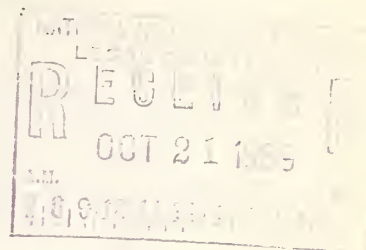


# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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## HOUSE MEMBERS RAP NAB RULING ON COUGHLIN

As member stations began withdrawing from the National Association of Broadcasters this week in protest against the Code ruling against controversial issues on sponsored programs (see Roosevelt story elsewhere in this issue), members of Congress hinted that they may take a hand in the row as they expressed disapproval of the NAB action.

Representative Cochran (D.), of Missouri, condemned the ruling as it affects the Rev. Charles E. Coughlin, Detroit radio priest, in a speech on the House floor, and other members arose to endorse his views.

FCC officials watched the developments with interest, and there were informal predictions that the controversy will lead to the introduction of legislation to set aside arbitrarily periods on all stations for discussion of public issues.

Cochran's views, which were not a defense of Father Coughlin except as to his rights to speak over the air on sponsored broadcasts, were endorsed by Representatives Crawford (R.), of Michigan, and Kunkel (R.), of Pennsylvania.

Characterizing the NAB ruling "a direct assault upon one of the most sacred provisions of our Constitution - freedom of speech", Representative Cochran said:

"The question as to whether we are in agreement with those who are able to purchase time on the radio to discuss controversial public issues is beside the point. I insist we are treading upon most dangerous ground when free and open discussion of any question, public or otherwise, is to be denied.

"At the moment this ruling undoubtedly will affect many outstanding citizens of this country sincere in their belief that the present neutrality law should not be touched, or, if amended, the embargo provisions should be retained. Among those who entertain this view is Father Coughlin, who, with all the vigor at his command, probably is the leader in the fight against repeal of the embargo.

"Regardless of whether or not this order was directed at Father Coughlin, it will affect his broadcasts in some localities, and his followers will always believe that back of the decision was a desire to take Father Coughlin off the air.

"Many times I have not agreed with the views of Father Coughlin. I do not agree with him on this issue, although many of my constituents do. I have not hesitated to write Father



Coughlin when I thought he was in error. True, there are many others, if the ruling is strictly adhered to, who will be affected, including many of our leading commentators who are heard daily over the radio. To deny Father Coughlin the use of the radio, especially at this time, means beyond doubt that the members of the National Association of Broadcasters will be required to discontinue the broadcasts of every citizen who desires to discuss controversial public issues, if the National Association of Broadcasters so decide.

"Now what is a controversial public issue? I would say every public issue is controversial, because those of us who have been in public life any length of time know there is a minority to practically every public issue, which makes it a controversial issue.

"Honestly enforced, would not this order deny the use of the radio to even the candidates for President in 1940? The issues involved in that campaign are certainly to be controversial, and they will beyond question be public issues. Likewise, the candidates for all public offices in 1940 - National, State and local - must be denied the use of the radio because the issues they advance will be controversial public issues.

"I commend those in control of broadcasting stations, be they members of the National Association or not, who have defied the ruling and notified the Association they will not abide by it. Among those who take exception to the ruling is Rev. Father W. A. Burk, S.J., faculty director of the radio station operated by the St. Louis University of my home city, St. Louis. . . . .

"The decision of the National Association of Broadcasters brings back to my mind the action of the Federal Communications Commission in issuing regulations last May relating to the character of international broadcasts. Shortly thereafter I introduced a bill which, if enacted into law, would provide no rule or regulation hereafter issued by the Commission shall have the effect of limiting broadcasts to service which will reflect the culture of the United States or promote international goodwill, understanding, or cooperation.

"Why did I offer such a bill? It was because I felt then and I feel now it was in effect an attempt to curb freedom of expression.

"I am pleased to say that regulation or rule of the Commission was rescinded and a committee appointed to consider the question.

"When I introduced that bill Rev. Edward Lodge Curran, President of the International Catholic Truth Society, wrote me a letter defending the Commission's action and desired that I debate the subject with him.

"At that time President Neville Miller, of the National Association of Broadcasters, the same organization that now seeks to impose its will on discontinuing paid contracts for discussing controversial public issues, condemned the Communications Commission for issuing the regulation. He was quoted in part as saying it

was an unsound policy, incompatible with the operation of broadcast stations by private enterprise in a democracy.

