# HEINL RADIO BUSINESS LETTER

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No. 1151



## U. S. TO LEAD WITH 150 RADIOBEACONS BY END OF YEAR

Ever since the trial of radiotelegraph apparatus on San Francisco Lightship in September of 1809, a month prior to the first demonstrations by Marconi in the United States, the possibilities of utilizing radio in the work of the Lighthouse Service have been receiving increasing consideration. This has been particularly true in recent years with the great developments taking place in the radio art. Present important applications are:

Radiobeacons on ship and shore stations; radio control of aids remote from the point of control; distance-finding through synchronized radio and sound signals; unattended marker radiobeacons on fixed or floating aids; radiotelephone communication and radiotelegraph communication.

The development of these applications is well illustrated by the growth in number of radiobeacons from three in 1921 to an unexpected 150 by the close of 1939; by the use of radiophone communication up to the same time at nearly 200 locations; and by the introduction of distance-finding by the method of synchronous signals at some 100 stations.

Radio telegraph is used at about 60 stations and vessels. Radio control, which offers possibilities of particular value under certain circumstances, has been well developed through experience since 1930 in the control of 2 important lighthouses and 1 lightship without resident personnel and the use of unwatched secondary radiobeacons or "marker beacons," so-called, now undergoing trial at 2 shore stations together with the test application of this type of radiobeacon to a buoy offers important possibilities for further application of these aids in supplementing the primary radiobeacon system.

The limited wave band, 285 to 315 kilocycles, available for radiobeacon use has introduced important problems of synchronization, timing, monitoring, etc., to avoid interference. As the group of minor radio aids is extended, however, increasing interference difficulties are foreseen so that steps have been taken to secure assignment of suitable high frequencies and to institute development along these lines in order to be prepared for their possible necessary use in the future.

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# FIGURES MINIMUM TELEVISION TIME \$525 AN HOUR

The probable cost of television advertising is dealt with in the second of a series of articles by Daniel S. Spector in the Editor and Publisher (Aug. 19). In developing his theory he writes:

"There is set up a period of four months during the first year's activity of the television broadcasting station for internal or closed circuit programs to train the operating and talent personnel and build interesting programs. During this "closed" period the programs are completely carried out and are transmitted not to the public but exclusively to the station itself. The technical, artistic and other phases of the program are then reviewed critically and an effort made to improve the quality of the programs which are later to be transmitted to the public.

"It is further assumed that during the remaining eight months of the first year, the station will operate one daytime hour and two evening hours, five days each week. During the second and perhaps the third year, the total station broadcast activity is assumed to comprise two daytime hours and two evening hours six days a week, for 12 months.

"It is not contemplated, however, that the total broad-casting time of the station will be sold to advertisers or paid for by other commercial sponsors. This would not be feasible nor socially desirable. A certain amount of time would necessarily be devoted by the station to studio or other programs of a non-commercial nature.

Mr. Spector said that based upon the estimate of costs previously set forth of about \$120,000 for the station, with an additional total operating cost for the first year of approximately \$150,000 and a second year cost of approximately \$228,000, then a normal capitalization for such an enterprise would be about \$300,000.

"Therefore, the grand total of all station operating costs the first year," Mr. Spector continues, "would be the figure of \$150,000 previously set up, plus the figure of \$25,000 depreciation and \$75,000 return on captial, making a total of \$250,000. This is the amount of gross income required by the broadcasting station to cover the costs set forth. During the second and third years, this required amount would be increased from \$250,000 to \$328,000, due to the increase in the cost of talent and other programs material from \$78,750 for the first year to \$156,000 in the second and third years.

"A quick method of determining the minimum selling price per hour of television time to the commercial sponsor is, of course, to divide the total station cost per annum by the number of commercial hours sold. This amount, if secured for all the available commercial hours, would also take care of the non-commercial time of the station's broadcasting activity.

"During the first year, therefore, with a total estimated station cost of \$250,000 and a total commercial activity of 175 hours, the minimum selling price per hour would be about \$1,430. During the second year, with a total estimated station cost of \$328,000 and a total commercial activity of 465 hours, the minimum selling price per hour wouldgo down to about \$700.

During the third year, with a total estimated station cost of \$328,000 and a total commercial activity of 624 hours, the minimum selling price per hour would be about \$525.

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#### SECRET S. W. COMMUNICATION WITH GERMANY ALLEGED

It was testified at the Dies Congressional hearing of un-American activities that specially equipped short-wave sets were given as prizes by the German-American Bund for secret communication with Germany.

Miss Helen Voorys of Brooklyn, native-born German, said she learned from members of the student group and from other sources that the Nazi Institute for Germans living abroad, which operates from Stuttgart, gives courses in sending and receiving short-wave radio broadcasts and that over such a system two Harvard-student members of the group had conversed with Nazi officials in Germany.

