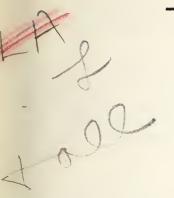
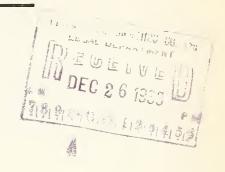
HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

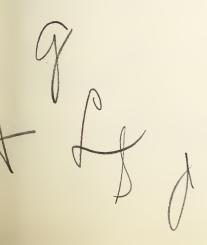




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STUDEBAKER HOLDS COOPERATION VITAL IN REPORT TO FCC

Broadcasters and educators must work together for the preservation of democracy if the American system of radio is to survive, Dr. John W. Studebaker, U.S. Commissioner of Education and Chairman of the Federal Radio Education Committee, told the FCC in a lengthy report on the Committee's activities late this week.

"There is, and there can be, no basic conflict between the educators and broadcasters within the proper concept of the American way", he said.

"Broadcasters enjoy the privileges of broadcasting only because the American people are abidingly devoted to the perpetuation of a system of life under which the individual may enjoy the fullest freedom as a concomitant of his actions in the commonweal. The American system of education is the strongest bulwark for the continuation and perpetuation of that system in this country today. Therefore it is a mutual necessity that broadcasters and educators shall work together for the solution of the problems of education through radio in the truly democratic manner represented by the Federal Radio Education Committee."

In a preface to the report, Dr. Studebaker said:

"I hope that I shall not be considered too naive if I introduce this report with the simple statement of a fact which is well known to everyone in radio and, now, to a generous portion of the American public:

"Among the several possible approaches to broadcasting the American approach and the British or European approach offer sharp contrast. Each reflects the basic philosophy of the nation using it.

"A statement which is equally true, but not so well known, is that thousands of earnest men and women are at work throughout America today evolving, within the structure of the American plan of broadcasting, the American system of education through radio.

"It is at once the responsibility and the privilege of the Federal R_{θ} dio Education Committee to share in guiding this development.

"The development itself may be observed to be taking place in two fundamental divisions:

- "1. A significant ferment is taking place all over the country, launched and kept alive by enthusiastic educators and idealistic broadcasters who see, in radio, infinite potentialities for education and public service. This ferment is taking the form principally of experimentation in the classroom the studio the university radio workshop the library, and the home. Here pioneers are approaching, and in many cases solving, practical problems of production.
- "2. As a concomitant of this extended experimental activity a second and equally important development may be observed. This development adheres more rigidly to the scientific formula of the collection of data, the classification of data, and the interpretation of data. Its object is to provide the necessary formal structure which will be essential to the eventual creation of a basic and comprehensive plan for the accomplishment of sound education through radio.

"The Federal Radio Education Committee, representing the joint cooperative effort of broadcasters and educators, not only is interested in every phase of both of these significant developments; it is actively participating in both of them."

After citing the work of the Committee, with especial emphasis on the educational radio script exchange and the newer department of information, the Commissioner of Education said in his conclusions:

"The discovery of radio and its mushroom growth have seemed to present no problem which could not be accommodated within the basic American philosophy. Admittedly the air belonged to the people. Admittedly, also, it was not the American way for government to establish a monopoly for the development and use of this newly discovered natural resource. It belonged to the people; it should be developed and regulated by the people, in the public interest.

"Broadcasters represent that small group of body politic which has sought and found self-expression through the development and administration of radio. According to their lights they have administered this public trust in the public interest, and there is no principle in the American philosophy which forbids that they should receive rewards of the kind which accrue to other citizens who find opportunities for self-expression through other commercial or industrial channels. This is basic and undeniable if we are to adhere to the American system of living.

"The maintenance of this system -- a system of freedom of expression which demands free communication, is more closely identified with the responsibility of maintaining the American system of freedom in education than with any other force in our scheme of living. Public education is supported and controlled by the public; yet education must make possible freedom to learn if

democracy is to be nurtured and developed. Radio, by its nature, must be regulated by the Government, but radio must provide freedom of communication if it, as a powerful instrument of influence, is to strengthen and not stifle the processes of democracy.

"In the kindergarten, the elementary school, the secondary school, the college, the university -- from the rostrum, the forum platform, and at the table around which a discussion group may gather, educators are today, and for years have been upholding and inculcating an appreciation of the American way of life and especially of the basic necessity of freedom to learn. In doing so they have increased the understanding of the need for a system of broadcasting free from the compulsions of censorship.

