

HEINL RADIO BUSINESS LETTER

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August 6, 1940

McCOSKER GIVES GOTHAM FIRST FULL TIME "FM" STATION

Station W2XOR, New York's first full time "FM", or static-less broadcaster, went on the air there last week from a new 1,000-watt transmitter atop the 42-story building at 444 Madison Avenue. The station will operate 15 hours daily, carrying not only the regular WOR program, but special higher-quality programs for two hours daily, one hour each afternoon and another hour during the evening.

Maj. Edwin H. Armstrong, inventor of staticless broadcasting and reception via the FM method, pressed a button to set the system in operation, and Alfred J. McCosker, President of WOR, spoke, as did John R. Poppele, Chief Engineer of the WOR outfit. Music was provided by a symphonic orchestra.

From a special "high-quality" studio at the 1440 Broadway WOR studio, the two hours of special music will be picked up by a microphone designed to handle tones up to more than 15,000 cycles. Special wire lines to the W2XOR transmitter, less than a mile distant from the studio, will permit of tones up to more than 20,000 cycles. Thus, when one tunes in a program over this system on an FM set equipped with a high-quality loudspeaker, the result is said to be such as to permit only instrumental detection of any difference between the original tone and the reproduced tone.

The studio mike is called an "Easter Egg" because it resembles it in shape only it is larger. The oval shape permits the pickup of extra high frequency tones, it is said, and is of Bell Laboratory and Western Electric production. Likewise, the 1,000-watt transmitter is Bell Lab. and Western Electric manufacture, made under the license arrangements with Major Armstrong, with some frequency-stabilization touches added by the Laboratories men.

The engineers have found, in tests during the past few days, that good noise-free reception of W2XOR can be had throughout the Metropolitan area and as far away as Riverhead, Long Island, nearly seventy miles from the central part of the city. The station, however, has been designed to give good reception within a forty to forty-eight mile radius of the transmitter. The frequency on which W2XOR will operate is 43.4 megacycles, or 43,400 kilocycles.

Although occupying an entire floor of approximately 1800 square feet at 444 Madison Avenue, no programs will originate there. They will come from WOR's Newark and 1440 Broadway studios and occasionally from the WOR Radio Playhouse. The principal point of origin for FM broadcasts will be the Broadway studio which has been redesigned and reequipped for high fidelity broadcasting.

At present there are several thousand FM receivers in the Metropolitan area. WOR estimates that there will be at least 50,000 within a year.

WOR has assigned three engineers to work exclusively on FM, under the direction of the station's supervisor of transmitters, Charles Singer. Uninterrupted service is insured by three power lines and two special high fidelity broadcast phone lines (20-20,000 cycles) between the transmitter and the Broadway studios.

An application is pending for permission to operate a 100 watt RCA auxiliary FM transmitter.

The vertical coaxial antenna on the roof stands seventy-five feet above the roof, some 630 feet above sea level. Two auxiliary forty foot antennas on the roof are for emergency use with the FM transmitter, for facsimile, and high frequency short wave relay broadcasting.

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CALLS BROADCASTING SQUATTER'S RIGHTS ON AIR

In an open letter, "They Shall Have Music!", in connection with the 25th Anniversary of the American Society of Composers, Authors and Publishers, Gene Buck, its President, characterizes the broadcasters as having "squatter's rights on the air". After recounting successes of the Society down through the years, Mr. Buck writes: "Thorns come with roses, 'but ain't the roses sweet'.

"Thorns come with roses, 'but ain't the roses sweet'. It was a songwriter who said that. And it takes a man with a song in his heart to remember the roses and to forget the thorns.

"The radio chain executives who control the air, have publicly announced that beginning New Year's Day, ASCAP music will be barred from the air. What a beautiful way to ring out the old year and ring in the new!

"The music of the thousands of composers of England, France, our sister republics in Latin America; 'The Stars and Stripes Forever', 'God Bless America', 'Over There', to be 'given the air' by the gentlemen who claim squatter's rights on the air. Fantastic? But true! We have their published word for it.

"What will we do? We have a duty and a responsibility to thousands of enterprises which depend upon a steady flow of new music to entertain their patrons. And an equal responsibility to the thousands of musicians and artists who interpret that music. And above all to the public, which needs the inspiration and stimulation and relaxation of music to maintain its morale in these days of uncertainty.

