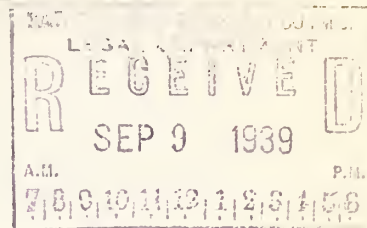


# HEINL RADIO BUSINESS LETTER

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## F. D. R. DECRIES CENSORSHIP AS FCC TACKLES PROBLEM

Shortly after the White House released a statement asserting that President Roosevelt will not permit the invoking of censorship of radio unless the United States goes to war, the Federal Communications Commission this week tackled the task of adopting a general policy for stations to follow to insure American neutrality.

Following an all-day meeting in which the matter was argued with some fervor, James L. Fly, Chairman of the FCC, announced that a committee had been set up to study the problem further and make recommendations to the full Commission.

Besides himself, the Committee comprises Commdr. T.A.M. Craven and Thad H. Brown.

Chairman Fly stated that he considered the FCC's problem two-fold. The first objective, he said, is to prevent broadcasts that are unneutral in the sense that they are conducted in behalf of a belligerent or supply war-connected information.

The second and more dangerous problem, the Chairman added, is how far the Commission can and should go in interpreting what programs are "in the public interest".

The Commission is sharply divided on this latter issue, it is understood, as some members believe that the FCC should crack down on any station that carries comment by an unneutral observer. Other members insist that such regulation would amount to censorship, which is not allowed under the Communications Act.

There were indications both at the FCC and in the White House statement that amateur stations may be the first to feel the curbing hand of the Federal Government and that international short-wave stations will not be far behind. These stations are considered potentially dangerous to American neutrality, it was explained, because their reception is chiefly foreign.

A statement made by Stephen Early, Mr. Roosevelt's secretary, was in reply to a question about the President's warning the day before lest the United States find itself the clearing-house of propaganda and information work of agents of the belligerent nations.

Plans exist for the control of communications should this country go to war, Mr. Early admitted, but reminded that this was a time of peace for the United States.



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He said the Government was keeping a close tab on the radio to see how the young industry met the problems of American neutrality in a time of great international stress. The press, he said, has gone through periods of war and neutrality, but the radio is a "rookie rather than a veteran".

"There is a general feeling", Mr. Early said, "that radio, because of its youth, is coming into a time in history that is new to it. If we find that the child has been reared so it is well-mannered, it will be left to run its own business. If it proves to be a bad child there will be a disposition to teach it some manners. Certainly there have been no moves in this direction yet."

A declaration by Mr. Early that the shortwave and international broadcast fields should be carefully watched was borne out by FCC experts who said that the problem of apprehending small radio sets broadcasting information about ship or merchandise movements, for example, would present serious difficulties.. Extensive monitoring of the ether waves, they indicated, would be necessary.

The FCC only a few weeks ago attempted to impose restrictions on the broadcasts of international stations. A rule that specified that programs must be of a cultural nature, intended to build up goodwill for the United States, aroused such a storm of protest that it was suspended indefinitely.

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#### NETWORKS MOVE TO COOPERATE WITH ADMINISTRATION

Changing their policies of war coverage over night, the major networks this week moved to cooperate with the neutrality efforts of the Administration by curtailing war news broadcasts to avoid what was termed a "war of words".

Broadcasts from European capitals henceforth will be carried only when the network's representatives abroad report that they have news of transcending importance to announce. Likewise news bulletins, unless of extraordinary importance, will be broadcast at regular intervals rather than intermittently during programs.

This new policy was induced by several developments since the outbreak of the European conflict, it is understood. The first was the imposition of a strict military censorship upon broadcasts from the warring capitals. The second was a desire of the American broadcasters to avoid any suggestion of unneutrality. And a third was a complaint from listeners against too intensive reporting of unimportant developments.

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# FCC GETTING LOTS OF ADVICE ON WHAT TO DO

While the Federal Communications Commission ponders the ticklish problem of how to keep American radio stations neutral and at the same time avoid censorship, lots of advice from persons of varying prominence is pouring into the FCC offices.

This week no less a personage than Elliott Roosevelt, son of the President and a Texas chain broadcaster, suggested that the FCC try to control the rebroadcasting of war propaganda from abroad, while Dean Carl W. Ackerman, of the Columbia University Graduate School of Journalism, warned the FCC against censorship.