"I am reminded of the words of the late Mr. Justice Holmes in his dissenting opinion, Mr. Justice Brandeis concurring, in the case of United States against Schwimmer, a lady who was denied naturalization, when he said in part:

"Some of her answers might excite popular prejudice, but if there is any principle of the Constitution that more imperatively calls for attachment than any other it is the principle of free thought - not free thought for those who agree with us, but freedom for the thought we hate."

"Mr. Speaker, I suggest to Mr. Miller and the Association which he represents that they take the same view now that they took when the Communications Division issued its regulation and describe their own order 'as an unsound policy, incompatible with the operation of broadcast stations by private enterprise in a democracy.'"

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#### ELLIOTT ROOSEVELT QUILTS NAB; MILLER EXPLAINS

Elliott Roosevelt, son of the President, this week announced in Boston that ten Texas radio stations which he operates were resigning from the National Association of Broadcasters because of the imposition of a rule barring expressions of personal opinion on controversial issues on commercially sponsored programs.

At the same time, Neville Miller, President of NAB, issued a statement suggesting that Mr. Roosevelt may not understand the NAB Code thoroughly. He also released correspondence between NAB and the Mutual Broadcasting System concerning the Roosevelt neutrality comment which brought about the NAB censure.

Young Roosevelt termed the ruling a "curtailment of free speech and censorship in its worst form", making this statement at a press conference prior to a speech before the Boston Life Underwriters' Association.

The President's son also voiced disapproval of the Federal Communication Commission's stewardship of broadcasting stations, asserting the six-month licenses under which they operated made them "not a business, but a gamble".

Although expressing disapproval of Father Coughlin, the radio priest, because of a contention that he "fosters racial hatred", Mr. Roosevelt said he believed the priest "had a perfect right to speak".



On October 7, Mr. Roosevelt publicly stated that he would violate the NAB Code and would express personal opinions on public controversial matters on his commercially sponsored news commentator's program.

After making inquiry, Mr. Miller on October 13, sent the following letter to Theodore Streibert, Vice President of the Mutual Broadcasting System.

"Dear Mr. Streibert: In his sponsored broadcast over the Mutual Broadcasting System on October 7th, Elliott Roosevelt publicly announced that on his broadcast of that evening he would express a personal and editorial opinion about a public controversial issue and that he realized such expression of personal opinion by a news commentator on commercial time was in violation of the NAB Code. I am of the opinion that Elliott Roosevelt in his broadcast did violate the Code, and I am therefore bringing the matter to your immediate attention. I shall appreciate a reply at your earliest convenience. With kindest regards, I am sincerely yours, Neville Miller."

Thursday of this week Mr. Miller received the following reply from Mr. Streibert:

"Dear Mr. Miller: With reference to your letter of October 13th, we held a discussion with Elliott Roosevelt yesterday and reached an agreement which was wholly satisfactory. He will eliminate from all his commercially sponsored broadcasts any expression of personal editorial opinion about public controversial issues. Sincerely yours, T. W. Streibert."

Mr. Miller expressed regret that Mr. Roosevelt has seen fit to disregard the Code voluntarily set up by his fellow broadcasters and resign from the Association.

"His statement charging censorship indicates that perhaps he is not fully conversant with the Code and the vital problems of public policy underlying it", he said. "There can be no charge of censorship or of the curtailment of free speech when all spokesmen are given an equal footing at the radio rostrum, free of charge."

"This provision of the Code not only insures the widest possible use of radio for public discussions, but it insures as well an impartial and fair opportunity to all spokesmen and groups to use its limited facilities and to be subject to debate and challenge should such develop. This is the democratic way of doing things."

"It is significant to observe that those who are objecting to the Code and who want to continue to buy time for discussions of public controversies, have refused to accept free time offered on programs where another viewpoint may be fully presented."

"Rather than barring them from the air, as has been charged, the Code recognizes their right to speak, but provides that those holding other views shall not be deprived of the right to present those views under similar conditions.

"The point raised in Mr. Roosevelt's October 7 broadcast, however, involves the propriety of injecting personal opinions on a news commentator's broadcast.

"The press of this country has always recognized the necessity of preserving the integrity of its news columns. Personal opinions are reserved for the editorial page. The integrity of radio news is of parallel importance.

