

# HEINL RADIO BUSINESS LETTER

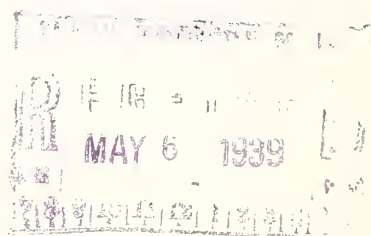
2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1122



## LONG CONGRESS MAY BRING ACTION ON FCC

The decision of Congressional leaders to keep the present Congress in session until late Summer because of the international situation has revived reports that some action may be taken on the proposed reorganization of the Federal Communications Commission.

The Wheeler and White bills were believed to be pigeon-holed a few weeks ago when Administration spokesmen were talking about closing up shop on Capitol Hill by mid-June. The President had told Senator Wheeler (D.), of Montana, that he didn't consider the FCC shake-up urgent.

Yet with prospects of a session that may go well into August or possibly later, Senator Wheeler has indicated he may start hearings before a sub-committee of the Senate Interstate Commerce Committee. There still, however, appears to be enough sentiment against a three-man Commission, such as proposed by Chairman McNinch of the FCC, to force revision of the Wheeler bill even before it gets on the Senate floor.

Meanwhile, it was learned that an informal poll had been taken in the Senate to ascertain whether or not Mr. McNinch would be confirmed if he were returned as Chairman of the Federal Power Commission. The poll, it was said, showed that he would not.

As a consequence, Mr. McNinch is being referred to on Capitol Hill as "the problem child". Administration spokesmen have indicated they would like to get him off the FC<sup>C</sup> but in a way that would save him embarrassment.

With just about six weeks left of the present fiscal year the FCC is faced with the possibility of an empty pocketbook on July 1st. Congress has refused so far to appropriate any funds for its continuation after June 30th because of the proposed reorganization, but it is manifestly impossible for a reorganization to be effected before July 1st.

The expected solution is that Congress late in June will enact a resolution continuing the FC<sup>C</sup> appropriation for so long a period as necessary, up to a year, before a reorganization may be accomplished.

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## CRAVEN AND MILLER TO ADDRESS RMA MEETING

Commissioner T.A.M. Craven, Chairman of the special Television Committee of the Federal Communications Commission, and Neville Miller, President of the National Association of Broadcasters, will address the annual meeting of the Radio Manufacturers' Association in Chicago June 13.

Selection of the "Terrace Casino" in the Morrison Hotel, Chicago, for the annual "RMA cabaret" and radio industry banquet, during the fifteenth annual RMA convention next June, has been approved by the Association's Board of Directors.

All business and committee meetings of the RMA and the National Radio Parts Show, which is almost sold out already, will be held at the Stevens Hotel. Many meetings of the Sales Managers Clubs, which jointly sponsor the parts show with RMA, of the Radio Service Men of America, "The Representatives", and other allied industry organizations will be held at the Stevens Hotel.

The radio industry's annual golf tournament will be held Thursday, June 15, at the Calumet Country Club.

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## SHARP RISE IN U.S. EXPORTS OF RADIO EQUIPMENT

Exports of electrical equipment from the United States during the month of March were valued at \$10,006,969, a gain of \$2,616,882, or 35.4 percent, over the February total of \$7,390,087, according to the Electrical Division, Department of Commerce.

Foreign sales of all classes of radio equipment followed the general upward trend, recovering from the unfavorable showing made during the preceding month. Exports of transmitting sets increased from \$135,364 to \$156,915; receiving sets from \$704,409 to \$875,746; receiving tubes from \$173,947 to \$259,114; receiving set components from \$301,358 to \$412,751; loudspeakers from \$29,104 to \$43,213; and other receiving set accessories from \$28,390 to \$41,022.

Exports of non-specified telephone equipment and parts continued larger, increasing from a value of \$197,388 in February to \$473,965 in March.

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## HEARING ORDERED ON LAGUARDIA PLEA

The Federal Communications Commission this week designated Commissioners Case, Craven and Payne as a committee to preside at a hearing to determine whether the rules of the Commission should be modified to permit the rebroadcasting of programs of international broadcast stations by regular broadcast stations which are operated on a non-commercial, non-profit making basis. The Committee will set a date for the hearing in the near future.

