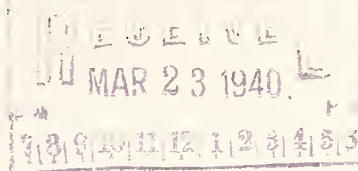


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FM HEARINGS END FIRST WEEK; FCC ASKS MORE DATA

The first week of the frequency modulation hearing was concluded Thursday with a request by James L. Fly, Chairman of the Federal Communications Commission, that the Frequency Modulation Broadcasters, Inc., submit a plan for channel allocation so that the FCC might get a definite idea of how many channels would be needed to make FM broadcasting effective.

Spokesmen for the Radio Corporation of America stated they were prepared to present such a chart immediately, but Chairman Fly suggested that they wait until next week, when the inquiry will be resumed.

It was still too early to predict what the attitude of the Commission will be on the request of the FM sponsors for additional channels, but observers believed that the FCC will proceed cautiously so as to disturb the status quo as little as possible and yet give the new technique of radio transmission an opportunity to develop.

The inquiry will continue all next week except for a two-hour recess on Thursday so that the FCC may hear the weekly motions docket.

A day-by-day summary of the first week's testimony follows:

Maj. Edwin H. Armstrong, inventor of the new frequency modulation method of radio transmission on Tuesday testified that he has expended close to \$800,000 of his own private funds on the development of the new method of static-free broadcasting.

This sum, he said, is equal to the amount of all royalties he has received from his other radio inventions, including the famous regenerative and superheterodyne circuits which paved the way for the present day type of radio receivers. Major Armstrong added that he will continue such research "as long as I can still pay for it".

The second day of the hearing before the FCC was concerned mainly with Major Armstrong's continued testimony, covering such points for members of the Commission as the possible effects of FM on standard broadcasting, modification of frequency allocations, and the patent situation with reference to FM.

In discussing the latter, the inventor told the FCC that his original superheterodyne and regenerative discoveries, sold together, netted him but \$330,000 although they have meant

unestimated millions to radio manufacturers. His third outstanding discovery, the super-regenerative circuit, was sold for \$425,000.

In his testimony, Major Armstrong suggested that the conversion of a single television channel to FM usage, coupled with frequencies now available, would more than handle all FM station needs for years to come. "The art", he stated, referring to regular broadcasting, "is on the verge of the greatest development in its history. There is no doubt in my mind that FM will relieve congestion in the present broadcast band."

Major Armstrong foresaw FM networks, without the use of wire lines as is commonly the case, in operation this coming Summer. Justifying his contention that frequency modulation is worthy of space in the radio spectrum despite similar demands by other radio services, he declared: "Frequency modulation is ready to give service to the public, the others are not."

Major Armstrong was followed on the stand by Paul A. Porter, Washington counsel for the Columbia Broadcasting System. On behalf of his client, Mr. Porter pointed out that although CBS has two license modifications for FM now pending before the FCC, the network has no actual operating data to present. However, he added, in the event of conflict between frequency modulation and television for channels, CBS has requested that the Commission give preference to the latter.

A third witness on Tuesday was Everett L. Diller of Kansas City, Mo., owner of high frequency experimental station W9XA. Describing his research with conventional methods of amplitude modulation on higher frequencies, Mr. Diller expressed a conviction that FM holds greater possibilities for broadcasters of the future.

A ten-year period of "evolutionary", not "revolutionary", radio progress was forecast Wednesday by John Shepard, 3d, President of Frequency Modulation Broadcasters, Inc. He said that one decade would see present-day broadcasting swept from the air, except in sparsely populated areas.

This change, he explained, will be demanded by the public once the FCC permits frequency modulation to go from experimental to commercial operation. Frequency modulation (FM) is the so-called static-free method of broadcasting. Its proponents, including Mr. Shepard's organization, are asking the Commission for broadcasting channel assignments which will permit the system to offer sponsored programs.

Members of the Commission questioned Mr. Shepard on the economic changes which might result through the authorization of two systems of broadcasting because of the fact that the receiving public would have to have two sets.

Mr. Shepard expressed the belief there would be a transitory period of an estimated 10 years when there would be a gradual shifting from the present amplitude modulation system to frequency modulation. During this period, he said, users of radio advertising would pay proportionate amounts for the service, based on the number of receivers for each system that were estimated to be in use.

