

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

## INDEX TO ISSUE OF APRIL 25, 1939

14,000 Television Sets Operating In London.....	2
Radio Press Gallery Set Up In The House.....	3
Britain To Take Over BBC, Paper Reports.....	3
ASCAP Wins Supreme Court Rulings; Black Dissents.....	4
Radio Pages Have Good Following, Fortune Finds.....	4
A.P. Members Urge Sale Of News To Radio.....	5
FCC Counsel Challenges Court's Authority.....	6
Columbia Adds Course In News Broadcasting.....	7
RCA Tells What Television Means To Nation.....	8
NEC To Transcribe Voices Of F.D.R. And Others.....	9
Trade Notes.....	10
Future For Youth In Television, Says Shouse.....	11
CBS Not To Purchase World Broadcasting System.....	11
CBS To Ask Advice Of Television Audiences By Phone.....	12

No. 1119

April 25, 1939.

## 14,000 TELEVISION SETS OPERATING IN LONDON

Among the first authentic reports on the number of television receivers in use in London is one published in the April issue of "Radio and Electrical Marketing", copies of which have just reached this country.

The periodical reports that more than 14,000 sets have been sold during the three years that the British Broadcasting Corporation has been transmitting television programs to the public. The population of London, according to the World Almanac for 1938, is 8,201,818.

The article surveying the results of the television experiments to date follows:

"The effect of the R.M.A. cooperative television drive has been excellent', said Mr. D. K. Wolfe Murray, B.B.C. Television Public Relations Officer, at the discussion which would up the series of R.M.A. lectures at the Essex Hall, London, W.C.2, on March 23.

"The results have produced an increased demand for television; an immense amount of interest has been stirred up, and television generally has been put on the map far more successfully than it has ever been before.

"We are conservative in our estimate when we say there are at the moment 14,000 sets installed in the service area. That makes a potential audience of 28,000 to 30,000 individuals - which means that we have a pretty large public.'

"Seventy-five per cent of the television questionnaires had been returned. Experts are satisfied with a 33-1/3 per cent return from such questionnaires.

"I think', said Mr. Wolfe Murray, 'it speaks volumes for the interest in television to have a response of 75 per cent.'

"To get down to further effects of the drive', said Mr. Wolfe Murray, 'it seems to me that the results have depended almost entirely on the initial spade work done by the local dealers.

"The men who are pioneering television are the men who are going to reap the trade. Television is a personal business, and there is advertisement in the words of a satisfied client. He is the one who is going to help television purchases, and he is going to obtain your customers for you.'

"In the discussion that followed, many points on all aspects of television, from programs to technicalities, were raised by the dealers present and answered by Messrs. Wolfe Murray, Ryan and Bevan (of the B.B.C.), and H. J. Barton-Chapple."

X X X X X X X X

#### RADIO PRESS GALLERY SET UP IN THE HOUSE

Following the adoption of a resolution reported by the House Rules Committee for the establishment of a radio press gallery in the House, limited quarters were set aside in the public gallery adjacent to the press gallery this week.

The quarters consist of a bench and writing desk. No radio equipment is allowed in the gallery. Limited working quarters are to be furnished later, it was said.

The press gallery itself and the lounge rooms are still limited to newspaper correspondents.

X X X X X X X X

#### BRITAIN TO TAKE OVER BBC, PAPER REPORTS

The British government will take over the British Broadcasting Corporation June 7, the Daily Mail reported last week.

This would mean the BBC would become a government news service and to some extent a propaganda machine under government control. It was understood broadcast news bulletins would be supervised and recruiting appeals would be made for all the military services.

A clause in the BBC charter authorized government seizure "if and whenever in the opinion of the Postmaster General an emergency shall have arisen in which it is expedient for the public service that His Majesty's government shall have control over transmission of messages."

X X X X X X X X

By the end of 1937, the registered radio receiving sets in Belgium totalled more than a million for the first time. As of December, 1937, there were 1,018,108 sets registered or 123 radios for every 1,000 inhabitants. The increase during 1937 was outstanding, amounting to 129,940 or approximately 15 per cent on the total at the end of 1936.

