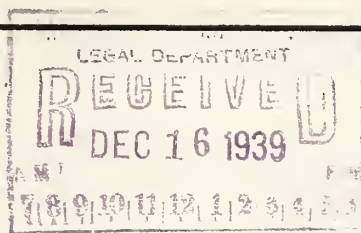


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



INDEX TO ISSUE OF DECEMBER 15, 1939

FCC Disturbed At Reports Of Mexican Wave Shifts.....	2
Radio Protection For Great Lakes And Inland Waters Urged.....	3
FCC Field Office Established At Cleveland.....	5
Disk Designation Requirements Contested.....	6
FCC Far Ahead Of New Deal In "Alphabet Soup".....	7
Retirement Of Brown Rumored But Unconfirmed.....	9
Labor Relations Unit Of FCC To Be Considered.....	9
Trade Notes.....	10
Frequency Modulation Report Being Studied.....	11

No. 1193

Handwritten notes at the bottom left of the page, including a large 'L' and 'H' and a signature.

FCC DISTURBED AT REPORTS OF MEXICAN WAVE SHIFTS

The Federal Communications Commission and the State Department are disturbed at authoritative reports that the Mexican Government is preparing to allow high-powered border stations to squat on clear channels assigned to the United States.

The border stations, which have been a source of friction between the United States and Mexico for several years, are operated by two Americans, who encountered difficulties with United States radio regulatory agencies and moved into Mexico. They still direct their broadcasts, however, at United States listeners.

According to reports current in the Capital, Station XERA, at Villa Acuna, operated by John R. Brinkley, and XENT, of Nuevo Laredo, operated by Norman T. Baker, are to be transferred from shared Canadian wavelengths to American clear channels. XERA uses 180,000 watts and has authority to operate with 850,000 watts, whereas XENT broadcasts with 50,000 watts and has authority to use 150,000 watts.

Four channels used by 50,000-watt stations in the United States are being studied by Mexican officials, FCC officials are informed, with the idea of selecting two of them for the border stations' use. They are 710 kc. channel occupied by WOR, Newark; 720 kc. used by WGN, Chicago; 750 kc., WJR, Detroit; and 1170 kc., WCAU, Philadelphia.

XENT now shares 910 kc. with CFB, of Montreal, while XERA operates on 840 kc. along with CBL, Toronto.

The State Department and the FCC are still waiting for Mexico to ratify the Havana Treaty, which was designed to place relations between the United States and Mexico in radio matters on an amicable basis.

Officials are afraid that the new plan of Mexico, if carried out, will bring about another rift similar to that which existed between the two countries in radio matters several years ago.

The FCC also has been advised of the reallocation of 15 Cuban stations to eliminate interference with the United States. CMQ, Havana, has shifted from 780 kc. to 690 kc., used by CFRB, Toronto, in the principal move.

The immediate result of the CMQ shift was to relieve WMC, Memphis, WTAR Norfolk and WEAN, Providence, all on 780 kc., from interference which has troubled them for approximately a year.

X X X X X X X X X

RADIO PROTECTION FOR GREAT LAKES AND INLAND WATERS URGED

Present radio communication facilities of shipping on the Great Lakes and coastal waters do not adequately protect life and property, Commissioner Thad H. Brown reported to the Federal Communications Commission this week in recommending legislation and other regulation to insure better safeguards.

For ships on the Great Lakes, a uniform system of radio-telephony is proposed. This would be established by formal agreement between the United States and Canada, supplemented by legislation of the respective countries, to take effect for the 1942 navigation season.

For vessels using the bays, sounds, and other seaboard waters of the United States, an optional use of radiotelephony or radiotelegraphy is recommended, effective January 1, 1942.

This is the gist of an exhaustive "special study of the radio requirements necessary or desirable for safety purposes of ships navigating the great Lakes and the inland waters of the United States" ordered by Congress on May 20, 1937, in amending the Communications Act of 1934 for the purpose of promoting safety of life and property at sea through the use of wire and radio communication.

The Federal Communications Commission, on May 26, 1937, designated Commissioner Brown to conduct the study, with the aid of a special staff of selected technicians.

