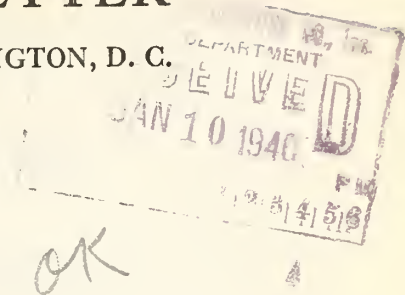


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No. 1198

g by L H J J.

January 9, 1940

BROADCASTERS HOPE FOR QUIET SESSION OF CONGRESS

With politics in the saddle of the Seventy-Sixth Congress, broadcasters are looking forward, somewhat hopefully, to the quietest session in several years so far as radio legislation is concerned.

Although there are almost 50 bills effecting radio in the Senate and House, there now appears little prospect that more than a half-dozen will arise to plague the broadcasters.

Reorganization of the Federal Communications Commission and resolutions demanding investigations of networks and "radio monopolies" are definitely dead although there may be some sounding off by FCC critics when other issues lull.

Copyright legislation, which has been pending before Congress several years, may have a revival, but observers doubt that it will be sufficient to put through any legislation this year.

Action on the proposed international copyright treaty, which was opposed vigorously by broadcasting interests last year, was abandoned at the last session with the definite understanding that it would be considered this year, along with legislation revising domestic copyright laws.

Broadcasters have repeatedly urged elimination of the copyright law's provision that a minimum fine of \$250 shall be imposed for each copyright infringement.

Representative Martin L. Sweeney (D.), of Ohio, is prepared to wage a one-man fight in behalf of super-power because of the FCC action against Station WLW, Cincinnati.

On the eve of the opening of Congress, Representative Sweeney let loose a new blast of figures designed to show listener preference for high power broadcasting outlets. He stated he will sponsor legislation to protect clear channels and pave the way for licensing of super-power stations in the interest of rural listeners.

Because friction at the FCC has died down since the change from Frank R. McNinch to James L. Fly, the Commission is expected to be less of a target for Congressional critics than it has been for some time.

The NAB Code, especially its provision barring sponsored talks on controversial subjects, doubtless will draw fire as it did slightly during the special session.

Likewise, the campaign of Frank E. Gannett, New York publisher, to withdraw emergency powers of the President, including control over radio, probably will stir up a bitter political row before the session has gone very far.

Legislation which probably will have the best chance of enactment, observers believe, is that designed to forbid beer and liquor advertising on the air. Such a bill is now on the Senate calendar, having been reported favorably by the Interstate Commerce Committee.

Proposals to authorize the construction of a government-owned short-wave station are also before the Congress although there appears little support for them now.

The FCC budget will be reported to the House within a few weeks by the House Appropriations Committee and probably will start off whatever fireworks there may be on radio administration.

President Roosevelt in his budget message to Congress last week asked for \$2,125,000 for total appropriations for the Federal Communications Commission for the fiscal year 1941 composed of \$2,100,000 for salaries and expenses and \$25,000 for printing. For the present fiscal year of 1940, the total appropriation for the Commission is \$1,838,175, composed of \$1,800,000 for salaries and expenses; \$25,000 for printing; and \$13,175 for special investigations.

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URUGUAY MOVES TO REGULATE RADIO TRANSMISSIONS

The Executive Power of Uruguay has submitted to the General Assembly a bill for the regulation of radio transmissions, according to the American Consulate General at Montevideo. Aerial communications would constitute a public service exploited directly by the Direction General of Communications, and nobody would be permitted to establish a broadcasting station without authorization of the Ministry of National Defense. Licenses for private stations would be granted, however, under very rigid regulation.

The following transmissions would be specifically prohibited: those inciting to treason, or to disrespect of the national sovereignty, sedition or rebellion against the constituted authorities; those which might adversely affect relations with other countries; those opposed to good morals and manners; those tending to obstruct the course of justice; false alarms of any kind; results of forbidden lotteries, or other forms of gambling; propaganda for collections of money, etc., not specifically authorized by the appropriate Ministry.