"The American Society of Composers, Authors and Publishers is conscious of its duty and will perform it. Whether we're on the air or 'given the air', when the public says, 'Let's start the show, let's have some music', we'll see to it that they shall have music."

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BROADCASTING DAY CURTAIN-RAISER FOR S.F. CONVENTION

Broadcasting Day last Saturday, a day which will mean more and more as time goes on, very successfully heralded the opening of the convention of the National Association of Broadcasters at San Francisco. There was a gigantic hookup from the West Coast linking 500 stations. The keynote address was a message from President Roosevelt delivered by Stephen Early, his No. 1 Secretary. Chairman James L. Fly, of the Federal Communications Commission, Neville Miller, President of the NAB, and numerous radio stars were likewise heard from.

"We have enjoyed the blessings of freedom and liberty so long that there is a temptation for the words to become abstractions", Mr. Early declared. "Yet tonight there are men who can perhaps hear these words over short-wave transmitters who are suffering the tyranny and slavery that follow the loss of freedom. Expression of opinion in parts of the world is a felony punishable by death. It is likewise a crime, according to the credo of the tyrants, to listen to the opinions of others if such views differ with the dictator. Yes, tonight there are men who are fighting and dying to maintain that freedom for themselves and perhaps for us all."

Mr. Early emphasized the part that broadcasters can play in national defense by taking care to present facts impartially and without distortion to help maintain the morale of the people.

"To the broadcasters and the millions of listeners to this program, I bring greetings and best wishes from the President", he declared. "You broadcasters know the President's views on the relationship of radio to government. Some time ago he pointed out that while the government had been required to set up essential controls of radio operation to prevent complete confusion on the air, in all other respects radio is as free as the press. Tonight I bring to you my expression of hope that this freedom will forever endure."

William Green, President of the American Federation of Labor, speaking from Washington, asserted that radio had helped implement free speech "into one of the most powerful weapons at America's command for the preservation of democracy."

Chairman Fly of the FCC said that radio listeners "have made it clear that you do not want the magic of radio bent under the yoke of selfish interests; that you want this public facility left completely free to serve the interests of the public."

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WOULD HAMMER AWAY ON NATIONAL DEFENSE

Louis Johnson, former Assistant Secretary of War, whose leaving Washington has caused so much comment, speaking at the annual convention of the National Association of Broadcasters at San Francisco, declared the big opportunity of the broadcasters lay in continually hammering home the fact that it is teamwork that will win in national defense.

"Three years ago I became a radio commentator", Mr. Johnson said. "For my subject, I took 'National Defense'. For sponsors, I chose the American people. Since then I have come to the microphone on an average of almost once a week to discuss my theme.

"In 1937, America was not awake to the needs for adequate preparedness. Too many of us lived with a false sense of security. We had begun to look upon our oceans as impregnable Maginot lines. It was such state of mind that I felt it my duty to correct.

"As a World War veteran with overseas service, as a former National Commander of the American Legion, and as a patriotic American citizen, I realized the importance of national defense. As soon as I joined the War Department I made it my responsibility to go out and to convince the American people that national defense was a basic consideration in the life of our country. To gain the cooperation of our citizens, I visited every State in the union at least once, and, many of them, several times. Altogether I made more than two hundred public addresses on the subject of national defense.

"With the aid of radio facilities, with the support of the press, and with the cooperation of military and civic leaders everywhere, I was able to awaken a great deal of enthusiasm for our defense program. Some skepticism, I did encounter; and, here and there, I ran into what radio advertising men call 'sales resistance' to the 'commodity' I was advertising. Persistence, time, and especially events in Europe and in Asia at last made our people national defense conscious.

"National defense in its broadest phases, however, includes not only a strong army, an unsurpassed navy and an invincible air corps, not only an industry geared to produce munitions of war in time, in quality and in quantity as required, but also a united nation, a nation spiritually aroused to its grave responsibilities and ready at all costs to work for a common end.

"You broadcasters of America, who are expert phrase and slogan makers, I urge to coin a national motto to keep constantly before the American people as a reminder, every day, in every way, of the necessity for national teamwork. In your bulletins, in your advertising script, when you open your program and when you sign off, let there come forth an urgent and effective appeal to all Americans for national unity."