The FCC as a whole must now consider the report and transmit "recommendations and reasons therefor" to the Congress not later than December 31st.

"The present system of radiotelegraph communication is not sufficient for the adequate protection of Great Lakes shipping because of the limited number of vessels subject to compulsory installation and the short season of operation of those vessels", the report says in its conclusions. It points out that "a very large part of the merchant marine of the United States is engaged in the navigation of the Great Lakes".

"The Great Lakes area is visited by frequent storms because of geographical location and distance from mountains and other protective land masses", comments the report. Because of ice conditions the season of interlake navigation is restricted to about eight months of the year. From 1923 to 1937 there were 1570 navigation casualties on these lakes involving American vessels, in which 326 lives were lost and property damage amounted to nearly \$30,000,000. Most of the vessels concerned were not equipped with radio. In instances where vessels were so equipped there was little or no loss of life. Captains of American cargo vessels on the lakes testified to the usefulness of radio facilities in facilitating safe navigation."

The United States, on July 7, 1936, ratified the International Convention for Safety of Life at Sea (drafted at London in 1929), but radio requirements for vessels engaged on international voyages have not been interpreted to apply to the Great Lakes. The Governments of the United States and Canada have confirmed this interpretation by enacting legislation with respect to the lakes without regard to the convention. However, radio requirements of both countries are not uniform. Congress seems desirous of correcting this situation for, in the report which accompanied the bill directing the present inquiry, it was said:

"In this situation, it is earnestly hoped and expected that the State Department will in the near future reach an agreement with the Canadian Government for the utilization of radio to its fullest extent as a safety factor for shipping on the Great Lakes so that the ships of both countries will be placed on a basis of equality in this respect and will receive assistance from the ships of each other as on the high seas."

Specific recommendations in the report include:

"1. A system of radio communication for safety purpose should be required by law for designated classes of vessels navigated on the Great Lakes.

"2. The system should be uniform in all fundamental respects for vessels navigated on the Great Lakes regardless of national registry.

"3. The method of communication to be employed for safety purposes should be radiotelephony.

"4. The Great Lakes are the territorial waters of the United States and Canada, respectively, therefore it is believed that the desired uniform system of radiotelephone communication for safety purposes can best be established by formal agreement between the Governments of the United States and the Dominion of Canada, supplemented by legislation of the respective countries.

"5. It is suggested that the formal agreement be negotiated by the Department of State of the United States and the appropriate Government body of the Dominion of Canada. However, it is the belief of representatives of the Federal Communications Commission and of the Department of Transport of the Dominion of Canada that a more satisfactory result could be obtained from a technical standpoint if another year of experience and experiment with radiotelephony could be obtained before the conclusion of such an agreement. It is further the belief of these representatives, and it is recommended, that agreements be negotiated and that supplementary legislation be drafted with a view of placing the radio requirements in effect beginning with the 1942 season of navigation on the Great Lakes."

Other recommendations specify the classes of vessels which should be subject to requirements as to radio apparatus and the maintenance of radio watches, provide forfeiture against a vessel for violation, and would authorize the Federal Communications Commission to administer the provisions of such an international agreement in its application to Great Lakes shipping under the American Flag.

In the case of shipping on bays and sounds, the same report makes these recommendations:

"1. Radiocommunication facilities for safety purposes should be required by statute for designated classes of vessels of United States registry navigated on bays and sounds of the United States.

"2. The method of radiocommunication, whether radiotelegraphy or radiotelephony, should be optional for all bay and sound vessels compulsorily equipped by reason of such statute."

After specifying types of passenger vessels subject to radio installation and discussing radio requirements, the report says that any such vessel should for safety purposes carry at least one qualified operator and that a continuous watch should be maintained whether by a qualified operator or by an approved type of automatic receiving apparatus. Likewise, these supplemental recommendations provide forfeiture for violation and propose legislation to give the Federal Communications Commission authority to approve, inspect and otherwise regulate such marine radio equipment.