"We have indicated that broadcasters administer a public trust -- free to derive profit from that administration if they choose, but enjoined to operate in the public interest; to assume responsibility which is always a concomitant of privilege. All through the American system these two factors will be found ranged side by side -- privilege, and responsibility -- noblesse oblige.

"Now it so happens that radio, as an industry, differs from other enterprises in our economic structure. Viewed commercially, radio is an advertising medium. Its purpose is to sell merchandise. If that were all there is to it the problem would be very simple. But that is emphatically not all there is to it! The impact of the spoken word upon the radio listener — to take a very simple example — achieves education of some kind in some degree. It helps to formulate attitudes and opinions — conditions action.

"In radio, under the recently adopted Code of the National Association of Broadcasters, only 10 percent of the available time in a commercial program of 60 minutes may be devoted to telling the story of the product being sold. There is no suggestion of arbitrary control of the industry here, but merely reasonable assurance that no actual abuse of the public confidence will result during those portions of the broadcast hours devoted to commercial programs. Broadcasters have assumed the responsibility themselves of providing this assurance.

"From the standpoint of public service the department of sponsored programs, under the American system, may be considered the 'commercial side'. As we have indicated, broadcasters themselves have undertaken to impose certain safeguards through adherence to a code of ethics to prevent abuse of the public confidence. We turn, then, to the noncommercial side of broadcasting -- the public-service side.

"In making this transition a word may be said about what educational or public-service broadcasting is or should be. At the outset it should be understood that considerably more clarification will be needed before this department of radio can be accurately defined. Arbitrary definitions can, of course, be imposed. We might assume, for instance, that any program aimed at

achieving education, as that word is popularly understood, is an educational program, and that other programs fall beyond the pale. Such a definition, however, obviously would be inadequate. A program sponsored by a toothpaste manufacturer, for instance, might promote oral hygiene and thus exert an influence toward commendable objectives of public health, yet its basic purpose would be the sale of toothpaste, and hence educators generally would prohibit the use of the program in the classroom because of the advertising features involved. Neither can we throw the gates wide open and assume that any nonsponsored program aired by a station is, ipso facto, a public service or educational program. We all know that stations air a tremendous amount of trivial material during these nonsponsored hours. To consider such material in any terms save those of public entertainment would lead to false con-We are faced then with the necessity for pointint out that perhaps one of the most important responsibilities which the Federal Radio Education Committee may ultimately be able to discharge will be that of formulating a standard for the classification of programs. But we are fully cognizant of the limitations of present definitions. Recognizing these limitations we come to the purpose of and the need for the Federal Radio Education Committee. How far should the broadcaster go in the matter of education? What are the limits of his responsibility? What activities of an educational nature should he undertake? What should he try to teach -- and how?

"As this report is written we cannot offer all of the answers to these and other equally basic questions. But we are steadily moving toward solutions, and the Federal Radio Education Committee, representing the cooperative effort and will of broadcasters and educators toward true public service, is a very proper vehicle for seeking answers to these questions which must eventually be satisfactorily answered.

"Further -- it is mutually essential that this agency of cooperation shall be preserved, to guard and to guide the evolution of the American system of education through radio. No one should make the mistake of considering this matter of small importance or of a temporary nature. As I have said, the educational implication of radio is intrinsic. It is not something which either broadcasters or educators may accept or reject as they please. It exists, and it will continue to exist so long as a single program is aired over a single station for a single listener. This force, then -- ready to our hand and filled with promise of public service and constructive accomplishment -- this force must be conserved in the public interest. Not only must it be conserved, but that conservation must be accomplished in the American way."

BROADENING OF RADIO CENSUS REQUESTED

The Radio Manufacturers' Association and the National Association of Broadcasters have joined several government offices in a request to the Census Bureau to develop statistics in the proposed federal housing census next year on multiple radios in American homes, including short-wave receivers. Formal requests to Director W. L. Austin of the Census Bureau for inclusion of these features in the special housing census have been made.

Instead of the present tentative question in the housing census questionnaire, "Is there a radio in this dwelling?", the RMA and others interested have requested the Census Bureau to substitute the question: "How many usable radio sets are in this dwelling unit?" The Census Bureau also was asked, in view of the great social significance attending the reception of foreign broadcasts, to add another question as follows: "Is a radio set in this dwelling unit usable for listening directly to international short wave broadcasts?" This would apply to direct radio reception from Asia, Africa, Europe, or South America.