Mr. Shepard said he thought it was essential that the Commission authorize frequency modulation for standard broadcast service in order to encourage licensees to have longer daily schedules. Under the experimental license system now prevailing for FM stations, Mr. Shepard said, the applications are limited to large corporations which have money to spend on experimentation and to those primarily interested in research. This limitation, he said, also had the tendency to freeze out smaller broadcasters who cannot enter the field until they have some assurance that they can get a return on their investment.

Following Mr. Shepard's testimony, three expert witnesses took the stand to tell why they, too, think FM is superior as a public service to the conventional amplitude modulation (AM).

During cross-examination of one of these, counsel for the Radio Corporation of America began to open the road for testimony possibly showing that all the good points claimed for FM are not necessarily inherent to the FM system. This was RCA's first active participation in three days of hearings.

Mr. Shepard, who is also the President of the Yankee Network, said that at first FM broadcasts would cost advertisers little and there would be few listeners. As FM pulls more and more listeners from AM, he continued, advertisers will have to use both systems. At the end of his ten-year estimate, the situation will be reversed, he said, with FM having virtually all the advertisers and charging high rates, and with AM having only a few at low rates.

On Thursday, Chairman Fly demanded that F.M. Broadcasters, Inc., submit a plan of radio channel allocation to demonstrate its claim for additional allocation.

Commissioner Fly insisted that the Commission could not consider the advantages claimed for FM unless those claims were reflected by a table demonstrating how its allocations should be assigned. The Commission asks, he added, that the claims be presented on the basis of operations.

Philip Loucks, counsel for F.M. Broadcasters, said the organization can show the efficiency and general needs of the new system, but cannot at this time plot the needs under operating conditions.

Horace Lonus, counsel for Major Armstrong, said that the F.M. group cannot draw plans without knowing how many channels

should be considered. The group, he added, has to have the assignments to start with.

Chairman Fly told him to start with the channels the F.M. proponents are seeking.

All the witnesses Thursday were technical experts presented by F.M. Broadcasters to show the good points of the system. They included Prof. Daniel C. Noble, on leave from the University of Connecticut; A. P. Sise, Supervising Engineer of the Yankee Network; Maurice Levy, Electrical Engineer of Rochester, N.Y.; and I. R. Weir, of General Electric, Schenectady.

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MONOGRAPH ON FCC PROCEDURE MAY BE PRINTED

The monograph prepared by the Attorney General's Committee on Administrative Procedure of the Federal Communications Commission and other Federal independent agencies, may be published soon as a Government document.

Senator Hayden (D.), of Arizona, introduced a resolution in the Senate Thursday asking that all of the Committee's monographs be published. The resolution was referred to the Senate Committee on Printing for a report.

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FINCH DEMONSTRATES FACSIMILE FOR NEWSMEN

A demonstration of the latest developments in facsimile radio transmission was given in Washington Thursday night for Capital newspaper men by William G. H. Finch, of New York, inventor of a facsimile system.

The exhibition was given at the Shoreham Hotel and was attended by many of the engineers and attorneys following the FM hearing before the Federal Communications Commission.

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Television broadcasts twice a week have started in Japan, according to Variety. Inaugural was on Empire Foundation Day, by the Broadcasting Corporation of Japan from the technical Research Institute at Kamata-cho, Setagaya, Tokyo. Special receiving sets have been spotted at the experimental laboratories of the corporation on Atago Hill, where the former broadcasting studios were located before the completion of the new build at Higiyu, at the Tokyo Television Institute, the Tokyo Science Museum, in newspaper offices and department stores.

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PLANS FOR RMA CONVENTION AND SHOW COMPLETED

Tentative plans for the annual radio industry gathering at Chicago next June, for the sixteenth annual RMA Convention and the Radio Parts National Trade Show, both at the Stevens Hotel, have been completed, according to Bond Geddes, Executive Vice President. The RMA convention and membership meeting will be held June 11 and 12, and the Radio Parts National Trade Show, sponsored jointly by RMA and the Sales Managers Clubs, will occupy the entire Exhibition Hall of the Stevens Hotel, June 11-14. Virtually all exhibit space for the parts show has already been reserved, far in advance of schedule, with parts, tube and accessory firms having reserved 142 booths to date, equal to the reservations on May 7 last year. A "radio special" train is also being planned from New York to Chicago.

