlepage, Littlepage, Porter, Littlepage & Williams, with offices in the Bowen Building, 815 Fifteenth Street, Washington.

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The FCC this week revoked a previous order revoking the amateur station license of Theodore V. Fabian, of Pittsburgh, on the ground that the defendant in a case involving violation of Sections 301 and 310 of the Communications Act had pleaded nolo contendere instead of guilty.

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A construction permit for a new broadcasting station at Williamson, W. Va., to operate on 1370 kc. with 100 watts daytime was granted this week by the FCC.

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DUE TO THE NEW YEAR HOLIDAYS, THERE WILL BE NO RELEASE OF THIS SERVICE ON TUESDAY, JANUARY 3rd.

R. D. HEINL.