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"In Europe, there may be a stigma attached to one's origin which may taint the life and business of a whole family, even a whole people. Here, men are measured by their own conduct. Each is free to live his own life in his own way so long as it does not encroach upon the similar rights of others. While we may dial our radio to any program anywhere in the world, others must deafen their ears to the outside and listen only to the voice of self-anointed masters. While we may think, write and say what we please, the lives of others are circumscribed to the minutest detail. . . .

"We must therefore acquire national unity. We must achieve without delay a cohesion into one pattern of all American dreams and aspirations lest they be forever denied. I therefore urge upon you the need for a revival of the spirit of American unity and as broadcasters, to keep the ideal in the forefront in all your radio activities. . . .

"We must move closer and closer toward each other. We must visit each other more frequently and exchange our goods more freely. This is no time to think of bargains and profits. In the world of today we in this continent must work together.

"Again, I turn to you radio broadcasters to translate this ardent desire into a popular formula that will remind us every day of our duty and responsibility.

"I appeal to you as radio broadcasters to put new life and meaning into our loyalties - our loyalties to our home, to our family, to our church, to our community, to our country, to extol them before the youth of our country, to recall them to the minds of our mature and our aged."

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557 STATIONS AID DEFENSE SEARCH

Five hundred and fifty-seven broadcasting stations, an increase of 184 over those heard from the week before, have joined together through the National Association of Broadcasters in radio's recently announced National Defense program, which seeks to locate man power for the Government.

A minimum of 100,000 skilled workers represents the present requirements of the Army, Navy and other defense agencies for which the U. S. Civil Service Commission seeks to procure workers.

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WILLKIE SEEKS EQUAL RADIO TIME

Wendell L. Willkie will demand as much free radio time as is accorded to President Roosevelt during the 1940 campaign, it was learned at Des Moines, Iowa, last Saturday night where Mr. Willkie had gone for a conference with Mid-Western Governors and farm leaders.

Weighing statements of the President that his concern over international developments would force him to remain close to the Capital and confine his campaign pronouncements to press conferences and radio addresses, leaders of the Willkie campaign told International News Service:

"If Mr. Roosevelt plans to carry on his campaign from the White House, through fireside chats for which the radio chains donate their facilities, Mr. Willkie will insist upon just as much free time to place his message before the country.

"The radio industry is a public utility and Mr. Willkie will insist that both major political parties be dealt with by the radio chains on a basis of equality. If the Republican Party is forced to pay for its time on the radio, there is no reason why the Democratic Party should not do the same."

The position was taken on the eve of the national convention which opened in San Francisco on Sunday, of the National Association of Broadcasters.

Already faced by a warning from the Senate Special Elections Committee that plans are under way by which Nation-wide commercial programs would be placed at the disposal of "certain candidates" in violation of the Hatch "clean politics" law, a spokesman for the National Association of Broadcasters said:

"The radio industry will not lend itself to any attempt to sidestep the Hatch Act or any other law. You can be sure that the Code Committee of the Association, before our convention concludes, will adopt every possible safeguard to see that commercial broadcasters do not use their programs for exploitation of any candidates. It never has been done and it won't begin now."

Examination of the records of the radio chains showed that the Republican Party spent \$823,257 in the 1936 presidential campaign while the Democrats spent \$497,923.

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CAN PLAY RECORDS WITHOUT LICENSE COURT HOLDS

The National Association of Broadcasters won an outstanding victory for the broadcasting industry last week when the U.S. Circuit Court of Appeals in New York decided that broadcasters have the right to play phonograph records without a license.

Retaining special counsel for this test case, the Association went to bat for Station WNEW, New York City, and the industry in a suit brought by the RCA Manufacturing Company, Inc., and Paul Whiteman.

Judge Learned Hand handed down the decision.

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CITIZENSHIP PROOF PUT OFF FOR 30 DAYS

The effective date of the Order adopted by the Federal Communications Commission requiring that all commercial or amateur radio operators produce proof of American citizenship has been extended for one month from August 15th to September 15th. This was due to the fact that radio operators asked so many questions which required answering, that the Commission decided to give them a little more time.