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ZENITH GETS HIGH FREQUENCY EXPERIMENTAL PERMIT

The Federal Communications Commission has granted a construction permit for a new experimental high frequency broadcast station to the Zenith Radio Corporation of Chicago. The assignment is 42,800 kilocycles, 1 kilowatt, special emission for frequency modulation, unlimited time, in accordance with Commission rules and regulations for such experimental work.

The program of research and experimentation which the applicant proposes is expected to obtain data, particularly on the merits of wide band and narrow band modulation, which will be helpful at the informal engineering hearing on aural broadcasting on high frequencies, to open before the Commission on February 28th.

The Zenith corporation is licensee of television broadcast station W9XZV (42,000-56,000, 60,000-86,000 kilocycles, 1 kilowatt aural and visual power, A3 and A5 emission) already located in Chicago.

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MAJ. ARMSTRONG PLEASED AFTER "STATICLESS" TEST

Pointing the way to what he believes to be the future of radio broadcasting, Maj. Edwin H. Armstrong of Columbia University Friday night demonstrated his "staticless" system in a relay through five stations in five States, chiefly in New England, according to the New York Times. The program relay was effected through ultra-short waves, the characteristic of which is freedom from distortion, fading and interference. In previous relay tests three stations were employed.

The broadcast, based upon "radio frequency modulation", as Major Armstrong describes the system, originated at Station W2XCR, Yonkers, N.Y., operated by C. R. Runyon, co-experimenter. From Yonkers the music and voices were flashed to W2XMN, Armstrong's key transmitter at Alpine, N.J., from the lofty aerial of which the program was relayed in turn to WLXPW, Meriden, Conn., WLXOJ, Paxton, Mass., and WLXOY at Mount Washington. The latter station broadcast by the ordinary method of a receiving outpost of the Yankee network at Winchester, Mass., which sent the program by telephone wire to the network's headquarters in Boston and relayed it by wire back to Yonkers.

"This test is most gratifying", said Major Armstrong. "Boston observers report the program went into that city with tonal quality never before heard, and the operators atop Mount Washington reported it as clear as if next door. The broadcast went from Yonkers to Mount Washington without using an inch of wire."

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U. S. DELEGATION ON WAY TO CHILE CONFERENCE

The Second Inter-American Radio Conference will be held at Santiago, Chile, January 17-23. The United States delegation, now on its way, consists of the following:

Delegate: R. Henry Norweb, American Minister to the Dominican Republic.

Technical Advisers: Department of State, Joseph T. Keating, Division of International Communications; also Secretary of the delegation; Department of War, Capt. W. T. Guest, Signal Corps, United States Army; Department of the Navy, Rear Admiral Stanford C. Hooper, United States Navy, Director, Technical Division, Office of the Chief of Naval Operations; Federal Communications Commission, E. K. Jett, Chief Engineer, Gerald C. Gross, Chief, International Division; Civil Aeronautics Authority, Lloyd H. Simson, Radio Communications Specialist.

The First Inter-American Radio Conference held at Havana, Cuba, in November 1937, concluded the Inter-American Radio Communications Convention which provided for periodical conferences to consider problems arising in the field of radio communications in the American Continent. Subsequently the Conference adopted a resolution accepting the offer of the Government of Chile for the second meeting to be held in that country during the first quarter of 1940.

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RADIO DEVICE TO MEASURE DISTANCE CLAIMED

According to the "Russia Today" Press Service, a device for utilizing radio waves to measure distances between two points has been invented by two Soviet scientists, Messrs. L. I. Mandelstam and N. D. Papalexi. It consists of two special receiving and transmitting sets located at the two points, and radio waves of a determined length (which must be known exactly) are emitted from one set and received by the other, from which they are relayed back to their source and compared upon reception with the original radiation. Measurements based on the knowledge of the speed with which radio waves travel enable the number of radio waves and the distance between the two sets to be calculated.

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MINIMUM RADIO FINE REDUCED IN COPYRIGHT MEASURE

The minimum statutory damages allowed for infringement of a music copyright by a radio station would be reduced from \$250 to \$150 if an omnibus copyright bill introduced in the Senate this week by Senator Thomas (D.), of Utah, at the request of the National Committee of the U.S.A. on Intellectual Cooperation, were passed.