X X X X X X X X

## ASCAP WINS SUPREME COURT RULINGS; BLACK DISSENTS

The American Society of Authors, Composers and Publishers won preliminary litigation skirmishes in the U. S. Supreme Court last week when the majority of the Court upheld their contention in two contests to upset State laws aimed at ASCAP.

Justice Reed delivered the opinions of the Court in ASCAP suits against State officials of Florida and Washington. Justice Black delivered a scathing dissent in the latter case.

ASCAP had sued the State officials in both cases in an effort to enjoin them from enforcement of the laws enacted in 1937 relating to copyright music operations. The State officials had moved to dismiss the petitions on the ground that ASCAP failed to show the \$3,000 jurisdictional amount necessary to give Federal Court jurisdiction.

In the Florida case, the lower court had determined that it had jurisdiction and had granted a preliminary injunction, whereas the lower court in Washington had dismissed the suit on the ground that the jurisdiction amount was not shown.

The Supreme Court affirmed the Florida action and returned the case to the lower court for taking evidence. It reversed the Washington court.

X X X X X X X X X X

## RADIO PAGES HAVE GOOD FOLLOWING, FORTUNE FINDS

Despite the trend for curtailment or elimination of radio pages in newspapers, the public still finds them interesting, Fortune magazine has determined by one of its nation-wide surveys.

In its April issue, Fortune sets forth the results of a questionnaire which asked: "Do you read the columns in the newspapers about the radio stars and programs?"

Thirty-one and seven-tenths percent of those replying answered "yes", 33.5 percent answered "occasionally", while 34.8 percent said "no".

"The answers given to the questions above show that the radio pages have probably a greater following, and a greater influence, than they may be commonly credited with", Fortune comments. "Almost a third of the nation reads them faithfully, and another third sporadically. This is probably nearly as good a batting average as the time-honored institutions of the women's and sport pages, whose appeals are mostly confined to one sex."

X X X X X X X X X



## A.P. MEMBERS URGE SALE OF NEWS TO RADIO

Members of the Associated Press, meeting in New York City this week, adopted a resolution asking the Board of Directors to consider a change in the Press Association regulations to permit the sale of A.P. news to commercial sponsors for radio broadcasting.

Such news already is sold by competing press associations, but the A.P. so far has resisted all proposals of its members to let down the bars.

The resolution reads:

"Whereas, during the past few months a substantial number of State meetings, following a full discussion by members of radio broadcasting, have requested the Board of Directors again to consider the question of the use of Associated Press news in sponsored programs, and

"Whereas, an increasing number of member papers have been compelled to purchase the news of competing agencies for such sponsored programs, and that an impairment of State circuits and loss of membership and territorial representation in the news reports is threatened, therefore

"Be It Resolved, That the Board of Directors be urged to give consideration to the problems presented, and that interested members be afforded a full opportunity to appear before the Board and present such recommendations and suggestions as they may see fit to offer."

The resolution came after authorization of a change in The Associated Press's certificate of incorporation saying that one of its objects was to be the supplying of news not only to members newspapers but to "others entitled to the use thereof".

Television was shown for the first time to the Associated Press Association when the National Broadcasting Company presented a special telecast over Station W2XBS to members gathered at the Waldorf Astoria.

The program, televised in the film and live talent studios at Radio City and picked up in the new offices of the Associated Press at Rockefeller Center, was received on specially installed antennas at the Waldorf Astoria. A battery of new RCA receivers reproduced images and sound for more than 300 editors and publishers in the foyer of the Grand Ballroom.

The NBC mobile television unit, the only one of its kind in the United States, enabled cameramen to show the operations of the Associated Press news room. A story was followed as it came over A.P. wires from Europe, over the various desks to teletype machines that dispatched it to member newspapers throughout

the country. The television tour also included the sending of a wire photo and ended with a view of a teletype sending out the story of the television demonstration. Onlookers at the Waldorf Astoria were given a complementary word picture by announcer George Hicks.

X X X X X X X X

### FCC COUNSEL CHALLENGES COURT'S AUTHORITY

The United States Court of Appeals of the District of Columbia is usurping the functions of the administrative branch of the Government, the Federal Communications Commission charged Saturday in a petition for a rehearing on its decision in the case of the Pottsville Broadcasting Company.

