

# HEINL RADIO BUSINESS LETTER

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No. 1095

## McNINCH, WHEELER CONFER; BILL IS HELD UP

Chairman Frank R. McNinch, of the Federal Communications Commission, and Senator Burton K. Wheeler, Chairman of the Interstate Commerce Committee, conferred again Friday on the proposed reorganization of the Federal Communications Commission but did not make public the draft of the measure which is scheduled to abolish the seven-man agency.

Meanwhile, it appeared likely that the nomination of Commissioner Norman S. Case for another seven-year term on the FCC will be favorably reported while the Senate is in recess over the week-end. Due to the fact that Commissioner Case's term will last only until the reorganization is effected, Senator Wheeler abandoned the idea of holding an executive hearing on the nominee.

While details of the reorganization bill were still held secret, persons close to Senator Wheeler said that while he is willing to go along with Mr. McNinch and President Roosevelt in reducing the size of the Commission, he will insist that it remain an independent agency.

Any effort to place the Commission under the Commerce Department, as originally suggested in the Administration's governmental reorganization report, will be blocked before it begins, Senator Wheeler is said to have told Mr. McNinch.

The Montana Senator has said that he will confer with Senator White (R.), of Maine, before introducing the bill, but it is expected that the measure will be offered to the Senate sometime next week.

Whether public hearings will then be held is still uncertain, but some members of the Interstate Commerce Committee are known to be prepared to demand a full inquiry before approving the measure, regardless of the promise of more adequate hearings in connection with the adoption of definite policies for the Commission.

The report also was current this week that a report on the application of the Communications Act and recommendations as to its amendment is being prepared under the direction of the Corcoran-Cohen group of presidential advisors and will be submitted to Congress before it tackles the policy questions.

Despite official denials, Thomas G. Corcoran, who this week went to Baltimore for a major operation, is known to have had a leading hand in persuading the President that the reorgani-

zation is necessary, and it is believed that he has directed the writing of the measure now supposedly being prepared by Chairman McNinch and the FCC.

The House Rules Committee, meanwhile, is marking time and has shown no indication that it will take up the Wigglesworth and Connery resolutions calling for a thorough investigation of the Communications Commission and the radio industry in the immediate future.

The dissatisfaction with the FCC, however, is due to be aired next week when the House Appropriations Committee reports the Independent Offices Supply Bill, carrying the FCC budget. The report is expected to be made public on Monday.

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### COURT UPHOLDS LIBEL VERDICT IN JOLSON CASE

A new instance of the danger of unintentional libel that constantly threatens radio broadcasting stations alarmed the industry this week.

A Pittsburgh court held the National Broadcasting Company libel for \$15,000 damages for a "gag line" inserted in a radio interview by Al Jolson. The court upheld a jury verdict awarding damages to the Summit Hotel of Uniontown, Pa. on a slander charge.

The opinion, returned by Judges W. Heber Dithrich, John J. Kennedy and Thomas Crichton of Tioga County, held the radio corporation responsible for Mr. Jolson's alleged slanderous remark. The utterance took place more than three years ago, during an interview with Sam Parks, then national open golf champion and professional at the hotel.

"That's a rotten hotel", Mr. Jolson is alleged to have said during the interview. The remark, the hotel management asserted, cost them thousands of dollars in business.

The broadcasting company argued that it was not responsible, since it had not employed Mr. Jolson and the reported phrase was not in his script.

The hotel originally sought \$100,000, but received \$15,000 in a verdict last October. Mr. Jolson was not named in the suit.

The case is believed to be the first of its kind and the courts interpretation, it is held, put radio corporations under the same libel responsibilities as newspaper publishers.

Judge Dithrich said in his decision: "This opinion makes the radio company's position analogous to that of the publisher of a newspaper. In other words, the company is responsible for what is broadcast."

The liability, he said, applies both to programs for which the broadcasting company engages entertainers and to commercial broadcasts.

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## NAB PROTESTS ACCORD BETWEEN UNION AND NETS

The National Association of Broadcasters made an unsuccessful effort to hold up the signing of a contract between the American Federation of Radio Artists and advertising agencies this week as a threatened strike of radio actors and announcers was halted.

The dispute between the radio actors' union and the advertising agencies, which has been under negotiation for several weeks, was ended with the signing of a two-year agreement, according to an announcement in New York.