The action of the Commission in calling a legislative hearing on this question is based on an earlier petition of Mayor LaGuardia to have the rules amended to permit such stations as WNYC, municipally owned radio-broadcast station in New York, to rebroadcast the programs of international broadcast stations in the United States.

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## TELEVISION COURSE TO BE GIVEN OVER SHORT WAVES

Television classes in living rooms will shortly be made possible by Station WIXAL, of Boston, which announces a course in "Practical Television" to be added to its World University of the Air curriculum next month.

This new instruction course made available for short-wave listeners everywhere will begin May 15th and run for eight consecutive weeks, according to Walter S. Lemmon, founder and President of the World Wide Broadcasting Foundation of Boston.

"Each lecture lasting a full hour on the air will cover a complete subject and the entire weekly series will enable radio listeners to gain a working knowledge of television", said Mr. Lemmon. "While the course is simplified for the layman, it will contain many helpful hints for radio service men and dealers who may shortly be called upon to install television sets."

The World Wide Broadcasting Foundation has prepared a printed text complete with diagrams and illustrations to help the listeners follow the distant instructor at Boston. Dr. C Davis Belcher, a radio engineer, who conducts the course, employs a master blue print near the WIXAL microphone and thousands of students all over the world using their printed texts can follow him as he traces the new television circuits. A forty-page booklet of diagrams is supplied by The Foundation to its students at \$1.00 to cover the cost of preparation and mailing.

The new practical television series will be broadcast by Dr. Belcher over WIXAL each Monday evening at 8 P.M., E.S.T. over wavelengths of 6.04 and 11.73 megacycles.



The range of topics to be discussed by Dr Belcher will include "The History of Television", "Photo Electricity", "Cathode Ray Tubes", "Iconoscopes and Kinescopes", "Television Antennas" and similar subjects. Dr. Belcher will be assisted in his lectures by Hollis Baird, a pioneer American television experimenter, who is also Chief Engineer of W1XAL.

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### COLUMBIA SCORES LARGEST APRIL IN HISTORY

Gross billings of the Columbia Broadcasting System for April aggregated \$2,854,026, thereby marking the highest figure for that month in CBS history, and rising 17.7% over April, 1938.

Despite the records set during the first months of '38, the current upward trend on Columbia practically matches that all-time high with a four-month cumulative total of \$10,995,309 - within 0.2% of the four-month gross last year.

Analysis of weekly gross expenditures for CBS facilities as of May, 1939, shows that the web's present clients are investing 104.6% more than when their original campaigns first started on the network.

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### PUBLISHERS SAY TELEVISION COMPETITION IS REMOTE

Newspaper publishers haven't yet begun to worry about the danger of advertising competition from television. Publication of the text of the report of the Radio Committee of the American Newspaper Publishers' Association this week disclosed the following comments on the new visual broadcasting medium:

"Those who have witnessed recent rehearsals of the New York broadcasts planned for May 1 and thereafter, including a representative of your committee, have been impressed with the technical excellence of the television process on the eve of its public trial. Under ideal conditions of reception the reproduction of staged drama, of motion picture film, and of outdoor events, is proficient and pleasing. In studios where trials are in progress the presentation on the receiving screen is relatively clear and steady, having been freed largely of the imperfections apparent in earlier demonstrations.

"On the other hand, those closest in touch with the engineering and mechanical development, and those most concerned with its rise as an entertainment and advertising medium, are frank to admit its sharp limitations, as well as the mechanical and investment problems involved in promoting its widespread use in the home.

"The present range of broadcasts from a single station is limited to the visual horizon as scanned from the sending tower. The ultra short wave energies employed in the present process appear to radiate downward, funnel-like, from the sending tower. They do not appear to follow the curve of the earth's surfaces as do the energies used in ordinary broadcasting. It is estimated the NBC's range of broadcasts from the Empire State tower will not exceed 50 miles.

"As now foreseen any extension of a network of such transmission will involve lines of tower relays to other areas, or a complicated cable relay through an extensive system of wires.

"While relatively free from the atmospheric or natural interferences affecting other types of broadcasting, television is still baffling sensitive to mechanical radiations including even those projected from automobile ignition systems.

"Very wide channels are required for this form of broadcasting and they are limited now to seven in number, not all equally desirable.