X X X X X X X X X

FCC FIELD OFFICE ESTABLISHED AT CLEVELAND

Establishment of a permanent field office at Cleveland, Ohio, effective January 1, was ordered this week by the Federal Communications Commission. It will be located in quarters used for the Commission's Great Lakes and Inland Waters Survey, now completed. This office will be a sub-office of the main district headquarters office at Detroit, and will be manned by one inspector and an assistant to be transferred there.

The Cleveland office is made necessary by the fact that in the past fiscal year inspectors from the Detroit office, besides making regular inspections of broadcast, police, aeronautical, and other radio stations in the Cleveland area, made regular trips to Cleveland to examine 734 applicants for radio operator licenses.

X X X X X X X X X

DISK DESIGNATION REQUIREMENTS CONTESTED

Elimination from the regulations of the Federal Communications Commission of its requirement that transcribed and recorded programs be announced as such was sought in a petition filed this week by Gerald King, President of the Radio Transcription Producers' Association of Hollywood, Inc. In the event the Commission does not look favorably on elimination of such announcements, the petition asks that they be required only at the end of the program.

Mr. King, through Attorney Ben S. Fisher, asks that the Commission give serious attention to this problem during its consideration of the report of its Monopoly Committee. The Commission was informed that the section of the regulations which require announcement of the fact that a radio broadcasting station is using a transcription at the beginning of such a program and during each 15-minute interval has grown obsolete and is of no value to the listening public and should be eliminated.

The petition contends that the public is interested only in the substance and quality of the program broadcast and whether it comes from a transcription made by live talent or by means of mechanical devices such as a transmitter and wire line of live talent, makes no difference to the listening public.

It was added that the more recent perfection of mechanical transcriptions tended to make the quality of both types of programs similar and the effect upon the listening public would be almost indistinguishable.

The public, the petition continued, has the privilege of listening to the program of its choice and whether it be live talent or transcriptions, the latter should not be penalized by reason of the fact that the broadcasting station has chosen this type of program as being superior to live talent.

The regulation regarding transcribed programs, it was said, has been in effect since the days of the old Federal Radio Commission. It was adopted on the premise that it was misrepresentation without informing the public.

However, it was pointed out some stations with live talent programs available, are unable to put them on the air at the time they come over the chains, and therefore record them for reproduction later in the day.

There is a probability that the Commission's Monopoly Committee will have something to say about the matter in its report to the Commission. The fact-finding report has been completed and was delivered to the Committee early this week. It is to be considered immediately. The Committee gave considerable attention to the matter of transcription broadcasting during the public hearings which covered a period of more than six months.

X X X X X X X X

FCC FAR AHEAD OF NEW DEAL IN "ALPHABET SOUP"

The Federal Communications Commission now has approximately 65,000 active radio call letter assignments outstanding, exclusive of Government stations, according to a report issued this week.

In round figures, this includes some 800 standard broadcast call letters; 600 broadcast other than standard; 400 experimental; 3800 ship radio; 1800 aviation radio; 1100 police radio; 250 forestry radio; 54,000 amateur radio; 300 coastal radio; 800 fixed radio, and the rest miscellaneous.

Licensing of both radio stations and operators is now according to a definite plan. This is in contrast to the early days of radio when there was little or no system.

At the turn of the century it became apparent that wireless stations should have certain designated letters in order to avoid confusion. The Berlin international radio convention of 1906 proposed such a system, effective in 1908. This convention was not ratified by the United States until 1912, consequently the procedure of assigning call letters was not followed in this country until after that time.

Under the international system, the first letter or the first two letters of the call signals indicates the nationality of the station. Ratification of the Berlin convention gave the United States use of three letters - N, K and W. Hence the present domestic assignment of combinations beginning with those letters. These are allocated by the Federal Communications Commission as follows:

Call letters beginning with N are reserved for the exclusive use of the United States Navy and the United States Coast Guard.

Call letters beginning with K are assigned to stations located west of the Mississippi River and in the territories of the United States.

Call letters beginning with W are assigned to stations east of the Mississippi River.

Call letters beginning with KH followed by various combinations of three letters are reserved for aircraft radio stations.

Any existing call letter assignment not in accordance with this policy is due to the fact that the station was licensed before the allocation plan was adopted.

