

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.





INDEX TO ISSUE OF NOVEMBER 11, 1941

Proposed Atlanta Station Transfer Proves Dynamite.....	2
Hollywood Television Resumes Film Schedule.....	5
FTC Cites Another Radio And Television School.....	5
FCC Will Give Networks Time For Orderly Litigation.....	6
I.B., Inc. All Set For Permanent Organization.....	7
Donovan Gets Short-Wave Reports.....	7
Newspaper Hearings Postponed Until Nov. 27.....	8
FCC Watching Its Step On Priorities Promises.....	9
Free Amateur Radio Service For Soldiers Starts.....	9
Action By The FCC.....	10
New Iconoscope Lets Amateurs In On Television.....	11

No. 1379

November 11, 1941

PROPOSED ATLANTA STATION TRANSFER PROVES DYNAMITE

The Federal Communications Commission affirming a prior decision of Commissioner George Henry Payne denying a petition by the Georgia School of Technology, operator of Station WGST to take depositions in Atlanta in connection with the transfer of license, on the surface apparently a routine matter, caused a political blow-up in Georgia resulting in loud and immediate protests to the White House and Congress. As a result, Commissioner Payne and the Commission have collided head on with Governor Eugene Talmadge and his well-known fighting political forces.

The Commission explaining its side made public correspondence between Chairman James L. Fly and Arthur Lucas, theatrical magnate, of Atlanta, in which Mr. Fly said that as long as he is Commission Chairman "decisions are going to be made upon their merits and not in accordance with purely political influence, threats and coercion".

An Associated Press dispatch was quoted telling of a "rough-and-tumble" hearing before a Civil Service Examiner on alleged violations of the Hatch Act which had to be transferred from the Georgia State Capitol because State officials refused police protection to a Federal building where United States Marshals provided protection.

The Commission said that in view of the previous unsuccessful attempt to have the hearing held in Atlanta, "and in view of all other facts herein, we are constrained to question the good faith of the request to take by deposition the testimony of all key witnesses in Atlanta".

The correspondence which preceded the opinion grew out of a telegram which Arthur Lucas, who, it was said at the Commission's offices appears in the picture as a prospective operator of the station with William K. Jenkins, sent to Chairman Fly.

Mr. Fly's response to Mr. Lucas follows:

"This will acknowledge receipt of your telegram of November 3 and a letter dated November 5, both complaining of action taken in the matter of the renewal of the license of Radio Station WGST, which has for years been licensed to the Georgia School of Technology. As I understand your interest in the matter, through the intervention of Governor Talmadge you, yourself, have come to have a potential business and financial interest in the operation of this station. Your telegram and your letter of November 5 were both widely distributed by you, copies having been sent to both

Georgia Senators and the entire Georgia delegation in the House, to Chairman Lea of the House Interstate and Foreign Commerce Committee and to Speaker Rayburn. Also at least your letter was sent to Stephen Early, Secretary to the President.

"To respond first to your letter, there you chiefly complain that the Commission conducted inquiries concerning your partner and yourself and that these inquiries were 'secret' and made in your home state of Georgia rather than being limited to Congressional representatives. The public responsibilities of operators of broadcast stations are so great that the Commission customarily investigates the character and standing of those persons requesting that broadcast facilities be entrusted to them. There is no secret about it; it is expressly required by the Federal Communications Act. In controversial situations of this kind the Commission would be derelict in its duty if it failed to obtain all possible information. You have sought a great public privilege - the privilege in effect of projecting your voice into the homes of thousands of your fellow citizens. It seems unnecessary to emphasize that those who seek a privilege of this character must be able to stand investigation.

"Your telegram complained of the decision denying your motion to take twelve depositions in this matter. This decision was made in the first instance by the single Commissioner who was regularly assigned to motion's duty. You appealed to the full Commission and your telegram arrived while the matter was pending before it. Today the Commission unanimously sustained the decision of the motion's Commissioner and a copy of the decision is being enclosed herewith.