"Television broadcasters confront ultra-heavy investments in equipment and mechanical maintenance, and program material is vastly more expensive than that used in an exclusively auditory system.

"Employment of a system of home-received television for advertising, or for other revenue purposes, seems remote at the present time due to the limitations stated, and due also, of course, to the fact that such use depends entirely upon the degree of home acceptance of the medium. Vast investment by the public in receiving equipment must first provide the advertising attraction. 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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#### RMA COOPERATES IN SPECIAL SCHOOL SET DESIGN

Tentative specifications for design of radio receiving sets specially for school use are being developed by the Radio Manufacturers' Association in cooperation with the Committee on Scientific Aids to Learning, of the National Research Council. Directing the latter is Dr. Irvin Stewart, formerly a member of the Federal Communications Commission. Proposed specifications for special school receivers have been prepared by Dr. Stewart and his committee and submitted recently to the RMA for consideration of the RMA Engineering Department and others in the manufacturing industry. When completed the special school receivers will be recommended widely to national educational organizations, with a practical, quality set as the objective design.

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## NEW YORK PUBLIC INTERESTED IN TELEVISION SETS

With the television industry's public appearance in the country only a few days old, inquiry at various metropolitan radio and department stores this week disclosed a "surprising interest" on the part of the public to inspect the sight and sound receivers, according to the New York Times. Those who visited the showrooms to see the magic of pictures through the air were said to be impressed by the clarity and definition of the reproduced images.

Although the actual sales figures were not available, representatives of the establishments reported that "a number" of sets had been sold.

During the course of the day, a queue of 6,000 persons slowly threaded its way through R. H. Macy & Co., Inc., under the supervision of six policemen, who were called to maintain order when the crowd threatened to become unruly. By actual count, an average of twenty persons a minute passed before the animated television screens during the five-hour demonstration.

In addition to the test programs picked up from the National Broadcasting Company's transmitter atop the Empire State Building, film shorts and news reels projected from a television camera installed on the premises, were exhibited at the Macy store. All showrooms demonstrating television used the NBC programs.

Bloomingdale Brothers, Inc., reported an orderly crowd of "several thousand", part of which was attracted by the half-hour millinery fashion shows, which are conducted over an indoor television circuit.

An estimated 250 persons visited the Harvey Radio Company's viewing booths at 103 West 43rd St., while Haynes Griffin, radio dealers at 373 Madison Ave., reported a "slightly above average" crowd, attracted "purely through curiosity".

Mortimer W. Loewi, Vice-President of the Allen B. Dumont Laboratories, Inc., manufacturers of television equipment, disclosed that production was about three months behind schedule due to increasing orders. He said that steps were being taken to speed up the output to satisfy the immediate need.

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MBS BILLINGS RISE 38.6% FOR APRIL

Billings of the Mutual Broadcasting System in April were \$262,626, compared with \$189,545 in April, 1938, an increase of 38.6 per cent. Billings for four months of 1939 were \$1,161,285, compared with \$945,566 for the corresponding period of 1938, a gain of 22.8 percent.

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## RMA MOVES TO REDUCE TUBES ON MARKET

A movement to reduce the number of new radio tubes introduced in the industry has been ordered by the RMA Board of Directors. Upon recommendation of the RMA Engineering Department of which Dr. W.R.G. Baker, of Bridgeport, Conn., is Director, a special committee is studying means to reduce the number of new tube types. The Committee members are David Sarnoff, of New York; James M. Skinner, of Philadelphia; A. H. Gardner, of Buffalo; B. G. Erskine, of Emporium, Penna.; Roy Burlew, of Owensboro, Ky.; and David T. Schultz, of Newton, Mass.

Mr. Baker reported a large increase in the number of new tubes being introduced, including many of only minor adaptations. The extreme number of tubes is a difficulty for the public as well as the trade, and the RMA committee will investigate plans to control the problem of multiplicity of tube types. A plan to prevent an undue number of unnecessary tubes will be reported by the committee to the RMA Board of Directors at the Association's Chicago convention next June.

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## BRITISH PRODUCE LIGHTWEIGHT RADIO FOR AIRCRAFT

A remarkably lightweight and compact radio set, probably the lightest with its performance ever produced, has been designed to the specification of Imperial Airways, and is now being tested on their Empire routes, according to the American Commercial Attache, London.