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DuMONT MAKING U. S. ARMY TESTS

The Allen B. DuMont Laboratories at Passaic, N. J., have been granted special temporary authority to operate a 50 watt transmitter on the old No. 1 channel in the Plattsburgh, N. Y. area, in order to pick up signals from mobile transmitter WLOXKT and rebroadcast pictures in the area in connection with tests in cooperation with the U. S. Army.

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Temporary authority not to exceed three months, has been granted to install aeronautical radio station KBJA, located at Bethel, Alaska, primarily for communication with aircraft flying the Green Chain in Alaska. It will use the frequencies 2922, 5652.5, and 6590 kilocycles, with power of 50 watts, A3 emission.

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SARNOFF DENIES RCA BRIBERY ALLEGATIONS

Denying charges that two former United States Senators were bribed to effect the postponement of a Radio Corporation of America anti-trust suit in 1932 until after the new administration came into power, David Sarnoff, President of the RCA, appearing before the Senate Interstate Commerce Committee in Washington (Tuesday) declared: "No payments were ever made by the RCA in this or any other case. I deny all these allegations."

"Why did you wait all this time to make this denial?" Senator Tobey of New Hampshire asked.

"When Congressman McFarland originally made the charges we offered to give him the facts. Mr. McFarland said we would hear from him if he wanted them. He later repeated the charges in Texas and on the air but we never heard from him. This is the first Committee that has shown any interest in them."

After being pressed by Senator Tobey to tell who the Senators were who were alleged to have been bribed, Mr. Sarnoff said: "I'll do it but remember I am only doing it because the Senator has demanded that I do so." Mr. Sarnoff then said the Senators named were Senators Hastings of Delaware, and Moses, of New Hampshire.

There was a dramatic ending to the day's sessions when Senator Tobey first announced that E. O. Kellar, supposed to be one of the intermediaries in the alleged bribing, would testify. Kellar, however, did not appear. Whereupon the Senator read an affidavit by Kellar making sensational charges against the RCA. Mr. Sarnoff immediately denied these charges. Following this, Senator Wheeler issued a summons for Kellar to appear before the Committee the next day (Wednesday), adding:

"If the charges against the RCA are proven to be untrue, the man who has made them should be turned over to the Department of Justice for investigation."

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A New York organization has inquired of the Federal Communications Commission as to the number of regular program-broadcast stations in the world. Commission records show that as of December 1, 1939, there were 2,452 regular broadcast stations listed throughout the world, of which number 814 were in the United States.

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 ::: TRADE NOTES :::
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WQXR in New York City will soon broadcast commercially sponsored Associated Press news. The first A.P. sponsored broadcast over an NBC station was last week by Station WENR in Chicago sponsored by Morris B. Sachs, a local clothier.

In a recent FCC press release, entitled: "First Television Station for San Francisco Speeded; NBC and Don Lee to Use New Television Channel No. 1" the visual power granted station W6XAO should have been shown as 1000 watts instead of 100 watts.

WRUW, World Wide Broadcasting Corp., short-wave station at Boston, has been granted a dismissal of its application for modification of license to add frequency 6080 kilocycle to 11730, 15130 kilocycles, 20000 watts night, 20000 watts daytime, A3 emission, unlimited time.

Jennings Pierce, Director of Education and Agriculture for NBC's Western Division, San Francisco, is making an air tour of Pacific Coast NBC stations. With him is Kenneth Gapen, Western Radio Program Director for the U. S. Department of Agriculture.

H. G. Towlson, General Electric radio engineer, has been named engineer in charge of radio transmitter operations at the company's South Schenectady transmitting station, according to an announcement made by R. S. Peare, Manager of General Electric broadcasting.

In his column "Over the Coffee", a feature of the Washington Post, Harlan Miller wrote:

"Radio-mogul Harry Butcher says if FM radio had come first, then regular AM broadcasting, the kind we've had for years, would have been hailed as the real miracle."

Steps have been taken by Kenneth Berkeley, Washington's NBC Manager, to inform patrons of Washington's outdoor Symphony Orchestra held at the Watergate, about future concerts that may be postponed because of rain. The information will be broadcast over the radio one-half hour in advance of the scheduled starting time, WRC being used on Sunday nights and WMAL on Wednesday nights. The concerts have repeatedly been rained out; on the other hand others have been successfully held in the face of doubtful weather, but with the new system of an eleventh hour radio flash, everybody will be kept informed as to whether or not a concert will be given.