Dorothy Thompson, after being cut off the air by Station WKW, St. Louis, wrote a blistering column suggesting that the broadcast of war news, especially news comments from warring European countries, be curbed in this country.

Neville Miller, President of the National Association of Broadcasters, disturbed by divergent rumors and inquiries from NAB members, conferred with James L. Fly, Chairman of the Commission, at some length.

Dean Ackerman's telegram to the FCC was prompted by the suggestions of radio control by Miss Thompson and young Roosevelt.

"I trust", Dean Ackerman's telegram said, "that the Federal Communications Commission will take no action which will in any way interfere with the free flow of information by radio, newspaper, press associations or otherwise from all parts of the world to the United States, whether it is propaganda for or by foreign governments, or whether it is propaganda distributed by American citizens with foreign viewpoints. Propaganda either labels itself or is exposed by the truth which free communication insures."

He declared that as long as this country was not involved in the European war, the interest of every free citizen should be centered in the complete and unmodified freedom of the instrumentalities of communication. He went on:

"There may be many points of view expressed on the radio, and some practices of the radio broadcasting companies or the newspapers to which I may be inclined to take vigorous exception; nevertheless, this is not the time or occasion for any citizen to set himself up as a dictator of the kind of liberty he approves.

"The people of this country are not boobs. They have sound common sense and are able to reach honest American conclusions after they have listened to or read news dispatches and comments, considered the facts and applied discriminating judgment to the facts and opinions as presented by the different sides in this European war.

"I am in favor of maintaining peace and democracy by maintaining our liberties. I am unwilling to have either Elliott Roosevelt or Miss Thompson decide for me what they consider to be the amount of freedom which may be allotted to me as a citizen."



## McNINCH RETAINED BY JUSTICE DEPARTMENT

Attorney General Murphy announced this week that the Department of Justice has retained Frank McNinch, formerly Chairman of the Federal Communications Commission, as an expert in communications problems to advise the Department in connection with the telegraph, telephone and radio complexities involved in the Western Union suit and other litigation in the Department.

Mr. McNinch is expected to submit his confidential report to President Roosevelt on the Federal Communications Commission within a few days.

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## G. E. BUILDING FREQUENCY MODULATION STATION

Equipment is now being built for the construction of a new broadcast station in Schenectady that will operate on the recently announced frequency modulation system developed by Major Edwin H. Armstrong, according to an announcement by C. H. Lang, Manager of Broadcasting of the General Electric Company.

The transmitter for the new station will be located in the building now housing General Electric's television transmitter atop the Helderberg Mountain, 12 miles from Schenectady. It is expected that the new station will go on the air this Fall, according to Mr. Lang.

General Electric has been conducting frequency modulation tests for some time on its 150-watt ultra short-wave station W2XOY, located atop the State Office building in Albany. Federal Communications Commission officials spent two days in Schenectady and Albany this Spring to witness a demonstration of the new system of radio broadcasting.

These tests and subsequent ones have shown that at least 96 percent of all natural and man-made static is eliminated in the new system. Coverage is limited to approximately twice the distance between the transmitting antenna and the horizon, which, according to General Electric engineers, should provide good reception for about 100 miles from the Helderberg transmitter.

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The average rating of all evening radio shows increased last Winter from 8.8 percent to 9.3 percent, according to a comprehensive report on radio program audience which the Comprehensive Analysis of Broadcasting has just distributed to its subscribers. The number of evening shows rating 10 percent or higher increased from thirty-nine to forty-four and the number of daytime programs rating over 5 percent was almost twice as great as during the previous Winter.

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## AMATEUR BROADCASTS FROM EUROPE "BLACKED OUT"

Washington's amateur eavesdroppers have been tuning their short-wave radio sets to European wavelengths constantly in the last few days, but so far they have gleaned little that was not already known.

As soon as the war began, they reported, amateur stations in all warring countries went off the air. American stations in the Philippine Islands and at Java, and a few amateurs in the international area at Tangiers in North Africa, are now the only contacts between amateurs here and on the other side of the world.

Some messages apparently coming from the German command and directed to sections of the Army and Navy were picked up by K. J. Cranford, of Bradbury Heights, Md., but he would not say what they were, as all amateurs are sworn to regard such private communications as confidential. The information was not of sensational importance, he said, but of a routine nature.