"Previously, and prior to the time when the matter was presented to the motion's Commissioner, I met Mr. McClure, a private attorney here, who represents the State and presumably your interests in the matter. He told me then that if the Commission failed to grant the application for the taking of depositions, he was going to appeal to the courts. I told him of course, that was quite all right. At the same time, I did not think the previously announced intention of appealing to the courts a controlling reason for deciding the motion one way or another. Similarly I do not deem your telegram, and particularly the wide distribution you gave it, a controlling reason for the Commission deciding one way or another your appeal from the motion's Commissioner's ruling.

"In view of the great controversy which has surrounded the Governor, the State educational institutions and this radio station; in further view of the facts that the State and all of the parties had Washington counsel; that the executives interested in the School and the radio station were frequently in Washington; and that the entire Commission's staff to be engaged on this matter are located in Washington where we have records, offices, hearing rooms and all necessary facilities, the Commission early concluded that the hearing should be held in Washington. Thereafter, on October 8, 1941, a formal petition by the station that the hearing be held in Atlanta was denied by the presiding Commissioner of the Motion's

Docket. This action was taken in recognition of the fact that the Commission had on several occasions specifically considered the matter and had determined to hold the hearing in Washington.

"Thereafter came the motion to take depositions in Georgia; not the depositions of one or possibly two witnesses who were unable to attend the hearing, but the depositions of twelve witnesses, all without any showing as to the necessity. At least four of these witnesses desired to attend the hearing in Washington. The net effect of this move would patently be to reverse the Commission's decision and to transfer the seat of the hearing from Washington to Atlanta. Thus, the substantial record would be built up before a notary public in Atlanta untrained in radio matters and the Commission would be deprived of the value of examination and cross-examination of witnesses personally present as if in a court proceeding. And it may be noted that the intervenor, Southern Broadcasting Stations, Inc., opposing the motion as a device to circumvent the Commission's decision, alleged full ability to produce all necessary witnesses, books and records in Washington. Despite all of this, at any time you can establish the necessity of taking a deposition in Georgia you need have no fear but that the Commission will authorize that procedure.

"According to your plans, you are about to enter into the management of this station and thus to enter upon a new line of relations with this Commission. I think you ought to understand at the outset that this Commission must conform to its duty and decide all these matters upon the merits. The statute lays down orderly administrative procedures for the guidance of the Commission and all parties. And you have various rights, including particularly the right to have a court of law review decisions of the Commission. The Commission, itself is subject to those laws and to the will of the Congress, and any and all parties are at liberty to appeal to the Congress to change the laws. You may as well know, however, that so long as I am Chairman of the Commission decisions are going to be made upon their merits and not in accordance with purely political influence, threats or coercion. I cannot refrain from commending to you the adoption and pursuance of a course of conduct which is consonant with these principles."

At present Station WGST is being operated under lease by Sam Pickard as an affiliated station of Columbia Broadcasting System.

X X X X X X X X X X

Coast Guard personnel is now engaged in installing \$25,000 worth of lighting, fog signal and radio apparatus in the new \$200,000 Cleveland Ledge Lighthouse marking the southern approach to the Cape Cod Canal.

X X X X X X X X X X

HOLLYWOOD TELEVISION RESUMES FILM SCHEDULE

First film transmission from the new \$250,000 W6XAO television transmitter from the top of Mt. Lee were flashed across the airplanes in Hollywood this week, opening what is expected to be a very extensive movie telecasting season, according to Thomas S. Lee, station owner.

A large quantity of films has been obtained for the 500 home teleceiver set owners in Southern California. Prior to moving to its new home atop the 1,700 foot mountain, Station W6XAO televised more than 11,000,000 feet of picture film from its Seventh and Bixel Streets location. A highlight of the season this year will be television transmission of the winners in the home movies annual amateur contest sponsored by Home Movies Magazine.

In addition to the heavy film schedule, W6XAO plans to offer its "lookers" a number of outdoor events, said the Director of Television Harry R. Lubcke, who next month will celebrate the station's Tenth Anniversary on the air. W6XAO transmitter its first video-sound signal December 23, 1931.

X X X X X X X X X X

FTC CITES ANOTHER RADIO AND TELEVISION SCHOOL

American School of Commerce, John A. Youngstrom and Edward C. Dusatko, individually and trading as American College and as president and treasurer, respectively, of American School of Commerce, and D. N. Doyle, individually and as secretary of American School of Commerce, 210 South 18th Street, Omaha, Nebr., are charged in a complaint issued by the Federal Trade Commission with misrepresentation.