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WMCA SEES NEWS IN ADVERTISING

Spreading to radio "PM's" (new newspaper in New York) concept of reprinting advertising free of charge on the basis that it is interesting news, the Warner Norge Company, Inc., distributors of Farnsworth radios, has inaugurated over Station WMCA, New York, a program entitled "Good News in Advertising".

In ad lib style Ken Farnsworth, who is not related to the radio maker, will report on the outstanding ads appearing in the afternoon papers of the same day and those scheduled for the following morning's papers. Newspaper, advertiser and price as well as all salient advertised goods will be broadcast, Farnsworth stating that "all I know is what I read in the ads". The Warner Norge contract is for an indefinite period.

The radio innovation will be watched with interest, it is expected, inasmuch as radio stations are beginning a determined drive to get department store accounts, which have been perennial newspaper advertisers. It will probably be possible for stores to check whether items mentioned on the program outpull other goods advertised in the dailies.

Radio advertisers and their agencies have been asked by the National Association to join the broadcasting industry in its latest battle with the American Society of Composers, a struggle which may cut off from the networks after January 1 most of the music now familiar to radio listeners.

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JULY BILLINGS UP SHARPLY

Gross billings for time on the Columbia Network - prior to deductions for agency commissions and time discounts to sponsors -- totaled \$3,067,870 during July, 1940. The July figure brings the seven-month cumulative total for 1940 to \$23,525,242.

The National Broadcasting Company billings totaled \$3,830,438, up 16.7 percent over last year. Cumulative billings for the first seven months amounted to \$28,390,314, a gain of 9.7 percent over the like period of 1939.

Mutual Broadcasting System billings amounted to \$235,182, an increase of 8.6 percent. For the year to date they were \$2,266,505, a gain of 23.1 percent.

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ZENITH SALES EXECUTIVE GOES TO WINCHARGER

Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation, Chicago, has announced the appointment of Robert F. Weinig as Vice President and General Manager of its subsidiary, the Wincharger Corporation in Sioux City, Iowa. Mr. Weinig has been in charge of farm radio sales for Zenith. He is most enthusiastic about what he believes to be the tremendous farm market possibilities of Wincharger.

Plans for further developments in the farm electric field are now being carried on in Winchargers' experimental laboratory under the guidance of John and Gerhardt Albers - the two Iowa farm boys who founded the Wincharger Corporation.

In comment on his connection, Mr. Weinig stated, "Electricity is the finest investment a farmer can make from the standpoint of contributing to the comfort, convenience, health and happiness of his entire family. Electricity, generated by Wincharger, is the most economical form of electricity available to the farmer today for there is 'no tax on the free wind'. Wincharger electricity also has a strong appeal to the farmer who prefers to own and operate his own power plant in preference to renting electric service from an outside source."

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RCA CLEARS \$3,728,621

Following the meeting of the Board of Directors of the Radio Corporation of America last Friday, David Sarnoff, President of the company, announced that the following dividends had been declared:

On the outstanding shares of \$3.50 Cumulative Convertible First Preferred stock, 87-1/2% per share, for the period from July 1, 1940 to September 30, 1940, payable in cash on October 1, 1940, to the holders of record of such stock at the close of business September 6, 1940.

On the outstanding shares of "B" Preferred stock, \$1.25 per share, for the period from July 1, 1940, to September 30, 1940, payable in cash on October 1, 1940, to the holders of record of such stock at the close of business September 6, 1940.

Mr. Sarnoff also released for publication the consolidated statement of income of the Radio Corporation of America and subsidiaries for the second quarter of 1940 and the first six months of the year, with comparative figures for the corresponding periods of 1939. The report showed a net income of \$3,728,621 after all operating expenses, taxes, interest, depreciation and other charges. The net was equal, after full preferred dividend requirements to 15 cents each on the corporation's 13,881,016 shares of common stock outstanding. It compares with a net of \$2,172,201, or 4 cents a common share, in the first half of 1939.

Gross operating income for the six months aggregated \$56,559,704, compared with \$48,041,640 last year, an increase of \$8,518,064.

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