The annual radio industry banquet, for RMA members and guests, will be held Wednesday evening, June 12, in the Grand Ball Room of the Stevens Hotel. Chairman Paul V. Galvin and the RMA Convention Committee are arranging a program of entertainment. Another social event will be the annual industry's golf tournament on Thursday, June 13, at the Calumet Country Club.

The Radio Parts National Trade Show promises to be the most successful event since its inauguration. As usual, exhibits are confined to parts, accessories and tubes, without display of standard lines of receivers. The show, which promises to tax facilities of the Exhibition Hall at the Stevens Hotel, is again under the management of K. A. Hathaway. Tuesday, Wednesday and Thursday, June 11, 12, 13, will be observed as "Jobber Days", and the show will hold "Open House" for radio service men, amateurs and others in the industry on Friday, June 14, closing at 10 P.M.

President A. S. Wells of the RMA and the Convention Committee are arranging for many industry and group meetings during the annual June radio gathering. These will include meetings of the Radio Servicemen of America, the Sales Managers Clubs, "The Representatives", and other organizations of the industry. All four RMA general divisions - set, tube, parts and amplifier and speaker manufacturers - will hold meetings, and the annual membership luncheon meeting of RMA will be held on Tuesday, June 11.

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More than 20,000 Spanish-speaking people in Central and South America learning the English language by radio, judging by letters received by General Electric's international station WGEO. Two years ago a Spanish program was started in answer to requests for simple English lessons, and a series was begun with the weekly lessons later put in printed form and mailed to listeners upon request. Last year the original class had reached a point where it was difficult for a new "student" to pick up with the class and it was found necessary to start another class.

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"HAM" FINE BRINGS WARNING TO AMATEURS

Coincident with an announcement this week of the punishment of a radio amateur for unlicensed operation of a "ham" station, the Federal Communications Commission this week issued a warning to enthusiastic but careless youths interested in radio experimentation, and a veiled threat to spies who might employ such means to record messages.

Russell Callender, of St. Paul, Minn., was indicted for violation of Sections 301 and 318 of the Communications Act of 1934, as amended. The indictment contained two counts: operating an unlicensed radio station and operating a radio station without holding a valid radio operator license. The U. S. District Court imposed a fine of \$25 on each count.

Sundry cases of unlawful operation of amateur radio stations coming to its attention has caused the Federal Communications Commission to warn that it is referring such matters to the local United States attorneys, with recommendation for indictment and prosecution.

"The Commission appreciates that enthusiastic youth can unwittingly violate the law in this respect, in which case warning and, perhaps, confiscation of apparatus, is sufficient to end the practice", an FCC spokesman said. "However, there has of late been an increase in the number of grown-ups who apparently knowingly and wilfully send out unlawful signals to interfere with authorized radio transmission, and sometimes even fake police and aviation calls with serious portent.

"All radio transmitting equipment is required to be licensed. This is to prevent confusion on the air. It should be apparent to anyone familiar with radio regulation that unlicensed operation is easily detected. To begin with, stations are identified by call signals and, further, they are assigned certain channels, called frequencies, for their emissions to travel in. The broadcast bands can be likened to highways, and the stations to autos with license tags. Each station is assigned a particular lane on the ether highway, and to deviate from it means "collision" with one or the other of the crowded adjacent lanes.

"When a station's emission strays from its allotted course there is interference. This interference is immediately detected by the Commission's inspectors engaged in monitoring activities, or otherwise policing the ether. The amateurs themselves are quick to report a strange signal or an erratic 'driver' on their ether course. Amateurs have rendered valuable emergency service in time of floods, hurricanes and other stress, and are justly proud of their record.

"Also, the appearance of unlawful signals can be reported by standard broadcast stations, on the basis of complaints of listeners; or by police, marine, aviation or other radio services experiencing new and strange interference.

"Such a report goes to the Commission's field office in the particular area concerned. A Commission monitoring station can record the illegal broadcast and check on the origin of the same. If necessary, mobile equipment is used to trace the 'pirate' station. This work entails time and expense on the part of the Commission.