The complaint alleges that about 1917 the respondents Youngstrom and Dusatko, formed a partnership under the name American College. Under this name, the complaint alleges, they conducted a school of shorthand, bookkeeping and similar courses, and also solicited and sold courses of instruction in such subjects as Diesel engines, radio, television, telegraphic and electrical engineering.

In promoting the sale of their courses of instruction and books of reference pertaining thereto, the complaint alleges, the respondents advertised in newspapers and distributed literature representing that the American School of Commerce is an institution of higher learning such as is commonly described as a college or university; that the United States or State Civil Service positions would be obtained for enrollees upon graduation; and that the School of Commerce maintains on its own premises the best Diesel, electrical and radio engineering schools in the United States

X X X X X X X X X X

FCC WILL GIVE NETWORKS TIME FOR ORDERLY LITIGATION

An agreement has been worked out by the Federal Communications Commission which hasn't been filed in court yet, stipulating that the Commission would not enforce the network regulations until the Court has decided pending motion for preliminary injunction December 15. Asked if agreement was a court action, Chairman Fly explained that it was between opposing counsel and will be filed with the Court, being made part of the record of the case in that sense. Mr. Fly denied the assumption that the agreement means carrying over enforcement until after the final trial. He pointed out that there will be complete briefing and argument on the pending injunction.

"From then on out the case is in the lap of the Court", Mr. Fly said. "FCC is given time for orderly litigation of that issue."

The Chairman pointed out that the dual network item had been previously postponed and that the items now further delayed cover contractual arrangements regarding exclusivity and option time.

At the time the Court set December 15 to hear arguments in the suits filed by the National Broadcasting Co. and the Columbia Broadcasting System asking an injunction against the Commission, Federal Judge Henry W. Goddard indicated that Judge Learned Hand of United States Circuit Court of Appeals, and Federal Judge John Bright would sit with him then as a special statutory court. Attorneys said this would have the effect of speeding the case toward a possible ultimate Supreme Court decision.

The FCC order in controversy deals with contractual relationships between the networks and affiliated stations as well as bans on double network ownership such as the NBC Red and Blue groups. However, the Commission recently postponed indefinitely effective date of the two-chain ruling.

The Mutual Broadcasting System, which has supported the position of the FCC entered the suit as "a party in opposition to the pending actions" of NBC and CBS.

X X X X X X X X X X

Station KPQ, Wenatchee, Washington, became an affiliate of the Blue Network of the National Broadcasting Company yesterday, bringing the total of Blue Network stations available to advertisers to 168.

X X X X X X X X X X

I.B., INC. ALL SET FOR PERMANENT ORGANIZATION

Final arrangements are being made for the permanent organization of the Independent Broadcasters, Inc., at Chicago next Tuesday, November 18th. The order of business will be:

"Final clarification and ratification of agreements negotiated by our copyright committee with ASCAP.

"Explanation of agreements with the transcription companies regarding clearance at the source of transcriptions.

"Full discussion, explanation and interpretation of the FCC rules relating to chain broadcasting, including the question of option time.

"Organization of concerted opposition to superpower.

"Election of directors and permanent officers of Independent Broadcasters, Inc.

"The selection of a committee to institute negotiations for a reduction of A. T. & T. charges for all broadcast lines, including press service lines."

The Independent Broadcasters, Inc., are for the most part included in the membership of the National Independent Broadcasters, Inc., of which Harold A. Lafount is president, and as in the case of the latter group, was organized because of dissatisfaction with the National Association of Broadcasters.

I. B., Inc. will deal more with special commercial problems of the members, while NIB, Inc., will handle general presentations such as appearances before Congress, the FCC, etc.

X X X X X X X X X

DONOVAN GETS SHORT-WAVE REPORTS

The presidential advisor that Capital observers are watching with closest attention today is Col. William J. Donovan, Coordinator of Information, the Washington Post states. His job is to assemble for the President material of strategic value, primarily of a military nature and dealing largely with foreign affairs.