In remanding the case to the Commission for reconsideration, the Court, it was said, in effect prohibited the Commission from considering any further evidence than that already in the record. In so doing William J. Dempsey, General Counsel, contended in his plea for a rehearing, the Court was telling the Commission how to administer its affairs, which, he held was outside of the jurisdiction of the Court.

Furthermore, it was indicated that in the event the Court insists on its original decision, the Commission will take the matter to the United States Supreme Court for a decision. As a matter of fact, it requests the Court, in the event it denies the Commission's petition, to enter judgment and stay the execution pending application to the highest court for a writ of certiorari.

Since the original decision in the Pottsville case another station in the same place filed an application for a construction permit, and the Commission is ready to make decision but held it up pending the Court's decision in the current case. The Court, however, according to Commission counsel, held that the applications of the two stations could not be considered on a comparative basis but that the future action of the Commission in the Pottsville case must be confined to the record of the Commission's original proceedings.

The Commission said that it did not believe that the Court's decision of April 3 last gave due weight to primary responsibility of the Commission under the Communications Act of 1934 to execute the statute in the interests of the public and will necessarily lead to results which subordinate the interests of the public to private interests of particular applications before the Commission. The Commission added that it felt constrained to file the petition because it believed that the Court has invaded a field which the Supreme Court of the United States has held is not the province of the District Court of Appeals.

It is the contention of Commission counsel that when the local court decides a case on appeal from the Communications Commission the proceeding is terminated, and although the Commission is required to respect and follow the Court's judgment in the exercise of its administrative functions, the Commission still has the same duties to perform under the statute as it had prior to the time an appeal is taken. Obviously, it was pointed out, the Court cannot be invested with the judicial power of the United States and also be authorized to exercise the executive power of the United States since the exercise of both executive and judicial power of the United States cannot under the Constitution be lodged in the hands of a single person or agency.

The Court is told that it is not a Commission or a superior executive agency, and the Commission is not a Court. In fact, it was added, the power of the local court over the Commissioners is, if anything, less than its power over other parties before it because it cannot compel the Commissioners to act in their official capacity as members of the executive department or Government in any way which would be tantamount to the Court exercising an executive power.

It is logical inference from the decision of the Court early this month, the Commission said, that the Commission may at all times be controlled by the Court in the performance of the Commission's functions under the Communications Act of 1934 to the same extent as an Appellate Federal Court may control the performance of a lower court of its judicial functions. The procedure to be followed by the Commission in arriving at its determination in a case was not and is not subject to court control, either before or after the appeal, it was asserted, adding that it is still an administrative and not a judicial function.

X X X X X X X X

#### COLUMBIA ADDS COURSE IN NEWS BROADCASTING

Reflecting expansion of the field of journalism to include public opinion research and radio news broadcasting, the Graduate School of Journalism of Columbia University has made two new faculty appointments for the academic year 1939-40 with the approval of the University Trustees, it was announced last week by Dean Carl W. Ackerman.

Elmo Roper, head of the firm which does the research work for the Fortune public opinion survey, was named Assistant Professor in Charge of Research Projects. Paul W. White, Director of the Department of Public Affairs of Columbia Broadcasting System, who becomes Assistant Professor, will give a course in newsbroadcasting.

X X X X X X X X



## RCA TELLS WHAT TELEVISION MEANS TO NATION

On the eve of its inauguration of television as a public service, the Radio Corporation of America explained in a full-page advertisement in Editor & Publisher "What Television Will Mean to the Nation". The statement follows:

"April 30, 1939, is the date which formally marks the beginning of a new industry - television. It is the hope of RCA that this new business as it develops, will mean new opportunities for many . . . that it may match in its advance the swift growth of sound broadcasting.

"RCA television at this time will be available only in the New York metropolitan area. The restriction is largely due to limitations inherent in the art itself. Television waves have some of the properties of light. As a rule, such waves will not follow the earth's curvature. Thus they are rarely effective beyond the horizon of their transmitter.

"Because of the character of the waves, television programs, even when sent from the NBC mast 1240 feet above the street on the Empire State Building in New York, will ordinarily cover an area scarcely more than forty miles in all directions from that building.

