

HEINL RADIO BUSINESS LETTER

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No. 1121

May 2, 1939

MAJORITY, MINORITY REPORTS FILED ON LIQUOR ADS

The Senate Committee on Interstate Commerce this week reported favorably a bill to prohibit radio advertising of alcoholic beverages, but with a minority report written by Senator Gurney (R.), of South Dakota.

After quoting Chairman Frank R. McNinch of the Federal Communications Commission in opposition to liquor advertising over the air, the majority report stated:

"The members of the distilling industry, as a general rule, have followed the advice of their own organization in refraining from radio advertising of their products.

"The importers of alcoholic beverages, the wholesalers, the wine producers, and the brewers have not all seen the wisdom of maintaining the proper public policy of refraining from invading the sanctity of the home.

"On the contrary, there has been a marked increase of radio advertising of alcoholic beverages in recent months. This fact has disturbed many people because the radio enters practically every home, affecting little children and young people who are receiving the education which will guide them in future years. There are many adults who may resent this invasion of their homes.

"Ample proof was furnished at the hearings that public opinion widely supports this legislation. Religious, educational, and family groups testified."

Senator Gurney pointed out that the radio industry derives but small income now from liquor advertising, though more from beer advertising, and that the networks now will not accept accounts from distillers. He charged that the proponents of the bill had failed to disclose any abuses of the present restrictions or any need for the absolute prohibition.

"Amending the Communications Act to deny a product the use of broadcast facilities sets a precedent which invites incursion into the field of censorship, already expressly forbidden by Congress", Senator Gurney added. "Those familiar with the development of radio in America recognize that its remarkable progress has been largely due to the initiative of typical American enterprise and the further fact that no Government bureau has been given the authority to prescribe arbitrary program standards for radio listeners. Broadcasters, alert to the desires and tastes of their listeners, compete vigorously to win and to hold listener

approval and acceptance. Congress has recognized that the listener is the only censor that radio must recognize and that no group of officials, however competent or omniscient, can prescribe the radio fare of the American listener.

"Unfortunately, there seems to be evidence that this clear mandate from Congress is not being rigidly followed by the regulatory authority. Members of the Communications Commission in ex parte statements, as well as in official actions, have seemed to misinterpret their functions and attempt to substitute the judgment of the Commission for that of the listener. Nowhere in the Communications Act of 1934 or in its legislative history is there expressed any authority whereby the Commission is invited to exercise any power or control over program content. Exceptions to the foregoing, dealing with obscenity, profanity, and the like are specifically spelled out. Congress recognized that no radio station could long exist which did not merit approval of its listeners and the regulatory authority was then directed to confine its functions to specific attributes of broadcasting dealing largely with technical considerations. However, the tendency has been toward usurpation of these powers specifically withheld."

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SARNOFF RECALLED FOR QUESTIONING IN CHAIN QUIZ

Although the chain-monopoly investigation by the Federal Communications Commission was concluded April 19th so far as the taking of direct testimony was concerned, the four-man committee has decided to recall David Sarnoff, President of the Radio Corporation of America, and George Engles, Vice-President and Managing Director of NBC Artists Service for cross-examination on May 11th.

Oddly enough, Mr. Sarnoff was the first witness when the inquiry opened last November. At that time it was stated that he might be recalled for cross-examination.

Before writing its report, the Committee must act upon the ticklish motion made by Louis G. Caldwell, counsel for the Mutual Broadcasting System. Mr. Caldwell, during the closing days of the hearings, moved that the FCC issue an order prohibiting the extension or renewal of present network affiliation contracts beyond December 31, 1940.

Meanwhile, a tabulation of the cost of the FCC chain-monopoly inquiry showed that it ran to about \$500,000, most of which came out of the pockets of the broadcasters. More than 100 witnesses were heard, and 30 attorneys participated in the inquiry.

The cost to the FCC was estimated at between \$20,000 and \$25,000, while the major networks spent approximately \$200,000 each on personal services, preparation of exhibits, etc.

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CHAVEZ REINTRODUCES PAN AMERICAN STATION BILL

Dormant for almost a year, the Pan American short-wave station proposal was revived last week with the reintroduction of a bill by Senator Chavez (D.), of New Mexico.