The set may be carried as an auxiliary to the standard radio equipment on the Atlantic route this Summer. It may also be adopted for a similar purpose on the long-distance Empire services, and for use in Control launches. Although of such small proportions and conveniently self-contained, the set incorporates all the features required to meet communication requirements on the Empire air routes.

Squadron Leader E. F. Turner, Radio Superintendent of Imperial Airways, was responsible for producing the general specification of the new radio, and he has collaborated with the manufacturers who undertook the construction.

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 ::: TRADE NOTES :::  
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The Federal Communications Commission announced this week that Andrew Gibbs Cochran, 17 years old, of Chicago, Illinois, has been convicted as a delinquent under the Juvenile Delinquency Act for operating an unlicensed radio station in violation of Sections 301 and 318 of the Communications Act of 1934 as amended. The conviction followed disregard of previous warnings by the Commission. Probation authorities advised Judge Charles E. Woodward, United States Federal Court, that the defendant had filed application for admission into the Civilian Conservation Corps. The Court placed the defendant on probation pending his admission as a member thereof.

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W3XAL, the National Broadcasting Company's short-wave station at Bound Brook, N.J., is now transmitting a more powerful signal to Argentina than any other American station operating on the 9500 kilocycle area, according to information just received from Buenos Aires by Frank E. Mason, Vice-President in charge of NBC's International Division.

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Use of lottery methods in the sale to ultimate consumers of candy, cigarettes, radios, blankets, and other merchandise, is charged in complaints issued by the Federal Trade Commission against Schall Candy Company, Clinton, Iowa, and David Kritzik, trading as General Merchandise Company, 843 North Third St., Milwaukee.

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Columbia Broadcasting System this week announced a dividend of 35 cents on the Class "A" and Class "B" shares, payable June 9 to stock of record May 26. The company paid 25 cents in previous quarters.

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The Greek Ministry of Press and Tourism, which recently took charge of radio broadcasting, would like to receive proposals from American manufacturers of radio broadcasting apparatus for two broadcasting stations to be installed in Salonike and Jannina, according to the U. S. Commerce Department. These stations are intended for relaying programs from the 15 KW station in Athens, which has been in operation since about the middle of 1938. It is reported that the Athens station is not powerful enough to cover the northern provinces, and that the installation of two auxiliary stations is a pressing problem.

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## LOFTY NAVY RADIO TOWERS TO BE TORN DOWN

The lofty radio towers at Arlington, Va., which have stood out against Washington's sky-line for a quarter of a century, are soon to come down.

Naval officials disclosed this week that plans call for abandoning the Arlington station, their oldest high-power transmitter, within the next year. Dangers to aircraft operating from the new Gravelly Point air station, and a desire to consolidate naval radio transmission at Annapolis are responsible for the decision, it was said.

Since February, 1913, time signals and weather reports have gone out daily at spaced intervals from the tall spires across the river. During the World War, all orders and messages from the Navy high command to the scattered ships of the fleet were sent from its antenna.

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## SWEDEN MARKS TENTH YEAR OF SCHOOL BROADCASTING

"Ten years have elapsed since broadcasting in Sweden was applied as an organic link in school lessons and educational work in general", the U. S. Commercial Attache at Stockholm reports. "From their very inception, the broadcasts to Swedish schools won great popularity and appreciation both among the teachers and pupils. This fact is clearly displayed by the rapid development of this form of education in the past 10 years, during which time the number of listeners has increased tenfold. Thus, in 1929, about 14,000 copies of the program were distributed to 283 schools, while, today, 140,000 copies are distributed to pupils in more than 4,000 schools throughout Sweden.

"The successful collaboration, commenced a decade ago between the Swedish Board of Education and the Radio Service, has been developed to meet needs of both education and diversion. The programs for the elementary schools have been reduced, as the pupils are too occupied with a heavy curriculum. While the programs broadcast to the elementary schools deal with a wide range of subjects, those for the secondary schools have been confined to courses in English, French and German, Danish and Norwegian. These language lectures - which are made available to teacher and pupils in advance have, however, proved a valuable supplement to the language instruction given by the school themselves.