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#### NAB GRAPPLES WITH CODE

Hot weather apparently has no terrors for the National Association of Broadcasters' Committee, which will meet in New York city this week to discuss copyright, the new code and record licensing.

On Wednesday, the Executive Committee will meet with the Copyright Negotiating Committee, augmented by Walter Damm, WTMJ, Milwaukee, and John Shepard, 3rd, the Yankee Network, to discuss the whole copyright situation and the forthcoming special NAB convention at Chicago. The negotiating committee includes Major Lenox Lohr, NBC; Adward Klauber, CBS; Sam Rosenbaum, WFIL; John Elmer, WCBM; and Meville Miller, President of NAB. The special committee on phonograph record licensing appointed last week consists of: Mr. Miller; Mr. Elmer, WCBM, Baltimore; and Clair McCollough, WGAL, Lancaster, Pa.

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#### L. A SEEKS ANOTHER TELEVISION STATION

A construction permit has been applied for from the Federal Communications Commission for a new television broadcast station on the frequencies of 70000 to 84000 kilocycles with aural and visual power of 1 kilowatt, to be located at Wilshire Boulevard at Fairfax St., Los Angeles, Calif.

The applicant is the May Department Stores, a large concern in that city. The only television station now licensed to operate on the Pacific Coast, according to the Federal Communications Commission, W6XAO is also in Los Angeles. It is operated by the Don Lee Broadcasting System, with a visual power of 1 k.w. and aural power of 150 watts.

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# S. W. USED IN MISSISSIPPI CONTROL SURVEY

For the purpose of conducting an experimental program of research in connection with the determination of the feasibility of establishing a coastal harbor service on the Mississippi River and tributaries, the Federal Communications Commission has granted the Radiomarine Corporation of America permission to operate its experimental station WloXG aboard the Tow Boat Alex Mackenzie.

Frequencies of 2118, 4422.5, and 6425 kilocycles have been authorized with 75 watts power. The Commission also granted W10XG additional authority to communicate as a ship station with Coastal Harbor Station WAY.

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#### SWISS DICKER FOR LEAGUE STATION PROGRESSES

Further steps will be taken this week by the Swiss Government to take over the League of Nations broadcasting station at Berne.

Under the 1922 convention between the League and Radio Suisse the latter corporation is nominally the proprietor of the station. However, all apparatus was set up at the League's expense and remain League property.

The same convention also provides for operation of the station by Radio Suisse in normal times but specifies that in emergencies it would come under the League's direct control.

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# NEWLY PAINTED OFFICE WHEN MR. FLY ALIGHTS

A newly painted suite of offices (the same as occupied by the former incumbent undecorated) awaits the official coming of James L. Fly. T. V. A's general counsel, who will be sworn in as the new Chairman of the Federal Communications Commission Friday, September 1st.

Although appointed sometime ago Mr. Fly has not yet visited the Commission. There is naturally considerable apprehension among the personnel about any possible changes but up to now Mr. Fly has kept mum on this subject. Also except in a very general way has not committed himself with regard to future FCC policies.

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#### PROTEST TAX ON TELEVISION SETS

Claiming that the consumer would have to pay double M. B. Sleeper, District Sales Manager of the Andrea Radio Corporation writes the following protest to Radio Today:

"There is undoubtedly, justification for the Federal excise tax on radio sound receivers. However, the application of this tax to television receivers is quite another matter.

"Manufacturers of television sets are bending every effort to bring down the cost of the receivers so as to make them available to the greatest number of people, and to encourage the growth of this new industry. At this time, when prices are necessarily high, the excise tax puts a serious burden on the buying public.

"Because of the setup of the exicse tax on radio sets, the 5 per cent tax paid by the manufacturer costs the consumer, for example, \$30 on a \$600 receiver. In other words, the tax costs the consumer twice as much as the amount actually paid to the Federal Government. The reason is this: The manufacturer figures his selling price, including excise tax, is \$300. On that basis he pays the government \$15 or 5 per cent of his selling price. Since the jobber must have, ordinarily, a 50 per cent discount from the list price, that would make the list price \$570.

"From this you will see that the cost to the consumer is not merely the \$15 tax received by the Government. The cost of this tax is actually \$30. Experience in the merchandising problems of radio dealers and manufacturers will tell anyone, without any elaboration on my part, that there is a tremendous difference between a list price of \$600 and a list price of \$570."

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"Even on the lowest-price reciever which we manufacture, listing at \$189.50, the elimination of the Federal tax would save the retail purchaser \$10. One can see how much it would contribute toward reducing sales resistance if we could offer the same set at a price of \$179.50."