Broadening of the housing census on radio was agreed upon at a conference in the office of John H. Payne, Chief of the Electrical and Radio Division of the Bureau of Foreign and Domestic Commerce, on December 13. The conference agreed unanimously on the proposed extension of the housing census and included representatives of the National Association of Broadcasters, Department of State, Bureau of Foreign and Domestic Commerce, Federal Communications Commission, U. S. Office of Education, and the Federal Radio Education Committee. The RMA was represented by Bond Geddes, Executive Vice President; Robert R. Kane, of Camden, N.J., and Meade Brunet, of Harrison, N. J.

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EXPERIMENTAL AUTHORIZATION EFFECTIVE DATE CHANGED

The effective date of application of paragraph 3(b) of Section 3.32 of the Rules Governing Standard Broadcast Stations, insofar as it pertains to existing experimental stations, has been postponed from January 1, 1940, to May 1, 1940, by the Federal Communications Commission.

This particular provision reads:

"In case a special experimental authorization permits additional hours of operation, no licensee shall transmit any commercial or sponsored program or make any commercial announcements during such time of operation. In case of other additional facilities, no additional charge shall be made by reason of transmission with such facilities."

FCC TO STUDY HIGH FREQUENCY AURAL BROADCASTING

Because of the growing interest in frequency modulation and filing of applications to begin regular broadcast service as distinguished from experimental service on frequencies above 25,000 kilocycles, the Federal Communications Commission announced this week that it will inquire fully into the possibilities of this system of modulation as well as amplitude modulation for aural broadcasting. An informal engineering hearing will be held before the full Commission beginning at 10 A.M. February 28,1940.

Pending the outcome of this hearing, it was decided to grant the following classes of applications:

- (a) Applications for permission to carry out programs of fundamental research not authorized in the past and which show satisfactory promise of being able to contribute substantially toward the development of aural broadcasting service, and
- (b) Applications filed by existing licensees to experiment with aural broadcasting on frequencies above 25,000 kilocycles, provided the request to operate additional stations involves a program of experimentation directly related to the existing station.

About 20 applications are pending action by the Commission for new stations desiring to use frequency modulation. There are now 34 amplitude modulated stations and 20 frequency modulated stations authorized by the Commission.

Before a permanent policy can be established with respect to either or both systems of modulation on frequencies above 25,000 kilocycles for regular broadcasting service, studies and investigations must be made regarding the relative values of the two systems, the patent situation, the frequency needs of all radio services, and whether amplitude or frequency modulation, or both systems, should be recognized for other services as well as broadcasting. It is also necessary to consider the possible future effect that broadcasting on ultra high frequencies may ultimately have upon standard broadcasting in the band 550 to 1600 kilocycles.

The frequency bands above approximately 25,000 kilo-cycles are sometimes referred to as "very high frequencies", "ultra high frequencies", or "ultra short waves". These frequencies possess relatively short distance characteristics as compared with the lower frequency bands. The signals are subject to rather wide diurnal and seasonal variations in signal strength at distances beyond the horizon; therefore, as a practical matter, these frequencies may be said to be useful for broadcast service up to about 100 miles only.

Maj. E. H. Armstrong, Professor of Electrical Engineering at Columbia University, appeared as a witness in behalf of frequency modulation at the Federal Communications Commission

engineering hearing in June, 1936. On the basis of testimony of experts who testified at this hearing, and after studies had been made jointly by the Commission's Engineering Department and the Interdepartment Radio Advisory Committee, the Commission and the President adopted permanent allocations above 25,000 kilocycles for the various government and non-government radio services.

Amplitude modulation has long been used as the standard system for transmitting speech and music by radio. It is the only system of modulation which is used by the existing services operating on conventional frequencies, i.e., below 25,000 kilocycles.

The claimed chief advantages of the two methods are set forth briefly as follows:

Amplitude Modulation

- l. Amplitude modulation utilizes a much narrower band of frequencies, i.e., about one-fifth of the frequency band required for wide band frequency modulated signals of equal fidelity.
- 2. Amplitude modulation may be used on all frequencies throughout the radio spectrum, whereas frequency modulation has proven useful only in the very high frequency bands.
- 3. Amplitude modulation is the only system which has been used successfully for television on the frequencies allocated by the Commission for television service.