Although amateurs agree that chances of picking up and decoding such messages are slight, they pointed out that under favorable conditions messages from small field transmitters in Europe theoretically could be received here.

Conditions have not been good in the past weeks, they said, but they are now improving daily.

One amateur reported that German property in South Africa is being picketed.

Earl A. Merryman of 4905 Quarles Street, N.E. reported he had picked up a conversation between Johannesburg and a Chicago amateur in which the man from South Africa reported the picketing.

Mr. Merryman said he had made contact with an amateur in Spain who appeared anxious "to know as much about the European situation as we do". The Spaniard reported, according to Mr. Merryman, that scarcely any news of the war and conditions was available in Spain.

Meanwhile, Roy C. Corderman, emergency co-ordinator for the American Radio League, called a meeting of local radio amateurs September 18th in the District Red Cross Chapter Building. The session will take up problems which might arise in the Washington area during the various types of emergencies.

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Three Washington girls have sued the Western Union Telegraph Co. in the District for \$30,000 damages, claiming that a cheery birthday message was delivered to a widowed friend to whom they wired condolences.

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## RADIO TO PARTICIPATE IN BUSINESS BOOM

While opinions differ as to the immediate effect of the European War on advertising in this country, experts agree that radio will participate in whatever business boom may occur in the United States.

At present there is a great deal of confusion in both industrial and advertising circles, but this is expected to give way to steadily increasing sales and higher prices as the war progresses - so long as this country remains neutral.

The radio manufacturing industry is expected to prosper with expanded sales in the United States and neutral countries. The market in Europe, however, is uncertain.

New York advertising agency men are quoted by Variety as predicting an industrial boom in which radio will have its share after "a brief period of uncertainty and confusion".

The New York Times business editors state that national advertisers are talking of short-term commitments in order to be ready for any changes in the market.

"Theoretically, newspapers, spot radio, direct mail and the weekly magazines would appear likely to benefit. Network radio will have to undergo some adjustment, as advertisers have started to complain about their programs being interrupted for news flashes. Yesterday, however, several networks began to cut down on European broadcasts, and it is likely that only the most important news flashes will be interjected into regular broadcasts. Newspaper advertisers have begun to strive for news headlines tying in with the war, and it is likely that this type of copy will become more frequent."

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## BROADCASTERS CONFER ON WAR "COVERAGE"

Disturbed by military censorship abroad and hints of governmental control of radio in the United States, American broadcasters have been holding conferences in New York this week in an effort to agree on a general policy of "covering" the war.

The parleys have been attended by David Sarnoff, President of the Radio Corporation of America; William S. Paley, President of the Columbia Broadcasting System; Lenox R. Lohr, President of the National Broadcasting Company; Alfred J. McCosker, President of WOR, and a group of other executives. The Program Directors of the key New York stations met yesterday at CBS headquarters.

Reports coming out of the meetings indicate that the officials are in general agreement that American broadcasting should return to its normal schedules as quickly as possible. Those opposed to this view contend that radio is confronted with its first chance to cover a war in the "public interest, convenience and necessity", and should do it in "a big way". It was made clear yesterday, however, that this is the opinion of a minority.

"The majority of officials advocate normal procedure and in such a policy they see less danger of upsetting neutrality", according to the New York Times. "Furthermore in urging withdrawal from European microphones, the broadcasters point out that foreign censors are stripping 'live news' from the radio so that most of the offerings from overseas are of little interest.

"The American station owners assert that it is not good business to pay \$10 a minute for commentary from Europe when the commentator is permitted to chat only about the moon and the weather. Foreign governments have restricted all broadcasts to guard against a commentator innocently dropping information to the enemy relative to conditions within a city."

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#### GERMAN LISTENERS FEEL FULL BLOW OF CENSORSHIP

While all radio listeners are affected by the military censorships invoked by warring European nations, German listeners are the only ones who are virtually cut off from the world or tune in foreign stations at the peril of their lives.

According to reports circulating in Washington, the Nazi regime, after announcing that listening to foreign stations constitutes treason, has placed an almost prohibitive tax on all radios and confiscated sets capable of tuning in foreign short-wave stations.

This Nazi ban has already had an effect on U. S. short-wave broadcasting.