"At present, television networks are impracticable. Television pictures can be sent from station to station only through special cables or elaborate relay systems still to be developed on a service basis.

"The accomplishments of RCA in television have been notable. Television has been brought out of the laboratory, and made a practical service. Yet, although television is exciting, thrilling - even spectacular, the television broadcasting now being undertaken by RCA and NBC actually represents a pioneering effort.

"How soon television will be available to the country generally is uncertain. Predictions about future television accomplishments are at best only guesses. The men who have so patiently brought television to its present stage of development agree that while it is the most alluring of the electronic arts, it is also the most elusive.

"Television broadcasts from NBC television studios will be sent out initially for an hour at a time, twice a week. In addition, there will be numerous pick-ups of news events, sports, interviews with visiting celebrities, and similar material.

"Material for television programs is almost limitless. They can be sent from the studio, or picked up elsewhere. Almost any scene can be televised, if it is accessible to mobile equipment. NBC operates a mobile unit comprising two ten-ton trucks to pick up and transmit television pictures and sound.



4/25/39

"Present licenses for television do not permit commercial sponsors. Naturally there can be no sponsored television programs as long as this rule holds. When sponsors are allowed, advertisers will want to have a large audience developed before spending money for shows. Meanwhile NBC will produce unsponsored programs. This is an effort similar to NBC's program operation which provides more than half the broadcasts on the Red and Blue networks.

"To provide for the reception of television programs, RCA Laboratories have developed several receiving sets which are now on the market. These instruments, built by RCA Victor, include three models for reception of television pictures and sound, as well as regular radio programs. There is also an attachment for present radio sets. This latter provides for seeing television pictures, while the sound is heard through the radio itself. The pictures seen on the Kinescopes of these various models will differ not in quality but only in size.

"In initiating the first regular American television programs at this time RCA believes that it is contributing to the growth of a lusty infant whose future is likely to be brilliant, but whose coming of age will take place at a time no man can predice exactly."

X X X X X X X X

#### NEC TO TRANSCRIBE VOICES OF F.D.R. AND OTHERS

The National Emergency Council, which has assumed the role of a clearing house for governmental radio publicity, is engaged in making transcriptions of talks by President Roosevelt, and Cabinet members, which will be distributed among radio stations over the country.

Under the title of "United States Government Reports", the series will open May 9th with a 15-minute recording of the President's views on "the state of the Nation". The series will run each Tuesday through July 17th on approximately 150 stations, averaging about three to a State.

Lowell Mellett, Executive Director of the NEC and former Executive Editor of the Scripps-Howard Newspaper Alliance, will participate in the broadcasts as interviewer. The recordings of members of the Cabinet will follow in the order of their seniority.

X X X X X X X X X

:::: TRADE NOTES ::::  
 :::: TRADE NOTES ::::  
 :::: TRADE NOTES ::::

A new type of high fidelity "twin power" loudspeaker, originally designed to meet the exacting requirements of the New York and San Francisco Fairs for a sound reproducer of unsurpassed efficiency, has been announced for general use by the RCA Manufacturing Company,

Fifty-two of the "Twin Power" loudspeakers are in service at the Golden Gate Exposition, where they are used for providing background music, sound effects and announcements on the main grounds. Forty-five of them have been installed on the World's Fair grounds in New York for the same purposes. Twelve are in the famed Perisphere, where they will provide the music and sound effects for the "World of Tomorrow" theme show.

-----

Earl Sowers, until recently Managing Director of Radio Station WRNL, in Richmond, Va., and former Managing Editor of the Richmond News-Leader, died in Tampa, Florida, Sunday of a heart attack.

-----

A study of the complex and growing body of law governing the entire field of radio broadcasting, the two-volume "Law of Radio Broadcasting" by A. Walter Socolow of the New York Bar and the Federal Communications Commission Bar, has just been published by Baker, Voorhis & Company, New York. The book surveys such controversial subjects as Federal administration of broadcasting stations, Federal regulation of broadcast advertising, the relation between advertisers and agencies, appropriation of ideas, rights of program content and the omnipresent copyright problems.