"If Mr. Roosevelt wishes to express personal opinions about public controversial matters on the air, there is nothing to prevent him from doing so on the time freely given for the purpose. But, under this Code, no personal opinions can be presented under the guise of news on any news broadcasts, whether sponsored or unsponsored.

"The NAB Code is based upon principles, not personalities. The provisions of the Code shall continue to be administered fairly and impersonally."

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U.S. OFFICIALS SEE TELEVISION TEST FOUR MILES UP

Government officials and newspaper men witnessed a demonstration of television transmission from New York City to an air liner 21,600 feet above the National Capital this week. The television images, which were on the whole clear, were carried 200 miles and received on a standard RCA television receiver.

The demonstration, which marked the twentieth anniversary of Radio Corporation of America, was staged first for the benefit of New York newspaper men and then repeated for Washington reporters, army officers, and officials of the Federal Communications Commission, and the Civil Aeronautics Authority.

Arranged jointly by the Radio Corporation of America and United Air Lines, the flight over Washington represented the first attempt to extend the range of the intractable radio waves upon which television must depend under allocations of the Federal Communications Commission.

Because television waves obey exactly the same rules as light waves, traveling only in straight lines subject to being blocked off by mountains, the curvature of the earth's surface, or even intervening buildings, they have up to now been limited to a range of less than 50 miles, even when broadcast from an antenna high above the highest New York skyscrapers.



To prove that the range of the television wave-length is far greater than the 50-mile limits within which receiving of the New York broadcasts so far has been confined, RCA engineers arranged the novel scientific demonstration over Washington.

Flying over the Nation's Capital at an altitude of 21,600 feet, engineers of RCA and the National Broadcasting Co. tuned in Station W2XBS in New York. At the appointed time the image of Herluf Provensen, NBC announcer, appeared on the screen. Those of David Sarnoff, President of the Radio Corporation of America, and W. A. Patterson, President of United Air Lines, appeared shortly thereafter.

By means of two-way radio communication, members of the party making the flight were able to talk with Mr. Sarnoff and Mr. Patterson in the studio at Radio City. In response to a request from a photographer in the plane, Mr. Sarnoff held a post for a picture off the Iconoscope screen of the receiver.

The images, as seen in the plane, were comparable to those received in the primary service area of the NBC station, which reaches out fifty miles in all directions from midtown Manhattan. Frequently, however, they suffered from interference of other electrical equipment in the plane, including the radio transmitter and ignition apparatus for the ship's two motors.

Ralph Holmes, RCA engineer, and W.A.R. Brown, NBC engineer, explained that the intensity of the signal at 200 miles distance from the transmitter was low, and that interference, however slight, had serious results in impairing image quality. On the return trip, approaching New York City, where the signal became strong, motion picture transmissions and the landing of the plane itself at North Beach Airport were in sharp focus.

The experiment, employing the transmission equipment of the National Broadcasting Company, bore out the theory that the ultra-short waves used in television travel in comparatively straight lines. In order to receive the telecast over Washington, D. C., the United plane was forced to rise above the 16,000-foot altitude level.

Television engineers had previously established that the ultra-short wave's utility was over an area roughly limited by the visual horizon.

The receiver was a standard model now being sold in New York. The only change made in it was a slight adjustment in the automatic volume control to compensate against the whirling propellers. These, according to engineers, acted as reflectors, causing extremely rapid variations in the intensity of the received signal. The antenna used was a simple dipole type, consisting of two wires strung under the fuselage of the ship. The connection to the receiver was made through the fuselage.

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## GANNETT OPENS FIGHT ON PRESIDENT'S RADIO POWERS

Frank Gannett, New York state publisher, as Chairman of the National Committee to Uphold Constitutional Government this week launched a crusade against the presidential powers over radio in time of war or national emergency as set forth in Section 606(c) of the Communications Act.

In letters addressed to broadcasting stations, newspapers, and members of Congress, Mr. Gannett urged that something be done to counteract what he termed dictatorial powers of the Chief Executive.

Addressing radio station owners, he said:

"The time has come when radio must deal with an issue vital to its existence. It must fight for its right of free speech, for wherever that right has been surrendered, all liberty sooner or later has been lost. As newspaper publisher as well as owner of several radio stations, I ask you to look today's facts in the face and put the enclosed information to the best use you can devise.