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#### INTERIOR DEPARTMENT HAS FINE STUDIOS

There are two studios and a control room, as well as a conference and audition room, artists' lounge, waiting room, and offices, all air-conditioned in the up-to-the-minute broadcasting unit of the Interior Department in Washington The rooms are appointed in chromium and leather furniture and fittings.

Modern acoustic treatment of the studios insures their being acoustically isolated from external noises and in addition "live" enough to render good pickup. The studios are, as described in Broadcast News, "floating"—the floors of cork tile. The small studio is designed chiefly for speakers or interviews. The large production studio is 40 feet long. It has an observation gallery which will seat 50 persons. Both studios have double entrance doors providing a "sound lock" which will keep out extraneous noises in case it is necessary for someone to enter or leave during a program. Warning lights are located next to each door to indicate when that studio is on the air. Similar lights are also located in each studio indicating "Standby" and "On The Air". In each studio is a loudspeaker for cueing and talk-back and auditic ming.

The control room is located between the two studios with large double-glass windows allowing easy view into each.

The speech input equipment is RCA De Luxe. There is an operator's console at each of the two studio windows. Each console contains a four position mixer, volume indicator, microphone and attenuator switches, and switches for cueing and programs and auditions. High level mixing is employed; a 41-C and a 41-B providing the necessary preamplification. A monitoring loudspeaker is mounted directly over each console. These speakers and the studio speakers are all controlled by interlocking relays and switches which prevent acoustic feedback. Talkback microphones allow the program director or the operator to speak to those in the studios.

The main program amplifier is a 40-D and the main monitoring amplifier is a 94-C. There are also three 82-A monitoring amplifiers. Switching equipment is provided for feeding the output of the program amplifier to one or several telephone lines for transmission to commercial broadcast stations. Terminating equipment is provided for twelve remote lines and order wires.

A separate rack mounts four all-wave receivers whose on puts are connected to busses which distribute the four programs

from the receivers, as well as any studio program, to various points in the Interior Department building. At each of these points any of the programs may be selected and the volume may be adjusted to any desired level.

Jacks have been provided for patching where necessary but the regular program circuits are normalled through. Microphones are 44-B velocity and 50-A inductor types. All the racks have been finished in an attractive gray with chromium strips and fittings. Meters have illuminated faces. A volume indicator has been provided for adjusting the program level on the busses. Provision has been made for future expansion of the technical facilities.

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#### CUBANS APPRECIATE U. S. WEATHER BROADCASTS

Daily broadcasts respecting weather conditions in the vicinity of the southern portion of the Florida coast, made by radio telephone from the Coast Guard depot at Key West, are greatly appreciated by the fleet of Cuban fishing boats which operate in the general vicinity of that coast, according to a letter received by the superintendent of light houses at Key West from Senor Gabriel Palmer, President, Empresa de Pesca S. A., of Casa Blanca, Havana, Cuba. The fishermen from the Cuban port operate in a part of the Gulf of Mexico to which the Key West weather broadcasts are applicable, yet speak only Spanish. As a mark of international goodwill the Coast Guard announcer delivers his messages first in English and then in Spanish.

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#### AS GOEBBELS SEES BROADCASTING DUTY

Broadcasting has the duty, wherever it may be required, to start beating drum and fighting from the very beginning Dr. Goebbels, Minister of Propaganda, declared in Germany recently.

"To help in this is an honourable and political duty," the Minister concluded. "Broadcasting must stand at its post to fight against lies and misrepresentations, and is, next to the Press, the sharpest weapon in the battle of our people. May broadcasting always remain so, and may it continue in future to broadcast the voice of the Fuhrer which awakened the nation, and to-day calls the whole world back to reason!"

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		TRADE	NOTES		:	
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Stations WIDD-WMBF, Isle of Dreams Broadcasting Corporation, of Miami, seek to install a new transmitter, directional antenna and an increase in power from 1 to 5 kilowatts.

The Crosley Radio Corporation of Cincinnati has been granted authority to operate a 50-watt portable transmitter with 100 feet vertical antenna, on the frequency of 1360 kc in order to make preliminary field survey of the proposed site of station WSAT.

No purchase price was revealed but it is said the <u>Cincinnati Times-Star</u> paid Columbia in the neighborheed of \$250,000 for Station WKRC in Cincinnati.

In the "World Redio Markets" series issued by the Electrical Division of the Bureau of Foreign and Domestic Commerce, John H. Payne, Chief, reports on Egypt, Martinique, Palestine, and Guatemala, have just been distributed.

Elliott roosevelt, son of President Roosevelt, whose regular talks over WOR-Mutual three times weekly have been heard only in the East and Texas, will be extended coast-to-coast September 2. He is heard on Tuesday, Thursday and Saturday at 6:15p.m. EST, over WOR, New York and 24 other Mutual Stations.