Donovan's headquarters is the old Naval Hospital, a few blocks from the Lincoln Memorial. One must have a pass to enter, and it is surrounded by armed guards. On the staff is Capt. James Roosevelt, the President's eldest son.

Into the CCI are brought copies of the secret files of the Army and Navy, the FBI, the defense agencies under OEM, of the State and Treasury Departments, and the reports of the Federal Communications Commission's monitoring stations, which check up on Axis propaganda via the short-wave.

X X X X X X X X X

NEWSPAPER HEARINGS POSTPONED UNTIL NOV. 27

The hearings in the case of the newspapers as proper licensees for broadcasting stations by the Federal Communications Commission, which were to have been resumed next Thursday, November 13, have been postponed for two weeks until November 27. The reason given for the postponement was the general press of business the Commission is now experiencing plus the loss of a day on Armistice Day and another at Thanksgiving further cutting into the Commission's time.

Neville Miller, President of the National Association of Broadcasters, told the New England District meeting of the Association at Worcester, Mass., recently that the Commission's attempt to show that newspapers have sought to influence the editorial policy of their stations had been unsuccessful.

On the contrary, he stated, it has shown that stations generally have no editorial policy and have been careful to present all sides of all issues.

"I think the Commission has made a poor showing in the newspaper hearings", he said. "Most witnesses ended up by saying that newspaper-owned stations were pretty well run. The newspaper committee has handled the case exceedingly well.

"I think the problem is whether the Commission has the authority to make certain rules and regulations as they propose. I think they realize these rules and regulations should be relaxed somewhat. I think the whole matter will be headed up in two suits (planned by two broadcasting systems to determine the authority of the Federal Communications Commission to make and enforce the proposed regulations). I think the network officials have made up their minds that any deal with the Commission would be a recognition of its power and that within six months the Commission could say it didn't work, but we have the power and will to go further.

"I think the best chance to settle the matter is in hearings before Congress. My guess is that the lawsuits will be transferred from the Commission to Congress, which can lay down definite rules and regulations. Then you will have definite rights and they can't be changed. But if the Commission lays down rules, it has the power to make rules and it will have the power to change them."

X X X X X X X X X X

Latest to join The American Network, FM's first chain organization, is the Atlanta (Ga.) Constitution, which will shortly file an application for a transmitter in Georgie's capital city.

X X X X X X X X X X

FCC WATCHING ITS STEP ON PRIORITIES PROMISES

The Federal Communications Commission is not making any rash promises about what it will or will not do in connection with priorities of materials stations may need for expansion or in the erection of new stations.

Asked if under the Communications Act applicants for broadcast facilities are entitled to a hearing, Chairman James L. Fly said he assumed that is true in a general sense, but pointed out that two factors are involved in the current situation, namely, granting construction permits and the ability of the applicant to obtain materials. It is conceivable that the Commission might postpone hearings if they appeared to be a futile gesture in the light of the hopelessness of applicants to construct. The administration of the priorities situation might reflect the Commission policy but will not be a controlling consideration.

By way of personal conjecture, the Chairman said the Commission could authorize new stations and let such authorizations accumulate. On the other hand, the Commission might not want to do that. Mr. Fly didn't know what the Commission might want to do about it. At any rate, it hasn't adopted a policy on this matter up to this time. Such a policy would not be a simple one anyway, he added. Therefore, the Chairman doesn't want to project too far into the future. It is necessary for the Commission to wait until it gets a general appraisal and answer in an orderly way. The situation must be considered "awfully carefully", he concluded.

X X X X X X X X X X

FREE AMATEUR RADIO SERVICE FOR SOLDIERS STARTS

The first link in a network of short-wave radio stations to enable service men to send free messages to their families was dedicated yesterday, November 10th.

The station is located at the United Service Organizations-National Catholic Welfare Service Club at New London, Conn. This U.S.O. club serves the naval base there.

At the New London ceremonies were Rear Admiral Clark H. Woodward, U.S.N. (ret.), attached to the Office of Civilian Defense and W. Spencer Robertson, Chairman of the Executive Committee of USO.