Under sub-section (d) (3) of Section 19 the principles of statutory damages of the 1909 Act are retained, Senator Thomas explained, except that the maximum is raised from \$5,000 to \$10,000 and the minimum is retained at \$250 except in the case of public performance for profit of a musical composition. Here the minimum is \$150 and the maximum \$2,500.

In a letter of explanation published in the Congressional Record of January 8th, along with the text of the bill, the Committee which drafted it comments on the radio provision:

"The principle of statutory damages as a deterrent to infringement has been supported by all groups except the National Association of Broadcasters, who oppose any minimum statutory damage for infringement by radio broadcasters."

The Committee explains that the Copyright Bill does not cover renditions and mechanical transcriptions because the sponsors were unable to agree.

"With regard to renditions, the Committee heard a representative of the Association of Performing Artists, and, after much discussion, it reached the conclusion that thought has not yet become crystallized on the subject, and that no way could be found at the present time for reconciling the serious conflicts of interests arising in this field", the letter stated.

The record manufacturers, the letter continues, "ask that section 46 (a) (ii) be omitted. Concerning this request, the record manufacturers maintain that the clause as it stands is correlated with the omission of the 'compulsory license' clause; they wish the benefits of the compulsory clause continued on all existing recordings.

"The Committee for the Study of Copyright recognizes that record manufacturers need a regulating provision that shall enable them to control the use of their recordings so that they may not be utilized in radio broadcasting or other diffusion to the public for profit without permission and adequate remuneration. It might be possible under section 13 to add a paragraph stipulating if an author granted the right to use his work to a record manufacturer that manufacturer should have the right to print upon the record 'Price - for private use; use for public diffusion for profit only on special arrangement'. This regulation should also provide that the owners of work diffused should be paid for their

public-performance rights and that performing artists under contract should receive a certain percentage on the public performance of the recordings of their interpretation.

"The objection to this suggestion is that such regulation should not be in a copyright bill. The answer of the recording interests is that it is connected with copyright as is the manufacturing clause. In reply it is argued that the manufacturing clause should not be in the bill but it has been there so long that it is difficult to remove it. There is considerable opposition to giving copyright in recordings for they are not commonly creations of literary or artistic works but uses of them.

"The problems of mechanical recordings and performers' rights are being widely studied, the latter especially by the International Labor Office. The general view is that such rights are not copyright but related to copyright and that there should be regulating provisions to safeguard these rights.

"In conclusion, it should be pointed out that inasmuch as this bill is the result of long discussions, at which all interests concerned presented their views, there would hardly be any desire on the part of the various groups concerned for extended hearings. On the other hand, if the Committees on Patents of the Senate and the House wish explanations on any parts of the bill, the Committee for the Study of Copyright is in possession of copious memoranda submitted by various groups during the drafting of the bill, and would be pleased to communicate these to the congressional committees."

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NBC BUYS SPACE FOR "RADIO NEWS" COLUMN

The Central Division of the National Broadcasting Company is trying a new experiment in newspaper advertising of radio programs, featuring a radio "news column" in paid space in the Chicago Daily News six times a week on the same page with the paper's listing of radio programs, according to Editor & Publisher. Space is paid for at the national rate under a plan whereby the Daily News is using time on WMAQ for promotional purposes.

"Radio Parade" is the title of the column, which appears under a six-point slug denoting it as an advertisement. Every effort is made, according to William Ray, Manager of the Press Division, to make the column appeal to readers on a strictly reader interest basis. The column carries the by-line of Jack Thompson, although it is written by the Press Department under the direction of Mr. Ray.

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One of the columns last week featured the fact that two-thirds of NBC's programs are non-commercial and of the one-third that are commercial, only 10 to 15% of the time is devoted to sales talk. Another column sought to dispel the belief "that radio has nothing to offer but jazz, male crooners, crude comedy and long-winded commercial announcements".

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RADIO GALLERY IN DIRECTORY FOR FIRST TIME

The radio correspondents, who only last year succeeded in gaining admission to the Senate and House press galleries, are included in the Congressional Directory issued last week for the first time.