Prior to radio regulation, wireless stations used whatever call letters struck their fancy, the FCC report pointed out. Thus, a commercial station at Point Judith, Rhode Island, used PJ, and one in New York City adopted NY. Enactment of the pioneer Radio Act in 1910 reassigned calls and did away with duplication.

During the infancy of radio practically all land stations were on the coast and all communication was between ship-to-shore stations. As inland stations developed, the Mississippi River was made the dividing line of K and W calls. KDKA, at East Pittsburgh, Pa., is one of the early broadcast stations which were assigned the K letter before the present system was put into effect.

Most of the early call letter assignments were for three letters. About the time the United States entered the World War this combination had become exhausted, making it necessary to add another letter. The International Radio Conference in 1927 allocated the remaining combination beginning with KA, KB and KC to the United States. Four-letter calls under this convention are assigned to ships and fixed stations in domestic point-to-point service and five-letter calls are given to radio equipped aircraft.

All classes of experimental stations are assigned calls with the initial letter K for outside stations and W for those within the continental limits of the United States, followed by a number designating the radio district, followed by the letter X to denote experimental, followed by a group of not more than two letters.

When broadcasting first gained popularity, the idea of assigning call letters that would have special significance reached its climax in picking KOP for a Detroit Police Department station. This brought a deluge of requests for call letters embodying the initials of places, names, or slogans. Thus there still is WRC, meaning Washington station of the Radio Corporation. WGN was assigned the "World's Greatest Newspaper" (Chicago Tribune); WCCO, to Washburn Crosby Company, and WACO to Waco, Texas. WMMN, Fairmont, West Virginia, bears the initials of Senator Matthew M. Neely of that State and WJJD was initialed for James J. Davis, head of the Loyal Order of Moose and now Senator from Pennsylvania. Miami Beach, Florida, couldn't get all the letters in its name but was appeased with WIOD, meaning "Wonderful Isle of Dreams".

Some call letters used today have been inherited from stations which made headlines through tragedy. KGB, now assigned to a station at San Diego, was formerly used by the steamship D. H. LUCKENBACH, sunk by a submarine off the coast of France in 1917. KOB, at Albuquerque, New Mexico, was assigned to the steamship PRINCESS until she broke in two on Rockaway Shoals, New York. Radio played an important role in the rescue of the 106 persons on board.

Using four letters, there are nearly 50,000 possible call-letter combinations. This is not sufficient to take care of amateur radio stations, which greatly exceed all others in number, so a special system of call assignments had to be worked out for the self-styled "hams".

Result: about 100,000 letter permutations have been used in amateur calls. Hundreds are assigned weekly in new, renewed, or modified licenses. The plan adopted for amateurs is governed partly by treaty, partly by statute, and partly by regulation.

Treaty limits an amateur call to not more than two letters plus one digit plus not more than three letters, and assigns initial letters to indicate nationality. Statute authorizes the Federal Communications Commission to designate and publish calls. Regulations give preference to assignment in regular order rather than on a request basis. The digit in amateur calls indicates location in one of the nine amateur call areas now in operation.

X X X X X X X X X X

RETIREMENT OF BROWN RUMORED BUT UNCONFIRMED

The imminent retirement of Thad H. Brown from the Federal Communications Commission was rumored this week but brought neither confirmation nor denial from the Commissioner. The story is that Mr. Brown would practice law in Washington and Ohio.

One of the reports went so far as to suggest that Carl I. Wheat, special counsel of the FCC in the telephone investigation, has been chosen as Mr. Brown's successor.

X X X X X X X X

LABOR RELATIONS UNIT OF FCC TO BE CONSIDERED

The Federal Communications Commission will study in the near future a suggestion that a labor relations unit be set up within the FCC to keep abreast of labor conditions in the communications industry, Chairman James L. Fly has indicated.

The Chairman said some thought has been given to the matter, but it has not been taken up formally by the Commission. Such a unit, it is understood, would be concerned principally with labor problems in the telephone and telegraph fields, but might concern itself with broadcasting labor troubles as well.