It is a revised version of the measure he and former Senator McAdoo introduced jointly during the last session of Congress to construct a \$3,000,000 Federal radio station in Washington "to promote friendly relations among the nations of the Western Hemisphere". The principal changes provide that the letters "PAZ" (Spanish for "peace") be included in the call letters and that the station be built near Washington, D. C., instead of San Diego, California.

Viewing the legislation as a threat of the Federal Government getting into the broadcasting business, the National Association of Broadcasters announced it will oppose the Chavez bill as it has opposed all similar bills. "Even though they are 'designed to promote friendly relations among the nations of the Western Hemisphere', the NAB feels that enactment of any one would constitute a long step toward Government ownership of the industry", a statement of the NAB said.

It is understood that the Secretary of State would direct programs of such a station as proposed.

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SAYS FCC N.Y. NIGHT CLUB FRACAS EXAGGERATED

The story of the mixup in a New York night club during the visit of the committee of the Federal Communications Commission which went to that city to study the television situation reported to Congress by Representative Massingale (D.), of Oklahoma was somewhat exaggerated, according to Commander T.A.M. Craven, who was the Chairman of the Committee. Commander Draven, who himself was in no way involved in the melee, would not discuss the affair for publication further than to say that the whole thing had been greatly magnified.

According to the best information available only one Commissioner was concerned who for some unknown reason apparently aroused the ire of a night club hostess sitting at his table. She was said to have struck him a couple of times before they could be separated.

It was reported that Mayor F. H. LaGuardia, of New York, who because of a series of rows in night clubs recently declared that brawling in public places must stop may make his own investigation and may call the night club proprietor on the carpet if the hostess in the establishment where the trouble occurred was found to be the cause.

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PUBLISHERS' GROUP LAUDS RADIO COOPERATION

Cooperation of radio and the press in recent months was cited by a Radio Committee of the American Newspaper Publishers' Association during its closing session in New York last week.

A new high point of cooperation among radio, newspaper and newspaper press services were recorded in the dramatic Munich crisis last Fall, according to the Radio Committee report, presented by J. S. Gray of the Monroe (Mich.) News.

"Radio has been generous", the report continued, "in acknowledging the incomparable quality of the newspaper press reports during those periods in which the press services have been released to radio in the public interest. The press, we believe, is equally appreciative of the value from the public standpoint of the radio achievement.

"American press news today traverses the international air waves hourly throughout sixteen hours of every day and in six or more languages.

"Less assuring from the viewpoint of the press has been the continued sale of time by broadcasters to advertisers for 'news' features of all sorts and kinds. Whether broadcasters eventually will come to share the newspaper view that advertising sponsorship of news reports constitutes a questionable practice adverse to the prestige and larger interests of the medium indulging in it, is a question not yet answered. It seems apparent, however, that the failure to date of broadcasters to accept presentation of the news as a public service purely, to be held separate and apart from the sale of their time to advertisers, constitutes a weakness in their otherwise strong claim for greater institutional security and for increased freedom from bureaucratic control."

The report cited the Association's questionnaires last year and this year, showing "a striking change" in newspaper policy of handling radio programs, It said:

"Of newspapers reporting last year, 235 not owning radio stations or not affiliated with stations stated their policies relating to the printing of programs and program publicity. Only 33 of the 235, or 14 per cent reported exclusion of radio programs, except as paid matter.

"Of newspapers reporting this year (995 not owning or affiliated with broadcasting stations), some 387 or 37 per cent, stated that they published radio programs as paid matter only. In the 1938 survey 9 percent of the papers reported publishing trade names in connection with programs. In this year's larger survey only 3 percent so reported."

The Radio Committee report also cited the limitations of television and the "ultra-heavy investments" involved, adding that "it has been predicted that a period of at least five years of development will elapse before dependable judgments can be made as to revenue potentialities."

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TELEVISION MOVIES CROSS ATLANTIC FIRST TIME

Television moving pictures that had spanned the Atlantic were shown for the first time at the opening meeting of the International Scientific Radio Union at the National Research Council, Washington, last Friday.

It will not be possible to repeat the miracle, with an equipment available at present, for 11 years. They came through only under the peculiar electrical conditions in the upper atmosphere which obtain during a sunspot maximum.

"They were probably the most ghostly pictures ever thrown on the screen, and the sober scientific meeting took on the atmosphere of a spiritual gathering", the Washington Star reported. "One looked like a picture of two ghosts with bodies of ectoplasm making love to each other in an uncanny fog beyond death. Now and then the density of the fog would diminish for an instant so that they could be seen kissing each other, with one sitting on the other's knee. It ended in a ghostly quarrel apparently with the ectoplasmic mouth of one or the other moving violently.