The gallery, which has separate quarters from the press, boasts 32 members and is growing steadily. The three major networks have 21 staff representatives, who put in an appearance only when the big news breaks. Transradio Press has eight reporters on the list, and the Yankee Network, the Washington Evening Star's WMAL, and WQXR, New York, have one correspondent each.

The complete list follows:

CBS: Albert L. Warner; John Charles Daly, Jr.; Albert Dennis; Ann Gillis; James W. Hurlbut; Stanton Rust Prentiss, and William J. Slocum, Jr.

NBC: W. R. McAndrew; Charles C. Barry; H. R. Baukhage; Marian P. Gale; E. L. Haaker; Thomas E. Knode; Mary Mason; Fred Shawn, and Carleton D. Smith.

Mutual: Fulton Lewis, Jr.; Frank S. Blair, Jr.; Walter Compton; Madeline Ensign Cronan; Stephen J. McCormack.

Transradio Press Service: Rex Goad; Fred W. Morrison; Gertrude V. Chestnut; Robert E. Lee Moore; Clifford G. McCarthy; Wilmot Ragsdale; Macon Reed, Jr., and Frederic B. Tuttle.

WMAL and the Evening Star: William Enders Coyle.

Dorothy C. Rockwell represents WQXR, with Francis W. Tully, the Yankee Network.

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TEXT OF RULING ON RECORDINGS RELEASED

The Federal Communications Commission this week released the text of its amendment to Section 3.93 of the Standard Broadcast Rules, adopted last week. It reads as follows:

"3.93 Mechanical records. Each broadcast program consisting of a mechanical record, or a series of mechanical records, shall be announced in the manner and to the extent set out below:

"(a) A mechanical record, or a series thereof, of longer duration than thirty minutes shall be identified by appropriate announcement at the beginning of the program, at each thirty minute interval, and at the conclusion of the program; Provided, however, That the identifying announcement at each thirty minute interval is not required in case of a mechanical record consisting of a single, continuous uninterrupted speech, play, religious service, symphony concert or operatic production of longer duration than thirty minutes;

"(b) A mechanical record, or a series thereof, of a longer duration than five minutes and not in excess of thirty minutes shall be identified by an appropriate announcement at the beginning and end of the program;

"(c) A single mechanical record of a duration not in excess of five minutes shall be identified by appropriate announcement immediately preceding the use thereof;

"(d) In case a mechanical record is used for background music, sound effects, station identification, program identification (theme music of short duration), or identification of the sponsorship of the program proper, no announcement of the mechanical record is required.

"(e) The identifying announcement shall accurately describe the type of mechanical record used, i.e., where a transcription is used it shall be announced as a 'transcription' or an 'electrical transcription', and where a phonograph record is used it shall be announced as a 'record'."

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TRADE NOTES

The U. S. Bureau of Foreign and Domestic Commerce this week released an index by countries of its world radio market series to be released in 1940.

Reports issued this week were for British India, the Philippine Islands, Belgium, French Guiana, Sengal, and Tanganyika.

The American Legation, Athens, reports that a recent decision of the Ministry of National Economy, authorizes the granting of import permits for radio apparatus by countries valid through June 1940, not to exceed one-third of the value of such equipment imported by individual firms during the first half of 1939 from each country.

Pittsburgh radio stations, the Pittsburgh Post-Gazette, and the Radio Servicemen's Association of Pittsburgh combined to stage one of the biggest cooperative charitable tieups in the history of the city at Christmas. The four radio stations and the newspaper conducted an intensive campaign appealing to the public to donate their old radio sets to the committee for rehabilitation and distribution to needy families. The original goal was 500 sets; within two days the response was so great that the goal was doubled. Five days before Christmas the goal had been reached and offers of radios were coming in so fast it was necessary to appeal to the public to let up. Facilities for collecting and repairing the sets were far surpassed.

Samuel Avins, general counsel for the Radio Servicemen's Association of Pittsburgh, declared: "At the rate offers were pouring in on us, we could have received 2000 sets. Next year we will start earlier with a goal of 2500 sets."

The Office of the American Commercial Attache, Stockholm, reports that the number of radio licenses issued in Sweden during the third quarter of 1939 was 12,138, thus making a total of 1,313,794 on September 30, 1939. This figure corresponds to 208.2 licenses per 1,000 inhabitants.