"It is advisable to point out that amateur licenses (as well as all other radio licenses) are restricted to citizens. Also, amateurs are prohibited from using secret code. Hence, any strange message sent out on the air is heard by many ears and quickly reported."

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RCA MOVES TO PROMOTE TELEVISION IN NEW YORK

The Radio Corporation of America this week proceeded to promote the sale of television receivers in the New York area in anticipation of developments made possible in television broadcasting by the promulgation of liberalized rules by the Federal Communications Commission.

A special program service for New York owners of television receivers was announced by Alfred H. Morton, NBC Vice President in Charge of Television, as RCA took full page advertisements in New York newspapers to announce improved "television for the home".

Transmission of regular NBC network programs over the static-free television sound channel of Station W2XBS began Wednesday evening. The television sound channel is to be used three hours each night, with NBC network programs being broadcast at such hours as television programs are not on the air, Mr. Morton said. The new sound broadcasts will be selected from the schedules of both NBC networks and may include, in addition, some programs designed exclusively for the new service.

"For some time now", said Mr. Morton in making his announcement, "we have felt that the peculiar technical qualities inherent in television's sound channels could be made more serviceable both to viewers and to families owning late model radio sets equipped to receive television sound. The television channel, is located in the realm of the ultra-short wave. The wave-length of Station W2XBS, for instance, is slightly more than six meters. This is so far removed from the wave-lengths used by nature that a severe thunderstorm is inaudible on the television sound channel and a bolt of lightning causes no more than a tiny click."

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Mr. Morton's announcement accompanied a statement by David Sarnoff, President of the Radio Corporation of America, covering the tripartite RCA-NBC plan for television promotion. Mr. Sarnoff emphasized the reduction of prices to bring television receivers within the reach of the average American family and plans for a television network by means of the newly developed RCA radio relay.

"An improved program service has been evolved by the National Broadcasting Company", said Mr. Sarnoff, "and is now available to residents in the New York area within the transmission range of the RCA transmitter atop the Empire State Building. As soon as network relays are erected, the National Broadcasting Company will provide a program service for other communities. This relay service also will be available to other broadcasting companies desiring to transmit television programs."

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PALEY INVITES ADULT EDUCATION BOARD TO NEW YORK

The broadening scope of activities of the Columbia Broadcasting System under its Adult Education Board was emphasized this week in connection with invitations to fourteen leaders in education and public life of the country -- all members of the Board -- to meet Monday, April 8, at CBS's New York City headquarters. William S. Paley, Columbia's President, issued the invitations.

The Board meets with a two-fold purpose:

1 - to review CBS educational activities of the past year, including broadcasting of such outstanding programs as "Americans at Work" and the "People's Platform", which were created at the instance of the Board.

2 - to discuss proposals for new educational projects and further extension of present programs.

The Board will be afforded its chance to review CBS educational activities when Sterling Fisher, CBS Director of Education, presents his annual report.

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TRADE NOTES

Effective April 1st, William J. Fagan returns to the Columbia Network Sales Department in the position of Assistant Sales Manager, according to William C. Gittinger, CBS Vice-President in Charge of Sales. Mr. Fagan had been with Columbia from December, 1929, to July, 1937. He was originally in the Sales Promotion Department and later became Sales Service Manager and then Account Representative. Since 1937 he has been Business Manager of the Radio Department at Benton & Bowles, Inc.

A meeting of the RMA Board of Directors will be held Thursday, April 11, at the Roosevelt Hotel in New York City. President A. S. Wells of RMA has arranged the meeting to consider many important industry problems, including developments in television and frequency modulation, and there also will be several meetings of industry groups and committees. Dr. Ray H. Manson, Vice President and General Manager of Stromberg-Carlson Telephone Mfg. Company, of Rochester, New York, has been elected to the RMA Board of Directors, to succeed the late George A. Scoville of that company. Dr. Manson has been active in the engineering work of the Association for many years and will serve as an RMA Director for a term expiring in 1941.

Jules Dundes, of the CBS Sales Promotion Department, has been named Sales Promotion Manager of WABC, Columbia's key station in New York City. Mr. Dundes' appointment is in line with the CBS policy of having each of its owned and operated stations function with its own promotion staff. Mr. Dundes has been in the Sales Promotion Department of CBS for four years. Prior to that he was on the New York Post for five years.