Neville Miller, President of the NAB, attending a District meeting of the Association in Mineral Wells, Texas, sent the following telegram in behalf of the broadcasting industry to officials of the National Broadcasting Company, Columbia Broadcasting System and John Benson, President of the American Association of Advertising Agencies, in New York City:

"Have been informed that Columbia Broadcasting System and National Broadcasting Company contemplate signing contract with American Federation of Radio Artists this (Feb. 2) afternoon. Urge you to consider carefully present and possible future effect your action on affiliates, and that matter be discussed with affiliates before contract is signed. Executive Committee of National Association of Broadcasters will meet February 9th, and stands ready to assist in any way possible."

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## GERMAN LAW ON INTERFERENCE STUDIED

A committee of the Akademie fuer deutsches Recht is drafting a new German radio law, according to the U. S. Bureau of Foreign and Domestic Commerce.

It is reported that protection against interferences will be an important factor in this legislation. Up to now radio interference has been regulated by special decree and steps have been taken in many cases to eliminate it. For example in most cities the contact rods on street cars were reconstructed to avoid disturbances to radio reception. Radio interference is in most cases caused by electrical installations. Early legislation is expected to set a date after which only interference-proof electrical equipment may be marketed.

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## NEW ZENITH CIRCUIT MINIMIZES STATIC

Zenith Radio Corporation engineers, according to Commander E. F. McDonald, Jr., President, have developed a new radio circuit specially designed for reception by means of an inbuilt wavemagnet device surrounded by an electrostatic shield for which are claimed extraordinary powers of static elimination. The development is the result of intensive experiments in the elimination of undesirable electrical interferences, commonly classed as "static" for want of a better name, begun in the Zenith Chicago laboratories over a year ago.

The wavemagnet acts as an aerial and obsoletes the use of outside aeriels and ground connections. No batteries are used. While the new development is practically non-directional in relation to signal strength, it is highly directional in relation to man-made static reception, making it possible to cut static through a slight turn of the receiver while the signal remains unaffected.

The first practical application of the new principle will be in small models, of which one design is already on the market.

The electrostatic shield built around the wavemagnet is an ingeniously woven wire mesh, so constructed that the shield does not in any way affect signal pick-up, yet almost totally eliminates the possibility of noise getting through. The principle, though greatly refined and modernized was first used by Michael Faraday, famous English physicist and chemist in about the year 1841.

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## NEWSPAPER CHAIN STARTS REGULAR FACSIMILE NET

Inauguration of "the world's first facsimile network" was announced this week in Sacramento by Guy C. Hamilton, General Manager of the McClatchy newspapers, with 100 experimental receiving sets operating in Sacramento and Fresno.

Mr. Hamilton said an eight-page newspaper, containing wire news, comics, features and other material, will be broadcast seven nights a week from midnight to 6 A.M.

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## FCC CITES RADIO'S ROLE IN "CAVALIER" RESCUE

The part which radio played in the rescue of the ten persons saved from the British Seaplane CAVALIER when it sank with the loss of three lives in the Atlantic Ocean on January 21st, was cited in a report by the Federal Communications Commission this week. The report also contained excerpts from a hitherto unpublished statement of a hero of the disaster, H.W.P. Chapman, radio operator aboard the Aircraft CAVALIER.

While radio plays a daily role in the safety of life at sea and in the air, the rescue work in the CAVALIER disaster was of outstanding significance in that it proved the value of auto alarms which the Commission in 1937 ordered placed on all cargo vessels over 1600 gross tons, navigating the ocean. It was this auto alarm, sounding off like a fire gong, which attracted the attention of A. R. Hamilton, radio operator aboard the S.S. ESSO BAYTON, and thus set in motion the events which led to this ship's rescue of the ten survivors. Mr. Hamilton, the only operator on the vessel, was not on watch and was busy elsewhere on the ship at the time the alarm bell responded to the international auto alarm signal transmitted by a powerful coastal station on Long Island.

The auto alarm consists of a radio receiver, selector mechanism, and two sets of bells, one of which is located in the operator's sleeping quarters and one on the bridge; and when actuated by the auto alarm signal summons the operator to the radio room in time to intercept a distress message. The CAVALIER had maintained constant contact with the Pan American Airways radio station at Port Washington, Long Island. When two motors on the big four-motored seaplane cut out, Captain Alderson ordered Radio Operator Harry Chapman to send out the signal PAN, which is the international emergency signal for aircraft. Immediately after this the other two motors quit and Mr. Chapman radioed an SOS giving his position. Both of these messages were picked up by the Pan American Airways station at Port Washington (WAQI) and this station immediately notified the coastal stations in the New York area, which at once broadcast the auto alarm signal, the SOS and the position of the ship. Coastal station, WSL, at Amagansett, Long Island, was the first station to get this information on the air. WSL immediately cleared the air of all messages and kept it clear until the seaplane was found.