A decree published in Germany last Saturday fixing prison terms and the death penalty for those who listen to and repeat what they hear on foreign shortwave has caused the National Broadcasting Company's International Division to suspend indefinitely the "Mail Bag", one of the oldest and most popular of German short-wave programs.

The "Mail Bag", conducted three times each week by John J. Marsching, was part of NBC's weekly seven hours of directional beaming to Germany. The principal part of the total is made up of factual news broadcasts.

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 ::: TRADE NOTES :::  
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Orville S. McPherson, President and publisher of the Kansas City Journal has become one of the Vice-Presidents of the KCMO Broadcasting Company by virtue of acquisition of an interest in the company. "I have always believed newspaper and radio were complementary services to the community", Mr. McPherson said. "Each has its own particular field of operations and are non-competitive."

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The National Broadcasting Company's Television Department is planning an extensive series of interpretive telecasts of the European War. The NBC television war series, according to Alfred H. Morton, NBC Vice-President in Charge of Television, will deal with the inner meaning of the struggle, its economic background and the significance of its military moves. Mr. Morton added that television could present such interpretive information more comprehensibly than any other means of mass communication.

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The New York Philharmonic-Symphony enters its tenth consecutive year of broadcasting over CBS Sunday, October 15th. John Barbirolli, young English conductor, returns for his third season as permanent director of the orchestra. Guest conductors this season will be Georges Enesco, Rumanian composer, conductor, and violinist; Albert Stoessel, American conductor of the Oratorio Society; Serge Prokoffieff, Russian composer, conductor, and pianist; and Ernest Schelling, director of the Young People's Concerts.

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Almost four years to the day from its inception, the Radio Corporation of America's Magic Key program will take a "breathing spell" following the final show in the current Summer series on Monday, September 18th.

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American consular reports on the radio markets in the following countries were issued this week by the U. S. Bureau of Foreign and Domestic Commerce: El Salvador, Poland (supplement), British Guiana, Fiji Islands, and British Solomon Islands.

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Opposition to radio advertising of alcoholic beverages was expressed this week by Capt. W. S. Alexander, Administrator of the Federal Alcohol Administration, in an address before a convention of the National Alcoholic Beverage Control Association, at Bretton Woods, N. H. It is wrong in principle, he said, and "in practice it is piling up mountains of trouble for the short-sighted manufacturers who use it."

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Editor & Publisher last week devoted the whole of its "Shop Talks at Thirty" to a discussion of the effect of intensive radio coverage of the war on the newspapers.

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101 Columbia stations have designated their own Educational Directors as part of a plan for expanding CBS educational programs, completed by Sterling Fisher, Director of Education for the network. Three new Regional Directors have been appointed to coordinate the educational broadcasts of the 101 stations. The new Directors are: Lloyd G. de Castillo, Program Director of WEEI, Boston, for New England; Mrs. Lavinia S. Schwartz, Education Director of WBBM, Chicago, for the Middle West; and Mrs. Frances Farmer Wilder, KNX, Hollywood, for the Pacific Coast.

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Polish was added last week to the crisis news broadcasts in foreign languages over short-wave stations W2XE and WCAB of Columbia Broadcasting System. The special announcer on Polish programs is Jan Drottojowski. With the addition of Polish, seven languages are now used on these foreign broadcasts - German, French, Italian, Spanish, Portuguese and English. Fourteen foreign speaking announcers are at CBS short-wave microphones during the emergency.

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J. Francis Harris, of Mamaroneck, N.Y., became a Vice President of R.C.A. Communications, Inc., in charge of Japan, Manchukuo and China last week. He has been Manager in Tokyo for several years and is now on his way back to Japan after a brief visit in this country. He will make his headquarters in Tokyo, but the Shanghai office, hitherto independent, will be placed under his supervision.

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#### SWISS BAN BROADCAST BY LEAGUE OF NATIONS

Although negotiations to transfer the League of Nations holdings in the Radio of Nations are not yet concluded, the Swiss Government has banned further League broadcasts or the use of the station for political messages, according to a Geneva correspondent of the New York Times.

Secretary General Joseph Avenol, addressing the League staff last week, intimated there would be large scale reductions shortly. More than 100 members are already mobilized and others hope to find work with the Red Cross and similar organizations.