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ROOSEVELT QUILTS NEW NETWORK; TBS FUTURE IN DOUBT

Elliott Roosevelt last week announced his resignation as President of the Transcontinental Broadcasting System, which was scheduled to start operations January 1 but now appears to have become involved in difficulties which may dissolve the undertaking.

One report was that the network, which has moved its opening date to February 1, is now in the control of H. J. Brennen, owner of KQV and WJAS, Pittsburgh.

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SALARIES OF WIRE COMPANIES DISCLOSED BY FCC

The Federal Communications Commission reported last week that 568 officials of telephone and telegraph concerns received salaries of \$10,000 or more in 1938, the same number as in 1937.

The number of such salaries in the telephone industry increased from 515 to 520, but there was a decrease from fifty-three to forty-eight in the telegraph industry.

The report showed six telephone officials with salaries of \$62,500 or more and one telegraph official in the same class.

Using titles but not names, the report listed 123 salaries of the American Telephone and Telegraph Company of \$10,000 or more, headed by the President's \$206,250. Other salaries of the concern of \$50,000 or more included:

Vice President and Director, \$100,000; Vice President and General Counsel, \$75,000; Vice President and Chief Engineer, \$75,000; Vice President and Director, \$66,000; Vice President, \$66,000, Vice President, \$55,000, and Vice President and Chief Engineer, \$50,000.

The highest telegraph salary reported was \$85,000 received by the President of the Western Union Telegraph Company. The Chairman of the Board of Directors received \$50,000.

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CBS FILES AMENDED REPORT ON 1938-1939

Amended reports covering developments in 1939 and 1938 have been filed with the Securities and Exchange Commission by the Columbia Broadcasting System. The reports were made public at the New York Stock Exchange last week.

Columbia Broadcasting reported that at the end of June last, it increased indebtedness to the Bank of the Manhattan Company and Brown Brothers, Harriman & Co. by \$300,000 to \$1,000,000. It issued notes for \$180,000 to the first and for \$120,000 to the latter, these notes coming under an earlier agreement that interest should be $1\frac{1}{2}$ percent to Dec. 22, 1939, 2 percent for the next year, $2\frac{1}{2}$ percent for the next year and 3 percent for the two remaining years to maturity on Dec. 22, 1943.

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MUTUAL BROADENS PLAN OF OPERATIONS FOR 1940

The Mutual Broadcasting System, starting its fourth year of coast-to-coast operations, has drawn up an expanded plan of operations covering the next five years, W. E. Macfarlane, President of Mutual, said following a members' meeting in Chicago.

Seven independent broadcasting organizations, including 57 of Mutual's 124 stations in the United States, Canada and Hawaii, have pledged themselves to underwrite the financial operation of the network, Mr. Macfarlane said. These key broadcasters, situated in the leading cities, are to serve as principal program origination points.

All of these key member stations have renewed their contracts with the Mutual network for five years, effective Feb. 1, 1940, Mr. Macfarlane stated. Capital stock of the network will be distributed among these contributing member stations.

Mutual network member stations entering into this new arrangement are: WGN, Chicago; WOR, Newark; the Don Lee Broadcasting System; with 33 stations in California and the Pacific northwest; WAAB, Boston, and 17 other Colonial Network stations of New England; CKLW, Windsor-Detroit; the United Broadcasting Corporation, comprising radio stations WHK and WCLE, Cleveland, and WHKC, Columbus; and the "Times Star" station, WKRC, in Cincinnati.

The Board of Directors will be enlarged to give the new stockholders representation. A final meeting for the election of these Directors and ratification of contracts already agreed upon will be held in Chicago sometime during January. These member stations shall devote themselves to undivided and exclusive participation in the Mutual network except for existing commitments.

Supplementing the Board of Directors will be an operating board, an organization unique in the annals of network history. It will comprise one representative from each of the seven member groups, plus additional representation appointed by other affiliates. Under this plan, each and every station united with Mutual will have an active voice in general operation and policies, meeting at least twice a year with Fred Weber, Mutual's General Manager. The non-contributing affiliated stations will elect a group of two or three representatives to attend these meetings.

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