-----

Station WJR, Detroit, for the quarter to March 31 reports a net profit of \$131,729, equal to \$1.01 each on 130,000 shares of common stock, compared with a net profit of \$108,797, or 84 cents a share in 1937.

-----

The American Television Corporation, maker of television receiving sets, has appointed Deutsch & Shea Advertising Agency, Inc., to handle its account. Trade-paper advertising is scheduled for home receivers to retail at \$160 and up.

-----

In a study of "unfinished business" in America, International Business Machine Corporation reports that one out of five families lacks a radio.

X X X X X X X X

## FUTURE FOR YOUTH IN TELEVISION, SAYS SHOUSE

Young people considering a career might do well to think about television, which, from all indications, will soon be an actuality, according to James D. Shouse, Vice-President of the Crosley Corporation, Cincinnati. Because of the very nature of television, new vistas will be opened to talented young people. Cameramen, lighting experts, make-up artists, stage designers, script readers, writers, musicians, actors and vocalists will all have a definite place in this new field of entertainment.

"Although our application for a license to broadcast television has not yet been acted upon by the Federal Communications Commission, and though we are not yet actively engaged in the production of television programs, we are on the lookout for persons with an aptitude for visual broadcasting", Mr. Shouse said. "We will naturally have to feel our way; hence we are constantly searching for young people who can be called upon if and when their services are required."

Naturally, experience in radio, the theatre or the motion pictures will be a valuable asset to anyone interested in television production. Nevertheless, an entirely new type of technician will be required. A combination of radio, the theatre and motion pictures, television presents unlimited possibilities for imaginatively and creatively inclined young people. Since television is an infant industry without established precedents, those new in television have a rare opportunity of growing up with it.

X X X X X X X X

## CBS NOT TO PURCHASE WORLD BROADCASTING SYSTEM

Failure to reach agreements with Electrical Research Products, Incorporated, on, among other things, sound recording licenses has resulted in termination by the Columbia Broadcasting System of negotiations on purchase of the World Broadcasting System, it was announced this week by William S. Paley, Columbia President.

The American Record Corporation will install its own studios and high quality recording and processing equipment not only for Columbia, Brunswick and Vocalion records but also for a complete transcription and general recording service.

Mr. Paley said that study is being given to the precise form the American Record Corporation transcription activities will take. It is expected that plans and policies will be announced within the next few months.

X X X X X X X X



## CBS TO ASK ADVICE OF TELEVISION AUDIENCES BY PHONE

A project to solicit the criticism and advice of its television audience beginning with early broadcasts, now tentatively scheduled for June, was announced last week by the Columbia Broadcasting System.

The plan borrows a chapter from television program experience of the British Broadcasting Corporation. Gilbert Seldes, Director of CBS Television Programs, during an early program from CBS' new transmitter in the Chrysler tower, plans to take a seat beside a telephone in front of the cameras in the studios in Grand Central station, and invite those viewing the program to telephone him their criticisms and suggestions regarding the program they have just viewed. The audience itself will hear the telephone ring, see Mr Seldes answer it, and then see and hear him as he answers questions and replies to suggestions of members of the audience.

Gerald Cock, BBC's Director of Television, who originated the idea, found that it met with wide acclaim when he used it in Great Britain. He said that BBC had received a large number of constructive criticisms as a result of the policy, and has been able, as a result, to advance its program technique faster than would otherwise have been possible.

Gilbert Seldes, CBS Director of Television Programs, who sails for England this week to study BBC television technique, has been asked the following question hundreds of times -

"What will television programs consist of?"

It is difficult to predict anything about programs, Mr. Seldes says, because television covers part of the field of each of the arts with which it will be allied - motion pictures, radio, newsreels, stage, animated cartoons and many others. Being able to pluck its material directly from life, television programs will be as varied as life itself.

"Since we are going to do a job without precedent", Mr. Seldes says, "we will have endless opportunities for both improvement and error."

Television programs even in the beginning will be divided into several distinct classes, he claims. Drama will be only one of perhaps a dozen elements.

"Television will work hand-in-hand with other forms of art from which it is basically different", Mr. Seldes points out. "It differs chiefly from stage or radio in having a special immediacy for the audience. Television goes directly into the listener's home and, more than that, into his living room."

X X X X X X X X