From the studios of radio station WOL, Washington, D. C., Maj. Gen. Dawson Olmstead, Chief Signal Officer of the Army, broadcast his annual message to the more than 60,000 amateur radio operators of America in conjunction with a congratulatory address to the New London station.

X X X X X X X X

ACTION BY THE FCC

Applications Granted: WGGA, Gainesville Broadcasters, Gainesville, Ga., granted license to cover construction permit for new station, and authority to determine operating power by direct measurement of antenna power; WTJS, The Sun Publishing Co., Inc., Jackson, Tenn., granted license to cover construction permit for change in frequency, increase in power, installation of direction antenna for night use, and transmitter; W9XBB, Balaban & Katz Corp., Area of Chicago, Ill., granted modification of construction permit which authorized new television station for extension of completion date to May 25, 1942; W9XPR, Balaban & Katz Corp., Chicago, Ill., same as for W9XBB; Hugh McClung, Fresno, Calif., granted petition to remove from hearing docket application for construction permit for new station, and granted leave to amend said application so as to request power of 1 kilowatt and change location to Sacramento.

Applications Received: KHQ, Louis Wasmer, Inc., Spokane, Wash., construction permit to install new transmitter and increase power from 5 kilowatts to 5 kilowatts night, 10 kilowatts day (590 kc.); Metropolitan Television, Inc., New York, N. Y., construction permit for new commercial television broadcast station (formerly W2XMT) to be operated on Channel #8 162000-168000 kilocycles, Emission A5 and special for frequency modulation, ESR: 721, unlimited, Aural 500 watts; Visual 1 kilowatt;

Also, WAAT, Bremer Broadcasting Corp., Jersey City, N.J., construction permit to increase power from 1 to 5 kilowatts day and night, install new transmitter and make changes in directional antenna for night use (970 kc.); KSEI, Radio Service Corporation, Pocatello, Idaho, resubmitted application for construction permit to increase power from 250 watts night, 1 kilowatt day to 500 watts night, 5 kilowatts day, install new antenna system, and make changes in transmitting equipment (930 kc.); WKRC, The Cincinnati Times-Star Co., Cincinnati, Ohio, construction permit to change frequency from 550 to 640 kilocycles, increase power from 1 kilowatt night, 5 kilowatts day to 50 kilowatts day and night, install new transmitter and new directional antenna for day and night use and move transmitter; WDBO, Orlando Broadcasting Co., Inc., Orlando, Fla., construction permit to make changes in equipment and increase power from 5 kilowatts to 5 kilowatts night, 10 kilowatts day (580 kc.),

X X X X X X X X X X

At a testimonial dinner in the new General Electric television studio, Dr. W. R. G. Baker was recently honored in recognition of his election as Vice President in Charge of the Radio and Television Department of the General Electric Company. G. W. Henyan, Manager of Sales of G-E transmitters and radio tubes, was toastmaster.

More than 200 members of the Radio and Television Department and Company officials from the Schenectady and Bridgeport Works attended. Dr. Baker was presented with a gold belt buckle and a scroll bearing the signatures of all those present.

X X X X X X X X X X

NEW ICONOSCOPE LETS AMATEURS IN ON TELEVISION

A new Iconoscope has made it possible for amateurs to participate in electronic television, L. C. Waller and P. A. Richards write in the RCA Review. An experimental amateur television system including camera unit, receiver, and $2\frac{1}{2}$ meter transmitter is briefly described. In this system, the frame frequency and lines per picture are, respectively, 30 and 120.

"For many years, leading radio amateurs have dreamed of carrying on two-way television communication", Messrs. Waller and P. A. Richards state. "Having satisfactorily mastered the art of projecting their radio telegraph and telephone signals around the world, it is only natural that these scientifically-minded pioneers of the short-wave ether lanes should turn their attention next to the transmission of pictures 'through the air'.

"Early amateur television experimenters investigated the possibilities of Nipkow discs and related mechanical contrivances. But it was not until electronic television began to emerge from the laboratory that the realization of their dream seemed close at hand. As evidence of their interest in this fascinating new electronic art, the American Radio Relay League, national association of radio amateurs, began publishing in QST, in 1937, a series of articles on the basic principles involved in electronic television. Many amateurs, especially those in the New York area who were within range of the NBC station atop the Empire State building, hastened to build television receivers. However, the reception of signals was only half - and the lesser half - of any radio amateur's existence. What he really wanted was a television transmitter of his own, so that he could televise his own subjects.