Frequency Modulation

- l. Frequency modulation possesses characteristics whereby it is possible to reduce the effects of all kinds of disturbances including atmospheric static, electrical noises, and background signal interference.
- 2. A frequency modulated broadcast station employing low power will provide greater service than a similar station using amplitude modulation. However, if the power of the two stations is substantially increased the percentage increase in service area of the frequency modulated signal will be materially reduced.
- 3. A frequency modulated receiver will accept only the strongest signal or noise as the case may be when the ratio of the desired to undesired signal strength is approximately 2 to 1. In the case of amplitude modulation, the ratio must be at least 20 to 1 for good broadcast service. Consequently, it is possible to operate frequency modulated stations at relatively close geographical locations without interference.
- 4. Frequency modulation has definite advantages over amplitude modulation in operating the low power services such as forestry, police, aircraft, etc. In such cases, each system is under the control of one licensee who can plan for the purchase, installation and operation of the entire transmitting and receiving system.

RMA SCHEDULES CONVENTION IN CHICAGO

The Sixteenth Annual Convention of the Radio Manufacturers' Association and National Radio Parts Show will be held at the Stevens Hotel in Chicago, June 11-14, inclusive, 1940, Bond Geddes, Executive-Vice-President announced this week. The RMA Convention, membership meetings, and annual industry banquet will be held Tuesday and Wednesday, June 11 and 12. The National Radio Parts Show, again under the joint sponsorship of RMA and the Sales Managers Clubs, will be held in the Exhibition Hall of the Stevens Hotel from noon, Tuesday, June 11, until 10 P.M. Friday, June 14. Paul V. Galvin, of Chicago, is Chairman of the RMA Convention Committee, and Ken Hathaway continues as the Manager of the Parts Show. The annual all-radio industry banquet will be held Wednesday evening, June 12 and the industry golf tournament is scheduled for Thursday, June 13.

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DEMPSEY ASKS COURT TO CLARIFY FCC POWER

Whether the refusal of the Federal Communications Commission to grant a license to a radio station is reviewable by the courts remains an unsettled question, so counsel for the Commission have asked for a reargument of four cases decided against it in the most recent decision.

William J. Dempsey, General Counsel, has petitioned the United States Court of Appeals for the District of Columbia to take up these cases before its entire bench. The court, Mr. Dempsey points out, twice has decided the issue - once in favor of the Commission and once against it. The cases involved the Columbia Broadcasting System of California, Inc., the Associated Broadcasters, the Voice of Alabama, Inc., and the Alabama Polytechnic Institute.

In urging the appellate tribunal to listen to a reargument of the four cases, Mr. Dempsey explains that Chief Justic Groner dissented in the earlier cases, which were decided in favor of the Commission, and in a later case he and one other justice, in a 2-to-1 decision, held against the Commission.

In the latest decision, it is pointed out, Chief Justice Groner, adhering to the view in his previous dissenting opinion, and Associate Justice Miller held that an appeal could be taken to the courts when the Commission denied an application for assignment of a radio station license.

Five members of the court have held that there is no appeal in such a case. The five were former Chief Justice Martin and Associate Justices Robb, Van Orsdel, Gitz and Stephens. Only two justices have taken the position that an appeal could be taken, the Commissions's lawyer cited, while three members of the present court - Associate Justices Edgerton, Vinson and Rutledge - never have passed on the question. Mr Dempsey said that in view of these differences in judicial opinion, involving present and former members of the Court of Appeals, the right of the Commission to grant or refuse transfer of control over stations was shrouded in mystery.

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M. H. Aylesworth, former President of the National Broadcasting Company, has resigned as publisher of the New York World-Telegram. He is returning to his public relations practice as well as the practice of law. It is reported that he proposes to gather a select number of accounts for private consultation work on public relations matters, and rumors are that RCA-NBC will be among the first to retain him in that capacity.

Among the honorary pall-bearers at the funeral of Representative Sirovich (D.), of New York, in New York City this week were David Sarnoff, Donald Flamm, and Gene Buck.

The European war has developed such increased public interest in foreign short-wave broadcasting that many additional American newspapers have subscribed to the weekly service of the Radio Manufacturers' Association detailing foreign short-wave features. The RMA service to newspapers has increased 71 percent since hostilities broke out in Europe and there are now 268 American newspapers receiving the RMA weekly programs of short wave broadcasts. The RMA short-wave programs are furnished without charge to the press and are now used by most leading daily newspapers.

The Federal Communications Commission this week granted an amended application of Station WEEI, the Columbia Broadcasting System, Inc., Boston, Mass., for a construction permit to employ present daytime directional antenna pattern for both day and night-time operation and increase night power from 1 KW to 5 KW, on 590 kc., unlimited time.

Spanish importation of radios is virtually prohibited by its exchange control regulations, according to advices from the American Commercial Attache of the Department of Commerce at San Sebastian. No import permits covering radio equipment have been granted by the Spanish authorities since the cessation of hostilities, although a few barter deals are reported of nominal size from Germany and The Netherlands.