"Whether the President does or does not exercise his present authority to censor your broadcasts -- yes, even to close or take over your station, which he has the power to do -- the menace of steadily increasing government control threatens all of us. The loss of freedom will stifle progress in radio, in everything.

"Newspapers went through this same experience. Governments at first insisted on licensing use of the printing press. In England, John Wilkes, in America, Peter Zenger went to prison before freedom of the press was established with constitutional guarantees. Radio likewise will have to fight for its freedom, but freedom is worth any price.

"First of all, we must break down with the public the idea that radio is a creation of government and naturally subject to government control. Thousands of investors, backing the dreams of countless inventors, have made radio possible. Compared with the contributions of private enterprise, government's part in establishing radio has been insignificant. Government's function is to allocate wave bands, police their use, not dictate who shall use them -- much as a traffic officer polices the highway, prevents collisions, not dictating who shall or shall not own a car.

"Broadcasting stations and the radio industry, as well as all radio listeners, have a tremendous stake in the issues raised by the National Committee to uphold Constitutional Government. Included in this material is a summary of the extraordinary powers in the hands of the President; also a copy of my letters to editors.



"A thorough discussion of these facts, followed by legislative action to assure guarantees of freedom of speech over the radio, should be of greater immediate interest to radio listeners than to newspaper readers. You are, therefore, free to make such use of this material as you see fit, on and after the release date.

"It will interest me to know what use you make of this material, either by direct quotation or as basis for radio comment. Your viewpoints on these questions and suggestions for furthering this Committee's campaign for freedom of radio will be most helpful."

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#### DAVID LAWRENCE RAPS NAB CODE PROHIBITION

Using a full page editorial in The United States News this week, David Lawrence, editor and Washington columnist, assailed the NAB Code rule against controversial sponsored broadcasts on the ground that it was an infringement of the right of free speech.

"Aside from the doubtful legality of the procedure", he said, "it is apparent that the owners of radio broadcasting stations who comprise the NAB have gone from the frying pan into the fire by their refusal to permit the sale of time on the air for the discussion of 'controversial' issues."

Comparing the radio to the press, Mr. Lawrence continued:

"The radio business is a form of publishing. It can be operated like any newspaper company. It is fallacious to say that any interest or organization would monopolize the air if permitted to buy time. The NAB cannot expect the public to believe that the individual stations are incapable of making a definite division between free time and commercial time, as do the newspapers, and allocating the paid space for different types of programs on a first come, first served basis.

"The radio station, like the newspaper in each single issue, can limit the amount it will accept from advertisers for a given evening and yet be above criticism. American newspapers frequently refuse to accept an excessive quantity of 'political' paid advertising and announce in advance how much they will accept. But in the main they are careful not to bar anybody who conforms to the laws of libel and they do not discriminate between users."

Asserting that even Congress cannot abridge the Bill of Rights, the editorial added:

"What Congress cannot do, no trade association can do. No group of individuals can lawfully set itself up to deprive any citizen of his civil liberties. Trade associations may render 'advice' and may 'recommend' general principles and codes of ethics but this is a far cry from establishing rules interfering with the right of lease or purchase by a law-abiding citizen of the facilities offered to the public by the members of such a trade association engaged in profit-making businesses.

"If there be the power in the NAB to exclude from its facilities certain purchasers, it could conceivably on any pretext of convenience or necessity exclude others and we would thus have a new law-making body engaged in restraints of trade and a monopoly in the sense in which Sherman anti-trust law decisions have applied the term. . . . .

"The National Association of Broadcasters fears government regulation of programs, government censorship and socialization of radio properties. Its fears may be well grounded. But men of courage in American history have never accepted temporary security as the price of surrender of a principle whose abandonment could eventually come to mean the impairment of any of the precious civil liberties in our democracy."

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#### MC GRADY OPENS OFFICE IN RCA WASHINGTON DIVISION

Edward R. McGrady, who was the Assistant Secretary of Labor under the New Deal, is back on his old stamping grounds in Washington. The trouble shooter of the department, who won a reputation as a conciliator of industrial disputes, resigned as Secretary Perkins' chief aide in 1937 to take charge of labor relations for the Radio Corporation of America. He has now been designed as "Washington co-ordinator" of that organization as part of his vice-presidential duties. He is station in RCA's Capital headquarters adjacent to Stations WRC and WMAL.