X X X X X X X X X

TRADE NOTES

The Federal Communications Commission this week granted authority to the Atlanta Journal Company to sell Station WSB, Atlanta, to James M. Cox, Ohio and Florida publisher, and one-time presidential candidate. The sale price was \$1,826,125, and in addition Mr. Cox agreed to purchase outstanding preferred stock for \$117,560.

Austin E. Joscelyn, who has been Eastern Sales Manager of the Radio Sales Division of the Columbia Broadcasting System for two years, has been appointed manager of Station WBT, Charlotte, N.C., owned and operated by Columbia. Mr. Joscelyn succeeds Lincoln Dellar, who has resigned to become Manager of Station KSFO Columbia's affiliate in San Francisco. Howard Meighan, a member of the Radio Sales sales staff, for five years, becomes Eastern Sales Manager in Mr. Joscelyn's place. The appointments were announced by Mefford R. Runyon, Vice-President of CBS.

Clarence W. Farrier, television coordinator of the National Broadcasting Co., this week addressed 50 members of the American Society of Agricultural Engineers, Washington Section, on "Recent Developments in Television".

A contract-signing ceremony at Griffith Stadium this week revealed that Arch McDonald will return to Washington to resume his broadcasting role for the Nats' 1940 games both at home and on the road. This ended long negotiations between McDonald, President Clark Griffith, of the Washington Club, and A. D. Willard, Jr., General Manager of Station WJSV, which owns the radio privileges of the Nats' games.

McDonald, highest-paid baseball announcer in the United States last season when he initiated the broadcasting of the Yankees' and Giants' home games in New York, was elated at the outcome of the negotiations.

The Portorican American Broadcasting Co., of Ponce, Puerto Rico, was granted a construction permit this week by the Federal Communications Commission to operate on 1340 kc., with 1 KW power, unlimited time.

Station KOH, Reno, Nevada, will become affiliated with the National Broadcasting Company effective Jan. 1, as a supplementary outlet available to network advertisers using either the Pacific Coast Blue or Red Network, according to William S. Hedges, NBC Vice-President in charge of Stations Department. KOH is owned by The Bee, Inc., of the McClatchy Newspapers, and operates on

a frequency of 1380 kc., with a power of 500 watts. Addition of KOH will bring the number of NBC affiliates as of Jan. 1, to 181 stations.

The net income of R.C.A. Communications, Inc., for the ten months of 1939, ending October 31, was \$959,395 as compared with \$292,902 for the corresponding period in 1938, it was disclosed this week. The comparative statement follows:

	1939	1938
October gross	\$742,488	\$457,404
Net income	234,404	55,779
Ten months' gross	5,276,002	4,342,938
Net income	959,395	292,902

From Leonard Lyons' "The New Yorker" column:

"Saturday Night, in Washington, Jim Farley saw Frank McHale, campaign manager for Paul V. McNutt, conferring with Louis Ruppel, the former editor of the Chicago Times, who now is Publicity Director for the Columbia Broadcasting System . . . "Just one bit of practical advice", Farley told McHale. "Don't hang out with Ruppel" . . . "Why not?" asked McNutt's manager . . . "Because", explained Farley, "he can't get you any delegates."

X X X X X X X X X

FREQUENCY MODULATION REPORT BEING STUDIED

Use of frequency modulation in radio broadcasts in place of the amplitude modulation now used in standard broadcast stations is being studied by the Federal Communications Commission. In view of the fact that its adoption will completely change the present radio broadcast transmitting systems, it is expected that the Commission will consider the matter at some length before acting.

Adoption of this plan for use by broadcast stations, it was said, requires a complete change of transmitters and would make all standard-wave receiving sets obsolete. This would mean a heavy expense on the listening public. It was indicated at the Commission's offices that if the plan is approved for licensing purposes that the changes would have to be gradual.

The matter was laid before the Commission in a report by its Chief Engineer, Lieut. E. K. Jett, which went into detailed description of the two systems. Technical radiomen familiar with the proposed system, which uses ultra-high frequencies in the radio spectrum, say that it may eliminate static. Receivers in the center of electrical storms do not register static, it was said. The transmitting apparatus, it was said, is cheaper to construct, as well as cheaper to operate, and occupies considerably less space than the present apparatus used in broadcasting.

X X X X X X X X