The Federal Communications Commission this week tentatively granted the application of the Times Dispatch Radio Corporation (WRTD), Richmond, Va., for a construction permit to change the operating assignment of the station from 1500 kilocycles, 100 watts power, unlimited time, to 590 kilocycles, with power of 1 kilowatt, unlimited time, using a directional antenna at night.

The Federal Communications Commission announced this week that from this date (December 20), through December 30, 1939, it will entertain on 48 hours' notice and may grant, through the usual officials, applications for individually designated programs of a religious, ceremonial, or other nature having to do with the celebration of Christmas and the New Year.

In Marienau, near Danzig, five members of one family have been imprisoned for listening to and spreading foreign radio broadcasts, according to the New York Times. Johannes Jakobsen was sentenced to two and a half years' imprisonment and his wife Marta, who spread reports in the village, received a similar sentence. Each of Jakobsen's three young brothers were sentenced to a year and a half. The family was deprived of all citizenship rights for five years.

In Berlin a large number of persons have been sentenced for the same crime, which carries a maximum penalty of death. press continues to warn all who insist on listening to foreign broadcasts of the dangers not only to the State but also to themselves.

The Federal Trade Commission has closed its case against Parker-McCorory Manufacturing Co., 2609 Walnut St., Kansas City, Mo., manufacturer and distributor of radio sets and parts and mechanical devices, it appearing that the respondent company has agreed to discontinue the misleading representations alleged and to abide by the rules of fair trade practice for the radio receiving set manufacturing industry, promulgated by the Commission July 22, 1939. The case was closed without prejudice to the Commission's right to reopen it and resume prosecution, should future facts so warrant.

The Federal Communications Commission this week granted the applications of The Bee, Inc., (KOH), Reno, Nevada, and McClatchy Broadcasting Co. (KERN), Bakersfield, Calif., for construction permits, KOH to move its transmitter locally, install new equipment and change operating assignment from 1380 kilocycles with power of 500 watts, unlimited time, to 630 kilocycles with power of 1 KW, unlimited time, using directional antenna at night; and KERN to change frequency from 1370 to 1380 kilocycles, increase power from 100 watts to 1 KW, change transmitter site and install new equipment.

NOTE: DUE TO THE GOVERNMENT OFFICES BEING CLOSED OVER THE ENTIRE WEEK-END, THERE WILL BE NO ISSUE OF THIS SERVICE ON TUESDAY, DECEMBER 26, 1939.

TELEVISION STATIONS SHARE CHANNEL AFTER CLASH

Collision of television signals between a Philadelphia station and a New York station, the first since the birth of the infant science, resulted in a tentative agreement to share time between Station W3XE, operated by the Philoo Radio & Television Corp., of Philadelphia, and Station W2XAX of New York, operated by the Columbia Broadcasting System, it was disclosed this week.

The agreement blasted the currently popular scientific theory that television broadcasting is limited to the horizon, giving rise to a wider scope in television research.

Interference was first noted on television receivers in the Philadelphia area when both the audible and visible programs of both stations were mutually disturbed beyond recognition. Philoo protested that its regular television service to the Philadelphia area and its thirteen-year accumulation of television research material, a field in which it has been a pioneer, was beint interfered with whenever Columbia's television station took the air.

Engineers and members of the Philco television audience both noted the clash and extensive field tests by Philco research workers verified the collision of the television signals.

The agreement, the first time-sharing arrangement in television's short history, was necessitated by the fact that both stations operate on the same frequency band -- channel number two (50 to 56 megacycles). Both stations are licensed for experimental television broadcasting by the Federal Communications Commission.

Effective at once, Philco will transmit television programs between midnight and noon daily, and on Wednesday, Friday and Sunday evenings after 6 P.M. The Columbia station will confine its television broadcasts to all other times.

Philco has already petitioned the Federal Communications Commission to change its proposed allocation of television channels so as to give Channel Number 2 to Philadelphia since New York City has been assigned to Channel Number 1. The petition was filed with the FCC in Washington on December 16.

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TELEVISION SET SALES 750 ON WEST COAST

Sales of television sets in the Los Angeles area, which now enjoys daily programs, have amounted to about 750 in the short time that television has been available there, according to the New York Times business review. Telecasts cover a radius of about 30 miles and are on a six-day schedule. Motion pictures are used every day and live talent three times a week. Including the New York figure, television set sales have now amounted to about 2,000. the Times estimated.