"Until very recently, there has been one very effective deterrent, or bottle-neck, in the development of amateur television transmissions - and that was the lack of a low-cost picture pick-up tube, or 'Iconoscope'. The large camera tubes used by the experimental commercial stations were prohibitive in cost, so far as the average amateur was concerned. This bottle-neck has now been removed, by the recent availability of an inexpensive miniature Iconoscope designed expressly for amateur and experimental use, developed largely by Mr. W. H. Hickok.

"The new Iconoscope, type RCA-1847, is only $7\frac{5}{8}$ inches long. It contains a transparent mosaic, somewhat less than 2 inches in diameter, on which the image of the scene or object to be televised is focused. The new tube operates at the relatively low second-anode voltage of 600 volts and employs electrostatic deflection of the electron beam. An excellent explanation of how the 1847 operates has been given by James J. Lamb.

"In order to demonstrate the possibilities of the miniature Iconoscope in amateur-type television equipment, the essential apparatus for a complete amateur television station has been designed and built in the RCA laboratories at Harrison, N. J.

"The camera unit, designed by J. B. Sherman, is the heart of the entire system; it includes a Type 1847 Iconoscope and its optical system, a Type 902 monitoring Kinescope, and a 6L6 video modulator. Auxiliary circuits include the scanning oscillators

and amplifiers, the blanking-and sync-signal amplifiers, the 4-stage video amplifier, and the low- and high-voltage power supplies.

"The system is based on a tentative amateur television standard of 120 lines and 30 frames per second. Straight progressive scanning is used in order to avoid the additional complications involved with interlacing. Thus, the vertical and horizontal scanning frequencies are 30 and 3600 cycles per second, respectively.

"The video-channel width required is quite small, being in the order of 200 kc. With double-sideband modulation of the carrier, a 400-kc channel is necessary. Since the amateur $2\frac{1}{2}$ -meter band (for which this equipment is intended) covers 4 Mc, there are about 10 usable channels available in this band alone. In addition, the 224-230 Mc channels band provides 15 more channels in the vicinity of $1\frac{1}{2}$ meters. The pronounced directivity of u-h-f beam antennas will tend to reduce interference between stations greatly, even when they are on the same frequency. The limited range of u-h-f transmitters will also help in this respect. Thus, from the technical point of view, there are no serious obstacles to the rapid development of amateur television. * * * * *

"The first 'field test' of the amateur television equipment was conducted with the transmitter located at Delawanna, N. J. and the receiver at Nutley, N. J. - an air-line distance of about $1\frac{1}{2}$ miles. The pictures received were quite good, there being no apparent loss of detail in the modulating or transmitting processes. Ample signal strength was obtained, even with a poor inside antenna on the receiver. On the basis of results obtained in this test, it is anticipated that this same equipment will be capable of covering 10 or 15 miles - possibly more - under favorable circumstances. A highly directional beam antenna placed at a fairly high elevation will greatly increase the effective range of the transmitter.

"The reliability of the amateur television equipment is well illustrated by its performance at the Radio Parts Manufacturers' Trade Show held at Chicago June 11 to 14, 1940. Operating with the experimental station call WLOXEL, the apparatus was demonstrated continuously for four days, running about 12 hours a day, without a single interruption due to technical difficulties. Most observers who witnessed these demonstrations were frankly surprised at the good detail which could be obtained in a 120-line picture, especially in view of the compactness and simplicity of the apparatus. Successful pick-ups were made of stationary pictures, live talent, and street scenes on Michigan Boulevard in front of the Blackstone Hotel. The outdoor pick-ups were surprisingly good on bright, sunny days.

"Now that an inexpensive Iconoscope is available, it is apparent that amateur television is in a position to go forward. The pioneering amateur, who has contributed so much to the art of radio communication, again has a vast new field for research and experimentation. As in the field of radio broadcasting, he can be expected to do much in bringing this new art to the American public."

X X X X X X X X