Exactly twelve minutes elapsed from the time Mr. Chapman radioed, "Sinking, Sinking, Sinking", until the auto alarm signal as transmitted by coastal station WSL at Amagansett, Long Island, actuated the auto alarm receiver on the S.S. ESSO BAYTOWN, which had in turn received the message from WAQI, Pan American station.

The need of such protection as a device like the auto alarm signal can give has been recognized since the sinking of the TITANIC in April, 1912. At that time the S.S. CARPATHIA sailed within a few miles of the stricken ship but did not hear the SOS calls because the wireless operator aboard was asleep. It will be recalled that the CARPATHIA picked up the signal the following morning and returned to the scene of the disaster, playing a major part in the rescue work.

## FACSIMILE NOT YET A THREAT, SAYS E. &amp; P.

"Facsimile transmission of news in its present stage bears about the same relationship to practical journalism as the Mayflower does to the Normandie", Editor & Publisher says in its current issue. "The rudiments of great change are there, change that can shake the newspaper business from toe to crown, and whether they will materialize may be determined within the next five years.

"Experiments have been conducted for several years by the St. Louis Post-Dispatch. A practical demonstration of transmission by the Finch apparatus was given by Editor & Publisher to those attending the publishers' conventions last April. Still more recently, several other important newspapers have entered the experimenting field, and publishers have been shown the operation of the RCA machines.

"By any of the systems in use today, it is possible to transmit about three feet per hour of a sheet  $8\frac{1}{2}$  inches wide. Reproduction is faithful and will be improved. There are technical differences in the processes, affecting the range which can be attained either on short wave or standard broadcast bands. The latter, of course, can be used only after the end of the regular sound broadcasting period.

"Receiving apparatus is still too cumbersome and expensive for the wide public distribution that must be attained if this process is to displace the present method of newspaper manufacture. The present speeds are not nearly adequate for the production of a medium of information that could compete with the printed form. The processes, either chemical or mechanical, by which the signals are recorded visibly are still too complex for wide adoption in household use. The physical difficulties of servicing millions of machines presents a problem not yet solved but not insoluble.

"Whether the facsimile process can compete on a cost basis with newspapers at present prices is doubtful. Reception of news by facsimile requires the subscriber to invest in a new machine, which can't combine sturdy operating quality with low cost. It will require a monthly charge for current, probably more than the subscriber now pays for 600 to 700 pages of newsprint per month. It will require a paper supply, which in blank, will probably cost little less than the present delivery of printed papers.

"Not least, the development to success of the facsimile process would entail the scrapping of machinery valued in the billions and the technological unemployment of more than 150,000 skilled printing craftsmen. For these, the electrical process seems to offer no opportunity. That is a tremendous social and economic problem, which, more than any other factor, will affect the future of facsimile and television as a medium of news communication."

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## RCA DEVELOPS UNI-DIRECTIONAL MICROPHONE

A uni-directional microphone achieving new sensitiveness on its "live" side by the use of newly developed and more powerful steel magnets, yet capable of turning a completely deaf ear to unwanted sounds coming from any other quarter, has been developed by engineers of the Radio Corporation of America.

Only about half the size of the uni-directional microphone which it supersedes, the new instrument is designed for use in auditoriums with broadcast or public address systems to eliminate pickup of audience noises or echo. It is also adapted for use in small radio studios where space is at a premium, for it will function normally in a corner or against a wall.

Precision built to new standards of accuracy, it has a frequency range of from 40 to 10,000 cycles, operated at output impedances of either 50 or 250 ohms and is unaffected by temperature or pressure changes. It has an average cancellation from the back, or "dead" side, of minus 14 to minus 20 db., making it deaf to all extraneous sounds.

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## BBC TELEVISION PICKED UP IN N.Y.

Pictures transmitted by the British Broadcasting Corporation's television station at Alexandra Palace, North London, have been picked up by the RCA receiving station at Riverhead, New York, more than three thousand miles away, according to the BBC. The normal service range of the BBC television station is thirty miles.

The program seen by American viewers was "Picture Page" (the magazine feature of the vision programs), the features of Miss Joan Miller, the Canadian actress who plays the part of "the switchboard girl" in the production, being clearly discernible, BBC stated.