"Actually it was a movie of a play on a London stage, with the lovers' parts played by two persons dressed in American colonial costumes.

"Another scene looked like - but it wasn't - the distorted face of the ghost of Adolph Hitler, apparently in considerable pain, and immersed in the same kind of beyond-death fog which cleared away from it in brief instants. Actually it was the picture of a London radio announcer."

The pictures were picked up on special equipment from London at the R.C.A. Communications laboratory at Riverhead, N.J. Received on a television screen they were rephotographed with a moving picture camera simultaneously.

The weird show was given by D. R. Goddard, RCA engineer. The pictures were obtained, he said, last October and November when conditions were as close as possible to ideal for reception on the 45-megacycle wave length used by the British Broadcasting Corp. for television. They were intended for transmission within a range of about 50 miles of London.

Actually, Mr. Goddard said, the movies do not quite do justice to what he saw on the television screen at Riverhead. There were minutes at a time, he said, when the British pictures came through with fair clarity.

Radio engineers present stressed that the demonstration silenced claims that effective television transmission always would be confined to within 30 or 40 miles.

Exploration of the high atmosphere hundreds of miles above the earth's surface, where the atmosphere thins into empty space, was reported to the Radio Union the following day.

This is the region known as the ionosphere, where an electric shield is established by the action of the sun's ultra-violet light, which prevents radio waves from escaping into space. The ionosphere is explored by the time taken by radio impulses to bounce against it and be reflected back to earth again. Its distance is from 100 to 300 kilometers. The time taken for the return trip journey ranges from one 1,500th to one 500th of a second.

The report was presented by Dr. L. V. Berkner of the Carnegie Institution of Washington, who set up and is directing the use of the present measuring apparatus. Following the meeting the annual conference of ionosphere experts was held at the terrestrial magnetism laboratory.

The reflection of radio waves from the jagged edges of the ionosphere, where night and morning meet, was reported by Drs. J. A. Pierce and H. R. Mimmo of Harvard University.

For many years, they said, it has been generally known that strong, sharply defined radio echoes occasionally return to the sending station after having traversed a path which greatly exceeds the round-trip distance to the ionosphere. Such effects hitherto have been ascribed to reflections from mountains or from concentration of negatively charged particles over the polar regions, where they supposedly are drawn by the magnetic field of the earth.

Their own studies of numerous such reflection patterns, they said, indicate that the delayed echoes are returned from regions where there is a marked curvature of the F. layer, the second of the electrified strata of the ionosphere. A region of this sort normally occurs at the edge of the sunlit zone and can turn back a ray which may have traveled many thousands of kilometers around the dark side of the earth. Small night-time variations in the curvature of the F layer, they said, are of very common occurrence and are believed to explain such phenomena as long-period, long-distance radio fading.

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McNINCH, ILL, TAKES LEAVE OF ABSENCE

Chairman Frank McNinch of the Federal Communications Commission has left Washington for a three-week stay at an undisclosed destination. At Mr. McNinch's office, it was said the Chairman's health has not been good for some time and he had decided on a rest period in an effort to recuperate.

During his absence, the other Commissioners, starting with Thad H. Brown, will serve in rotation as Acting Chairmen.

In some quarters it was believed that Mr. McNinch might remain away indefinitely or even resign because of his illness. He has twice been in Naval Hospital with a stomach disorder.

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COMMDR. WEBSTER NAMED FOR POLISH PARLEY

The Federal Communications Commission last week designated Commander E. M. Webster, Assistant Chief Engineer of the Commission, as its representative at the meeting of the Subcommittee of the Third World Conference of Radiotelegraph Experts for Aeronautics. The Conference will be held at Cracow, Poland, May 19 to May 22.

The Cracow Conference will lay the groundwork for an allocation of frequencies for inter-continental air routes. Any future assignments of frequencies to commercial aviation companies operating under the jurisdiction of the United States, and licensed by the Federal Communications Commission must necessarily be based upon a comprehensive plan covering the allocation of frequencies to the aviation services generally.

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RADIO REPORTERS ADMITTED TO WHITE HOUSE CONFERENCES.