The question whether radios should be barred from taxicabs reached a settlement of a sort this week when New York City Police Commissioner Valentine announced that he had informed the Broadway Association, sponsor of the idea, that the police would not object "either to retention or removal of radios".

While this was taken as tantamount to a refusal of the Association's request for outlawing the taxicab radio, H. Frederick Bright, Managing Director of the Association, said that he understood on good authority that a ruling might be made by which a radio must be connected to the meter.

Federal collections of the 5 percent radio tax in February, 1940, totaling \$632,977.54, were unprecedented in any other February since the radio tax became effective in 1932. The radio tax collections last month were 56.6 percent above the February, 1939, excise tax of \$404,201.56, and compared with the January, 1940, collections of \$678,062.77.

Frederick Mordaunt Hall, journalist, critic and author, has joined the Publicity Department of the Columbia Broadcasting System. He will work with E. R. Sammis, head of the Magazine Division of the Publicity Department. Mr. Hall comes to Columbia with a distinguished record as a newspaperman and critic both here and abroad.

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NBC TO BUILD GLASS NEWS BROADCASTING STUDIOS

A. A. Schechter, Director of the News and Special Events Division of the National Broadcasting Company, announced plans this week for the immediate construction of specially-devised news broadcasting studios to be built in the NBC News Room on the fourth floor of the RCA Building, Radio City.

In outlining the plans for the built-in glass studios, which will incorporate the latest technical radio developments, Mr. Schechter gave a three-fold reason for their immediate construction.

First, he said, was the strong possibility of additional war news from the long-threatened Spring offensives. Secondly, he named the impending political conventions and elections which, as in past years, will be covered completely by NBC, and, thirdly, he disclosed that NBC now is contracting for many additional sponsored news programs, making imperative the speaker-type studios which will be constructed. NBC has AP, UP and INS services.

The new studios will be built adjacent to the battery of teletypes over which flow in an endless stream the happenings, both big and small, in world capitals and remote hamlets, and the powerful short wave monitoring equipment, which keeps NBC in constant touch with the news of the world.

Mr. Schechter likened the new studios to "gold-fish bowls" as the glass structures will make the actions of the commentator inside visible to everyone in the News Room. Slots will be built into the sides of the studios so that news bulletins may be fed in a constant stream through the aperture without the necessity of opening a door.

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G.E. REDUCES PRICES OF TELEVISION RECEIVERS

As of March 15, marked reductions in the prices of all television receivers have been announced by the General Electric Company. The reductions range from \$75 to as much as \$200 on various models. The reductions follow:

Model HM-171, a table model picture receiver with sound converter, with a five-inch picture tube, reduced from \$195 to \$99.95.

Model HM-185, complete television receiver in console cabinet, with five-inch picture tube, reduced from \$250 to \$175.

Model HM-225, a 22-tube console with nine-inch picture tube, reduced from \$385 to \$310.

Model HM-226-7A, a 29-tube combination offering both television and three-band radio reception, reduced from \$575 to \$445. Has 12-inch tube.

Model HM-275-3A, top set in the G-E line, is a 30-tube deluxe combination console, offering both television and three-band radio reception, with 12-inch picture tube, reduced from \$795 to \$595.

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CBS \$700,000 STUDIO TO OPEN MAY 15

As the most important project in its current expansion program, the Columbia Broadcasting System is spending \$700,000 for remodeling the old eight-story Juilliard School Building, across East 52nd Street from its headquarters, 485 Madison Avenue, New York City, into a modern studio and experimental laboratory annex. The annex is expected to be finished about May 15 and will afford needed extra broadcasting space convenient to the CBS main building.

Using only the skeleton of the old structure, this annex will house seven studios, in which will be embodied very technical advance and also a revolutionary innovation for improvement in quality of sound definition.

The 30-year-old Manhattan landmark, formerly with row on row of windows, will present a strikingly changed facade, for it is to be windowless up to the sixth floor. The lower part will be of matt glazed terra cotta in grey and blue shades. The entrance will be in stainless steel, with doors of heavy sheets of non-shatterable glass, like those of the Madison Avenue headquarters.

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