"Reception of vision at this distance is possible only under exceptionally favorable conditions", it added. "An illustration of the uncertainty of trans-Atlantic reception on the wavelengths used for television is provided by the fact that on the day when the pictures were seen the accompanying sound was very weak, whereas six days later the sound was heard very well, but no picture could be seen."

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## RADIO NEWS COURSE ADDED BY COLUMBIA

The Columbia University Graduate School of Journalism will introduce radio news writing and broadcasting and news photography into the curriculum next semester to keep abreast of the latest technical developments in journalism, Dean Carl W. Ackerman announced last week.

The radio course will be given by Paul W. White, Director of the Department of Public Affairs of the Columbia Broadcasting System and an alumnus of the school. Professor Herbert Brucker, Assistant Dean, will direct the course in news photography, for which a dark room and laboratory have been set up. Dean Ackerman said that the new courses were the outgrowth of experiments and investigations covering seven years.

"In our estimation", he continued, "the essence of journalism is communication or, more particularly, the transmission and distribution of information and knowledge. We have been receiving radio news broadcasts in our classrooms since 1931. The technical means by which the transmission and distribution of information are achieved, whether by the printing press or by radio, pictures, the screen, television or facsimile, is becoming increasingly important to the journalist. Therefore, our courses of study must be more and more closely related to all the new technical developments in journalism as they come into general use."

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## ITALY BROADCASTS IN 21 LANGUAGES

Twenty-one languages are now spoken daily in transmissions from the Italian stations, according to World-Radio. Broadcasts start at 10:30 A.M., and continue at intervals throughout the day and night until 3 A.M. The majority of these transmissions, organized especially for listeners in foreign countries, are radiated by the Rome short-wave group of 2RO at Prato Smeraldo, Radio Bari, and Trieste.

The languages principally used are English, French, Spanish, and Portuguese (the last for the South American period, which is from 11 P.M. to half-an-hour after midnight, G.M.T.); then come Hungarian, Bulgarian, Greek, Turkish, Japanese, Chinese, Hindustani, Bengali, Serbian, Danish, Swedish, German, Roumanian, Russian, and, of course, Italian. Trieste station broadcasts talks and announces musical programs in Serbian, Roumanian, Bulgarian, and German, while Bari transmits in Arabic, Greek, Turkish, and also in English and French. The Rome new 100 KW station, and the two supplementary 50 KW stations deal with the transmission to the Far East, in Hindustani, Bengali, Chinese, Japanese, as well as with the North American Hour (really an hour and a half) every night from 12:30 to 2 A.M. (G.M.T.). English is the language used for this last program, which is intended for the United States and Canada, although occasionally Italian is spoken for the benefit of Italians in America.

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## CANADA PLANS RADIO FORUM FOR MINORITIES

The difficult task of giving the poor man and the minority political party equal chance with their stronger counterparts to broadcast their views on public questions is to be undertaken by the publicly owned Canadian Broadcasting Commission, according to the Ottawa correspondent of the New York Times.

This assurance was given by the Transport Minister, C. D. Howe, in the course of a debate in the House of Commons over the recent refusal by the C.B.C. of a national hook-up to George McCullagh, proprietor of The Toronto Globe-Mail, who wished to criticize Canada's present political regime, in a series of broadcast addresses. Mr. McCullagh called this ban "a betrayal of the freedom of speech" and "a piece of political intrigue" and has been supported in his stand by former Premier R. B. Bennett and other Conservative leaders.

Mr. Howe explained that the CBC, although a public body, was independent of the Canadian Government.

Last year Prime Minister Mackenzie-King objected to broadcast attacks on Neville Chamberlain's foreign policy, made by George Ferguson, editor of The Winnipeg Free Press, but the C.B.C. refused to cancel the broadcasts.

Newspapers, said the Minister, have not opened their columns to every one who wishes to air his views in them. The C.B.C., like the British and United States broadcasting companies, he went on, did not think networks should be thrown open to persons who wished to express their opinions on public questions merely because they had the money to buy time. It was, however, considering changes in regulations which would give more opportunity to the poor man to use its facilities.

It is reported that the plan in contemplation is a wide extension of public forum programs.

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NBC BILLINGS FOR JANUARY UP 6.3%

Billings of the Red and Blue networks of the National Broadcasting Company totaled \$4,033,900 last month, an increase of 6.3 percent over the \$3,793,516 for January, 1938. The network now has 167 stations, a gain of twenty-five in the year, some of which, however, are "bonus" stations, from which the chain does not derive any revenue.