Radio news reporters were granted equal rights with the press at White House press conferences yesterday, as a result of negotiations between Fulton Lewis, Jr., temporary Chairman of the Radio Correspondents' Association, and Stephen T. Early, White House secretary.

All departments and agencies of the Federal Government have now given radio reporters these rights, Mr. Lewis announced and the Senate and House have set up special radio press galleries in the last two weeks.

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COAST GUARD TO BUILD STATION NEAR D.C.

The United States Coast Guard will establish a \$205,000 radio stations on Telegraph road, five miles south of Alexandria, it was announced this week.

Contract for building the station was awarded to W. Frank Martens, of Newport News. The Coast Guard purchased a 200-acre tract for the site and said work on the station would begin immediately.

Coast Guard spokesmen said the station would form a link between Washington headquarters and districts throughout the country. Local communication operations now are carried on from a temporary transmitter at Fort Hunt.

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PROBE OF PRESS WIRELESS ORDERED BY FCC

The Federal Communications Commission this week ordered an investigation into the charges, practices, classifications, and regulations of Press Wireless, Inc., in connection with the multiple address public press services of this corporation to the territories and possessions of the United States lying outside the continental boundaries of this country. Date for hearing was set for June 15 at the offices of the Commission in Washington, D.C.

The Commission intends to investigate the question of whether Press Wireless, Inc., has been unjustly discriminating against customers of its multiple address service in the territories of the United States by making an additional charge where no additional cost was involved to the company in furnishing this service.

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NOTABLES TELEVISED AS NEW INDUSTRY MAKES DEBUT

President Roosevelt and other notables were televised as a new industry made its debut coincidental with the opening of the New York World's Fair on Sunday. The television inauguration by the National Broadcasting Company was on the whole a success, the press reported, and was "tuned in" on between 100 and 200 receivers.

The radio industry awaited meanwhile with keen interest first reports of the sale of television receivers in New York retail stores.

"The event on the air was appraised by leaders in radio as the beginning of a new industry, the aim of which is to take Americans sight-seeing by radio", according to Orrin E. Dunlap, Jr., Radio Editor of the New York Times. "Reports from receiving outposts scattered throughout a fifty-mile radius of New York indicated that the spectacle by television was highly successful and that a new industry had been launched into the World of Tomorrow.

"It was estimated that from 100 to 200 receivers were in tune and that possibly 1,000 persons looked in on the pageant brightened on the screens by a sun described by the camera men as ideal for telecasting.

"The two mobile television vans of the National Broadcasting Company were lined up at the end of the platform in the Court of Peace and the aerial was run up to the peak of the Federal Building. One van is a transmitter, which relays the scenes to the main station atop the Empire State Building. The second van handles the pick-up. It was attached by coaxial cable with the camera on the newsreel platform, about fifty feet from the speakers

at the microphones, which were linked with more than 500 stations here and abroad.

"Burke Crotty, producer in charge of the mobile units, said that much had been learned from the telecast. He confessed that the performance was far from perfect but nevertheless highly successful, considering the fact that it was the first attempt of American radio men to telecast such a vast outdoor program.

"British radio officials who witnessed the scene were amazed at what they called 'the nerve' of the Americans in having only one camera on the scene. They said they would have used at least three or four cameras for fading in scenes from different angles to gain variety. Then, too, they wondered what would happen if the electric eye burned out at the crucial moment. The American engineer said, 'That's not our luck, but should the optic go blind then we are licked.'

"The main criticism of television viewers on the Fair Grounds and at Radio City was that the camera was too far away from the speakers, causing the images to be too small. They also complained of the camera man's remaining in the same spot for the entire show. It was explained, however, that this could be overcome only by the use of additional cameras, since the Secret Service would not permit the camera man to roam around and get the lens as close to the President as the radio microphones are arrayed.

"Crowds of the Fair watched the ceremonies on twelve television receivers on exhibit at the Radio Corporation of America Building. They saw the scenes as they were flashed eight miles to the Empire State Building and back again to Flushing on ultra-short waves. The screens were nine by twelve inches. The images traveled on 45.25 megacycles and the affiliated sound on 49.75 megacycles."

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BRITISH TELEVISION OFFICIAL INVADES U.S. MARKET

Ian C. Javal, Commercial Director of Baird Television, Ltd., and British expert, arrived Friday from London on the Cunard White Star liner "Aquitania" with a staff of engineers from the Baird factory and experimental laboratories at Sydenham, England. He said that he had brought with him \$150,000 worth of theatre-television equipment, cameras and the latest development in home sets.