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## CHICAGO BIDS "SPORT" HERRMANN RELUCTANT FAREWELL

Although he met his untimely death more than two months ago, eulogies still continue for "Sport" Herrmann, of Chicago, who managed the early radio shows and who was a friend of the radio industry generally. The final tribute was a memorial card just received from Commander E. F. McDonald, Jr., President of Zenith, in whose company Mr. Herrmann was a Director from the time of its organization. The card bore a lifelike picture of "Sport" and his beloved dog "Brownie". Also the following farewell written by Commander McDonald:

Yes . . . "Sport" has been called away from this earthly life.

A taxicab accident in Wisconsin which occurred on July 1st, 1939 took him from us.

YOUR FRIEND AND MY FRIEND . . . a man among men . . . "Sport" still lives in his good deeds.

He made his home in Chicago, but in spirit he was a true cosmopolite. He had warm friends, not just acquaintances, in nearly every part of the world.

His nickname, "Sport", given him early in life, reflected indeed his love of honest, clean sports of all kinds . . . yachting, hunting, fishing, athletics . . . these were his hobbies.

On his letterhead he had inscribed the simple legend "U. J. Herrmann, Citizen", an expression of his pride in having been born an American citizen and of having served as a Commander in his country's naval forces.

"Though amply blessed with this world's goods . . . the fruits of his own hard struggles . . . he remained a simple man in life and habits. He measured his own and others' success not in terms of dollars but by the yardstick of human kindness and personal qualities.

"Sport's" humanity, his understanding nature, his kindly and helpful advice and counsel, his friendship for and unassuming charity toward those in need; his unswerving integrity and honesty of purpose in everything he did, will not soon be forgotten.

Probably no Chicagoan ever received such a tribute as "Sport" Herrmann did in the Medinah Clubman, magazine of the Medinah Club of Chicago, of which he was Treasurer of the Building Corporation. His picture was on the front cover, there was a leading editorial dedicated to him captioned "Goodbye Mr. Chips" and an obituary "Medinah Mourns Death of Sport Herrmann" extending over five pages.

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## AUGUST NETWORK BILLINGS ABOVE 1938

Increases in billings in August over a year before were reported this week by the three major radio networks. Billings of the Columbia Broadcasting System were up 64.2 percent over a year ago and 1.1 percent over a month before. The latest total was \$2,337,376, against \$1,423,865 in August, 1938, and \$2,311,953 in July, 1939.

The National Broadcasting Company recorded an increase of 12.6 percent over 1938 and 0.9 percent over July. The latest figure was \$3,312,570, against \$2,941,099 a year before, and \$3,283,555 a month before.

Mutual was up 24.7 percent over 1938 and 22.2 percent for the year to date. The August total was \$205,410, against \$164,626 a year before.

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## U.S. GIVEN 14.6% OF FRENCH IMPORTS

The basis of the French radio tube quotas was established by taking 40 percent of the imports from each country in 1930 and adding to that 60 percent of the imports in 1931, according to John H. Payne, Chief, Electrical Division, U. S. Bureau of Foreign and Domestic Commerce. Calculations accordingly indicate that the United States is entitled to 14.6 percent of the total import permitted. The published global quota, beginning July 1, 1938, amounted to 2375.45 quintals, which would accordingly entitle the United States to 346.8 quintals. Actually during the fiscal year ending June 30, 1939, the United States was granted 394.75 quintals.

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## IRAN ASKS BIDS ON \$5,000,000 RADIO CONTRACT

According to cabled information, the Iranian Ministry of Posts and Telegraphs has called for bids on approximately \$5,000,000 worth of radio receiving sets, including 100,000 crystal sets (200-400 meters), 200,000 small tube sets (55, to 110 and 200 to 400 meters), sensitivity 100 microvolts at 1 watt output, and 1,000 communications receivers 16 to 120 and 192 to 550 meters with accessory amplifiers and extension loudspeakers. These are minimum quantities, with deliveries extending over a period of five years. Quotations to be c.i.f. Persian Gulf for these and for 50 to 100 percent additional quantities, as well as for replacement tubes and spare parts. Bidders must agree to equip a repair shop in Teheran, to become the property of the Iranian Government on the completion of the contract. A certain number of sets were required by August 18th. Tenders for the principal quantities are to be in by October 4. Sample sets must be submitted.

Specifications (in French) are enroute from Iran and will be made available at the New York District Office of the Bureau of Foreign and Domestic Commerce, Room 602, Federal Office Building, Church and Vesey Sts., New York, for inspection by interested firms.

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