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::: TRADE NOTES :::

The Maryland Legislature will be asked by the Board of Commissioners of Prince George County to decide if the equipment used by radio stations to convert electric energy into ether waves is manufacturing machinery, if a recommendation by Thomas W. Baxter, Supervisor of Assessments, is followed. The controversy arose over the contention of the National Broadcasting Company that all equipment used at its transmittal station is used in manufacturing and therefore tax exempt. Mr. Baxter contends that such equipment as used by the station does not qualify under the law.

Albert Freefeld, 40 years old, of New York City, a salesman, has been arrested and indicted for grand larceny in probably the first "television swindle" case. Assistant Attorney General Oscar L. Spears said Freefeld was one of two associates of A. Dudley Phelps, securities dealer, charged with swindling three Sullivan County farmers of \$4,285 last Summer by selling them worthless television stocks.

Mayor LaGuardia this week notified Chairman McNinch of the Federal Communications Commisss of New York City's intention to file application for a full-time allotment for the municipal station WNYC, which, he said, was "now at the mercy of commercial stations after dark".

Organization of the Philco Refrigerator Company, a subsidiary of the Philadelphia Storage Battery Company, was announced this week. W. Paul Jones, of Indianapolis, Ind., has been made President of the new company. Philadelphia Storage Battery Company manufactures Philco radios, which are sold by Philco Radio & Television Corporation. Philco Refrigerator Company acquired the manufacturing rights and patents on the Conservador refrigerator from Fairbanks, Morse and Company, and has assumed control of the latter's refrigerator plant.

Roland Burke Hennessy, retired publisher and editor, died Wednesday at his home in Larchmont, N. Y., after a seven-months illness. He was the founder, and until his retirement last year, President, Treasurer and a Director of the Hennessy Radio Publications Corporation, 145 West 45th St., New York City, publisher of the magazine Radio World. His age was 69.

On or before March 15, Station WRBL, Columbus, Ga., will become affiliated with the Columbia Network as a member of the South Central Group. WRBL operates with 100 watts night time power and 250 watts daytime on 1,200 kilocycles.

Effective March 1, Station WBRK, Pittsfield, Mass., will be dropped from the Columbia Network.

Because of unsettled foreign affairs, the Pilot Radio Manufacturing Company, Long Island City, N. Y., which heretofore has done the largest portion of its business abroad, has decided to redesign its line for the American market and to intensify promotional activities in this country. The company will introduce two popular-price portable sets. Metropolitan newspapers and radio news broadcasts will comprise the merchandising and advertising campaign. Austin & Spector Company directs advertising activities.

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WJR, The Good-Will Station, of Detroit, reports for 1938: Netincome \$330,578, equal to \$2.55 each on 129,500 capital shares, against \$514,378, or \$3.96 each on 130,000 shares in 1937.  
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The lengthy name of Batten, Barton, Durstine & Osborn has frequently been the butt of good-humored jokes in the advertising field, the New York Times notes. This week the National Broadcasting Company furnished a new one. In a release sent to newspapers to announce the renewal of the "March of Time" program, NBC casually called the agency, "Batter, Barter, Durstine & Osborne".

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#### ITALY TO SET UP 50 TELEVISION TRANSMITTERS

With only a passing reference to those owning present-day receiving sets, the Italian press in large headlines is proclaiming the early initiation of television transmission in Italy, asserting that the studio of E.I.A.R. is so complete that it is only necessary to give the finishing touches, according to the American Commercial Attache at Rome.

"The press also unhesitatingly states that the equipment for the regular transmission of motion picture films is complete to the last detail. . . 'The entire transmission plant which consists of all equipment that is most up-to-date in the field of television' is actually being tested", the report stated.

"Continuing, the press reports that conservative estimates place the number of Italians who regularly follow the program of E.I.A.R. at 5,000,000. This figure, it is claimed, will be greatly increased when during the coming year the 50 television transmitting stations are installed.

"The press is silent as to the use to which the 50 television transmitting stations will be put and no indication is given as to how the service offered by such stations is to be utilized. Unless the present Italian receiving sets can be so adapted as to bring the new services into the homes of owners of such sets, the proposed 50 transmission stations will operate for a very favored few.

"Inquiry at the leading dealers indicates that unless the unforeseen takes place, television, as the practical result of the present experiments, will not be available to the masses for another 18 months. Transmission will be on a 5 meter band, and it is reported that enthusiasts will have to make an outlay of between 2,500 and 3,000 lire for a set which will enable them to enjoy television. Dealers are neither enthusiastic nor optimistic."

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