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#### MILLER TO EXPLAIN CODE OVER CBS

Neville Miller, President of the National Association of Broadcasters, will discuss the new NAB Code which recently went into effect in an address over the Columbia Broadcasting System, Sunday, October 22, 1:35 to 2:00 P.M.

His remarks will largely center around the provision of the Code which bars the sale of time for the discussion of controversial public issues, and which requires that radio stations furnish adequate facilities for such discussions, free of charge.

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## "LIMITED ADVERTISING" FOR TELEVISION STUDIED

Concerned over the possibility that television may die a-borning in this country, the Federal Communications Commission is considering letting down the bars to some degree against commercial sponsorship of visual broadcast programs and means of encouraging construction of television transmission stations.

Radio manufacturing companies which sponsored the debut of television as a medium of public entertainment early last Spring have let it be known that unless the FCC came to the rescue that they will abandon the experiment as too costly.

Sales of television receivers have been disappointing, the FCC has been informed, even in New York City, where the National Broadcasting Company presents a daily program of visual broadcasting from a station atop the Empire State Building.

The scarcity of television stations and the high cost of visual receivers are believed by FCC officials to be largely responsible for the lack of public response. By liberalizing the station licensing policy and sanctioning a limited amount of advertising, some FCC officials believe that the infant industry may be given new life.

To date television broadcasting has been restricted for the most part to New York City, although other cities are getting irregular tastes of it. However, a dozen applications for new stations in scattered parts of the country are pending before the FCC.

Most of the technical obstacles to television advancement have now been removed, in the opinion of leading radio engineers, who this week submitted a comprehensive report on the subject to the FCC through the Radio Manufacturers' Association.

A special committee of the FCC, headed by Commissioner T.A.M. Craven, is studying the problem of giving the new industry a boost while at the same time protecting the public against uneconomical investments in receivers that may become outmoded quickly.

Despite the fact that there are probably fewer than 1,000 television receivers in New York and only a handful elsewhere in the country, a few big advertisers are said to be willing to sponsor visual programs in the hope that the audience will expand rapidly. The chief reason that the pioneers in the television field are unwilling to continue to finance the experiment without assurance of some return, FCC officials understood, is that the staging of a visual program is far more elaborate and consequently more costly than a radio broadcast. It is somewhat like staging a theatrical performance for one night only.

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 ::: TRADE NOTES :::  
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Dr. Alonzo G. Grace, Commissioner of Education for Connecticut, has accepted membership on the board of consultants of the "American School of the Air", the Columbia Broadcasting System announced this week.

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The City of New York took title this week to the radio broadcasting towers of Station WMCA on the causeway between Flushing and College Point, Queens, and will alter them immediately, to remove the last high aerial obstacle to the runways of the New York municipal Airport at North Beach.

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The Poughkeepsie Broadcasting Corp., Poughkeepsie, N.Y., this week was granted a construction permit by the Federal Communications Commission for a new station to operate on 1420 kc. with 250 watts power, unlimited time.

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Louis Ruppel, Director of CBS Publicity, and Paul W. White, Director of the Public Affairs Department, announced additions to their staffs last week. John Denson, Pat Dolan, and Ted Weber are the new members of the publicity staff, while Robert S. Wood has joined the news division of the Public Affairs Department in an editorial capacity.

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The National Labor Relations Board has disclosed that Westinghouse Electric & Manufacturing Co. has agreed to recognize a C.I.O. union as representative of the 21,500 employees in nine Westinghouse plants. The agreement, praised by Board Chairman J. W. Madden as a time and money saver, was entered into by the company, the Union and the Board on September 9. The settlement was reached on the first day of a Board hearing on C.I.O. charges that Westinghouse had engaged in unfair labor practices. Chairman Madden called it "an instance of clean-cut litigation."

The complaint was filed by CIO's United Electrical Radio and Machine Workers' Union.

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The National Broadcasting Company, through Max Gordon, general production director for television, and Thomas Hutchinson, television program manager, have appealed to the Actors Equity Association Council for sympathy and understanding in the development of television. Equity recently balked a proposed series of television programs by demanding the equivalent of a full week's salary for each performer participating in a single television program. The Equity Council agreed to consider next Tuesday Mr Gordon's proposals regarding wages and working conditions for television performers.

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