Two million eight hundred and eighty thousand sets were sold in Germany during the past season, compared with 1,576,430, in the year before.

The WLW transmitter at Cincinnati went off the air four minutes, one afternoon, recently, in an odd accident. According to Joseph Whitehouse, WLW Engineer, a praying mantis crept into a 12,000-volt vilter condenser in the basement of the transmitter building at Mason, Ohio, and caused a short circuit. A discharge of 220 microfarads of energy from the condenser produced a sound like a thunderbolt.

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#### TO FIGHT BROADCAST RECORD LICENSING

The National Association of Performing Artists, through its general counsel, Maurice J. Speiser, has served notice on the R.C.A. Manufacturing Company, Inc., that it would "legally resist" the company's proposed plan to license its Victor and Bluebeard phonograph records for radio broadcasting purposes.

At the same time the association, headed by Fred Waring, whose membership includes Paul Whiteman, Al Jolson, Lawrence Tibbett, Bing Crosby, Rudy Vallee and Jascha Heifetz, warned individual radio stations that the proposed R. C. A. plan had not been authorized by the artists and that "use of any of these records without a license duly obtained from us will be entirely at your own risk."

The sending of the letters by the association brought to a head a controversy that has existed between the performers and the company since July 26, when Federal Judge Vincent L. Leibell handed down a decision restraining Station WNEW from unregulated broadeasting of R C.A. phonograph records.

In his decision Judge Leibell ruled that the artist making the record, by his artistic and intellectual performance, acquired a common law right in the records, which he retained unless it was transferred by contract. The decision, however, did not give the individual artist the right to license broadcasts without the permission of the manufacturer.

After the decision had been handed down, the R.C.A. Manufacturing Company sent a letter to radio stations announcing its proposed plan to license all Victor and Bluebird records for broadcasting purposes, and saying that a percentage of the license fee would be given to the artist whose records were used.

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#### U.S. RECORD CORPORATION ELECTS OFFICERS

The United States Record Corporation of New York, has selected the following officers:

Charles M. Hemenway, President; Eli E. Oberstein, Vice-President; Lowell A. Mayberry, Treasurer; and Mortimer S. Gordon, Secretary.

The Board of Directors consists of:

Charles M. Hemenway of Paine-Webber & Co.; Raymond S. Pruitt, attorney for American Airlines; Sydney Newman, of Boston, Mass.; Wesley Simpson, President of Wesley Simpson, Inc., textile manufacturers; Eli E. Oberstein, formerly of R.C.A. Manufacturing

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Co. and Columbia Phonograph Co.; Lowell A. Mayberry, of Palm Beach, Florida and S.VP. Quackenbush, President of the Quackenbush Warehouses, Inc., Scranton, Pa.

The guiding lights in back of this company, which is closely affiliated with the Scranton Record Manufacturing Company, according to a press statement, are the above men plus:

Allan H. Sturges, President of the Pilgrim Trust Co. of Poston; William L. Hutcheson, General President of the Carpenters' Union; Dr. Noble, President of the First National Bank of Scranton, Pa.; Weston Scranton, President of the Scranton Iron and Steel Mills; and Louis Oppenheim, President of the Scranton Dry Goods Co.

The United States Record Corporation, whose address is 1775 Broadway, New York City, is merchandising "Varsity," a 35¢ record and "Royale," a classical record at 75¢ to \$1.25. The initial catalog includes over 700 standards, it was said, and classical selections. Production and deliveries from the factory at Scranton are being made at once, the press statement concludes.

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CBS NEWS SERVICE NAZI-SOVIET TRADE PACT SCOOP

"An eight-day scoop in the world of international events was scored by Albert L. Warner, CBS Washington correspondent, when Germany and Soviet Russia signed the reciprocal trade agreement Sunday, August 20, a Columbia press release sets forth."

"Speaking on Saturday, August 12, in his regular series 'This Week in Washington,' heard from 6:30 to 6:45 p.m., Warner revealed that a cable had been received from Europe which indicated that the trade agreement was about to be signed," the CBS release reads. "He added that this might have the effect of nullifying the sense of unity which Great Britain and France and Russia had been showing in the past.

Warner has been Washington correspondent for CBS since early this year, coming to Columbia after many years in charge of the Washington bureau of the New York 'Herald Tribune.' His weekly series originates in WJSV, Washington."

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## WING, DAYTON, JOINS NBC

Station WING, Dayton, Ohio, will join the National Broadcasting Company on September 10, 1939, as a supplementary outlet, bringing the total number of NBC affiliates on that date to 172, according to an announcement by the company.

WING, owned and operated by WSMK, Inc., operates on the 1380 Kc. channel nighttime power of 250 watts Network rate for WING is \$140 per evening hour.

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