Mr. Javal said that television was "born in England three years ago", and that now there are "telecasts" which are received in British homes four hours a day.

He said that his company wished to show America what, in his opinion, is the most advanced television work, and this week he will demonstrate, in collaboration with the Gaumont-British Corporation, the effectiveness of television for theatres.

He subsequently demonstrated reception of the World's Fair television broadcast before a private audience, using a Baird "Cathovisor", cathode ray type of receiver.

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The National Broadcasting Company has announced the inauguration of its new directional short-wave antennae, centred on Buenos Aires.

The Federal Trade Commission has closed its case against Temple Electric Corporation, 80 Cortlandt St., New York, and others, charged with unauthorized use of certain well known trade names in the sale of radio sets. The unfair practices alleged in the complaint were covered in an order to cease and desist issued against Knight Electric Co., Inc., 16 Hudson St., New York, and others in May, 1937, in which the parties in the Temple Electric Corporation case were also respondents.

The Crosley Corp. last week reported net profit of \$208,916 for the first quarter of 1939, after depreciation and Federal income tax. This compared with net loss of \$25,774 for the corresponding period of last year.

Five new programs will be presented by the Columbia Broadcasting System, starting this month and next. They include "Democracy in Action", "The World Today", "Scales of Justice", "Bull Session", and "Women in the World of Tomorrow".

Wilson E. Burgess, amateur radio operator of Westerly, R.I., has been selected by a board of five distinguished judges for the William S. Paley Amateur Radio Award for 1938. Mr. Burgess will receive the honor from Mr. Paley at a presentation luncheon in the Hotel Pierre, New York City, Tuesday, June 6th. Selection of Mr. Burgess was based on his heroic performance during the hurricane which devastated large sections of that part of New England.

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MULLEN ELECTED RCA VICE-PRESIDENT

Frank E. Mullen, Manager of the Department of Information of the company, has been elected Vice President in Charge of Advertising and Publicity of the Radio Corporation of America, according to an announcement by David Sarnoff, President. Horton Heath, assistant to Mr. Mullen, was promoted to Manager of the Department of Information.

A native of Kansas, Mr. Mullen attended Iowa State College, where he studied journalism. He joined the National Broadcasting Company in 1926, and in 1934 was appointed manager of the newly created Department of Information of RCA.

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CROSSLAND NAMED G.E. TELEVISION SALES CHIEF

Harry A. Crossland has been appointed Manager of Television Sales of the General Electric Company at Bridgeport, the first to hold the position, Perry F. Hadlock, newly appointed Division Manager, announced last Saturday. Four other appointments to the radio and television division also were made known.

Mr. Crossland has been in radio work for the last twenty years and since 1931 has been in the Bridgeport plant of the company, where he has been successively assistant to the commercial engineer, manager of the radio service section, manager of radio tube sales and manager of the technical sales and service section.

Philip R. Butler, who joined the company in 1935, as a radio field engineer, succeeds Mr. Crossland as Manager of Technical Sales and Service.

Arthur A. Brandt, for the last two years Advertising Manager for Radio, was named Manager of Merchandising Services, including the direction of merchandising, advertising and sales promotion of all products of the Radio and Television Division.

Fred A. Ray, who for six years was District Radio Sales Manager in charge of the territory made up of Ohio, Michigan, Indiana and Kentucky, becomes Manager of Radio Sales.

Charles R. Barhydt was named Commercial Engineer for Radio and Television, succeeding Mr. Hadlock.

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CINCINNATI GETS FIRST GLIMPSE OF TELEVISION

The first demonstration of television in Cincinnati took place on the top floor of the Carew Tower last week when the Crosley Corporation gave a special showing of its experimental television broadcasting and receiving equipment to representatives of the press.

As yet there has been no broadcasting of programs, but the transmitting and receiving equipment has been used to televise by telephoto lens, the city's taller buildings and the territory surrounding Cincinnati for a radius of several miles in Ohio and Kentucky. The application now under consideration by the FCC for the construction permit calls for video and audio transmitters of 1000 watts power each to operate on the 50-56 megacycle frequency television band.

According to Crosley officials no definite date has been set for broadcasting experimental television programs. It is expected that in the near future experimental dramatic sketches will be undertaken in an attempt to determine what material is best for television purposes when regular programs are scheduled.

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