"Naturally enough, the broadcasts are most highly appreciated by the elementary schools and especially those in remote country districts, and to make it possible for small schools to obtain suitable radio equipment to a certain sum out of radio license revenue is used annually for the purchase of apparatus. A successful propaganda is also being carried on among the school authorities for the introduction into schools of central radio apparatus with outlets in the various classrooms or of smaller portable apparatus, the pupils of the larger schools having hitherto to a great extent gathered in the assembly halls during the broadcast lessons.

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## RCA EARNINGS GAIN; TELEVISION TRADE SEEN

Net earnings of \$1,448,110 for the first quarter of 1939, reported to stockholders of the Radio Corporation of America by David Sarnoff, President, at the annual meeting at the company's offices in Rockefeller Plaza this week, represented a gain of \$10,309 over the \$1,437,801 earned in the first quarter last year.

Current earnings were equal, after preferred dividend requirements, to 4-6/10 cents a common share compared with 4-5/10 cents a share earned in the corresponding period of 1938.

Gross income of \$25,004,989 for the first quarter this year compared with \$22,630,568 for the first quarter of last year. Cost of goods sold, operating, development, selling and administrative expenses totaled \$22,178,676 compared with \$19,810,021 in the 1938 period.

Interest, depreciation, amortization of patents and provision for Federal taxes totaled \$1,378,203 compared with \$1,382,747 in the first quarter of 1938.

Balance applicable to the common stock, after preferred dividend requirements was \$642,801 compared with \$631,708 in the first quarter a year ago.

Commenting upon television Mr. Sarnoff pointed out that RCA six months ago announced it would put television programs on the air and sets on the market in the metropolitan area simultaneously with the opening of the World's Fair. "Two days ago RCA made good that promise", he said.

"It is, of course, too early to draw any conclusions as to the retail market demand for television receivers this year within the limited area and with the limited program service now available", he said but added, "we are confident, however, that television will grow as more television broadcasting stations are erected and as program service is increased. It should eventually prove profitable both as a new medium for advertising and through the sale of a new line of instruments. As the new services and products increase in public use television will provide new employment for thousands of workers in factories, studios and mercantile establishments."

Four Directors - Cornelius N. Bliss, Bertram Cutler, Charles G. Dawes and James G. Harbord, Chairman of the Board, whose terms expired were re-elected for a term of three years.

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## UNIONS MEET TO SETTLE ROW OVER TELEVISION

The first controversy over labor union jurisdiction in the television industry, officially not a week old until tomorrow, was being aired Friday at a special meeting of the Associated Actors and Artists of America, the parent body of all American Federation of Labor performer groups in New York City.

Six days after the start of regular television broadcasts in conjunction with the World's Fair the executives of four unions will try to determine which organization should represent the new entertainment field, potentially one of the most important in the world of show business, according to the New York Times.

Although there are outward signs of harmony, the executives admit privately that there will probably be many lively discussions before the matter is settled, which may mean several months until it can be learned in just what direction television is going. The action of the unions will also be of major importance to film, theatre and radio employers, who are already giving close attention to anticipated changes in their inter-relationship because of the advent of television.

The specific case that brought the question of television jurisdiction to a head was cited by the union officials as an example of the intricacies of the problem. An individual whose name the unions declined to divulge approached the Columbia Concerts Corporation, associated with the Columbia Broadcasting System, and explained that he was representing a new corporation that wanted to engage grand opera singers for the manufacture of 16 mm. films. The films were subsequently to be televised, it was explained.

Since opera singers were involved, Columbia referred the inquiry to the American Guild of Musical Artists, headed by Lawrence Tibbett, which ordinarily represents opera performers. The Guild, noting that a film was involved, referred the matter in turn to the Screen Actors Guild, of which Ralph Morgan is President. The screen body decreed that since television was involved it should be put before the parent body for decision.

The problem does not end there, however. The American Federation of Radio Artists, which only last Winter was recognized by the major radio chains, believes it has an inherent interest in a field that is so closely linked to radio. The Actors Equity Association, oldest of the actor unions and sponsor of the other subsidiary groups, insists it still controls the television jurisdiction and will take it over. Equity has surrendered piece by piece its original jurisdiction over all types of actors and, if it loses television, would definitely have to take a back seat in the union picture, it was noted.

Leo Fischer, executive secretary of the American Guild of Musical Artists, the only official who could be reached, declared his group was not a logical contender for the television jurisdiction. He described the question of jurisdiction as a "complicated mess" because nobody seemed sure what television would really turn out to be.