

# The National Association of Broadcasters

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## NAB REPORTS

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### NEW MEXICAN REGULATIONS

On the eve of the opening of the North and Central American Radio Conference at Mexico City the Mexican Government issued new regulations governing the operation of broadcast stations in that country.

The new regulations provide for two classes of stations—commercial and cultural. Commercial stations may be licensed to Mexicans or Mexican corporations, the period of the license not to exceed 50 years. Advertising rates must be approved by the Secretary of Communications and all commercial stations are to be taxed five per cent of their gross revenue by the government in addition to inspection fees ranging from one hundred to seven hundred fifty pesos monthly. The new Mexican regulations provide that all operators must be Mexican and that all programs must be in Spanish except where government permission is given to broadcast programs in other languages.

Broadcasts relating to health and medicines must be approved by the government before being put on the air.

One of the far-reaching regulations included prohibits the maintenance of foreign studios and limits retransmission of programs to instances where government approval has been secured.

The Conference is scheduled to open on Monday, July 10. The American delegation, headed by Judge Eugene O. Sykes, Chairman of the Federal Radio Commission, has arrived in Mexico City prepared to present this country's proposals.

The National Association of Broadcasters will be represented at Mexico City during the Conference by James W. Baldwin, former secretary of the Federal Radio Commission, who had charge of preliminary work for the Association.

### TRADE STATISTICS TO BE COLLECTED BY NAB

In line with the plans developed at the recent meeting of the Commercial Section of the NAB at Grand Rapids, immediate steps are being taken by the Association for the collection of fundamental trade statistics regarding broadcasting and broadcast advertising.

The plan which is being put in operation will meet a long recognized need in the broadcasting field and will serve to put the industry in a better position to furnish its prospects with information of a nature similar to that supplied by newspapers, magazines, and other competing advertising media.

The collection of trade statistics likewise will be of assistance to the industry in that they will form the basis for the forecasting of trends as to business volume, thus aiding in long-term planning on the part of the broadcasters. Another service rendered will be that of enabling the managers of individual stations to compare their performance with that of the broadcasting industry as a whole, as well as with the general trend of broadcast advertising business in their section of the country.

At the present time the broadcasters are less equipped to furnish fundamental statistics regarding their industry to business men or government agencies desiring such data than is any other advertising medium. It is impossible at the present date even to estimate the total amount of money being spent by companies for broadcast advertising. Other than figures regarding total network revenue from the sale of time, nothing is available in this field.

Since it is estimated that the national network revenue comprises no more than one-half of the total amount spent on broadcast advertising in this country, national network figures are utterly inadequate as a measure of the trend of business in the radio field.

It is highly necessary, therefore, that equally comprehensive information be secured regarding the trend in national spot broadcast advertising and in the volume of advertising being carried on by local business organizations over stations. It is also important that a close check be kept on the trend of broadcasting advertising vol-

ume in various industries, both as regards their general radio advertising and with respect to their use of network and spot broadcasting.

Similarly it is necessary to have information as to the trend of broadcast advertising volume in different parts of the country, and to keep a close watch on the development of broadcast advertising as compared with the volume of business placed in newspapers, magazines, and other competing media.

A plan covering these and other features has been developed for the NAB by Dr. Herman S. Hettinger, of the Wharton School of Finance and Commerce of the University of Pennsylvania. Dr. Hettinger has been active in broadcast advertising and general merchandising research for some years. His present plan is the result of several months' investigation of the work being carried on by various trade associations and competing media. During the course of the investigation advertising agencies, market research experts, broadcasters, government officials and trade association executives were interviewed, while the records of leading organizations were studied thoroughly.

Dr. Hettinger will have supervision of the establishment of the trade statistics service of the Association, and has consented to act as consultant to the Association in this capacity during the next several months.

The general principle underlying the collection of trade statistics by the NAB contemplates the securing of information regarding volume of business from various member stations on a monthly basis. A simple method of collecting this information has been developed which will require the minimum effort on the part of the station executives.

In order to have the business statistics which are collected be representative of broadcast advertising as a whole it will be necessary to secure trade information from a representative group of stations accounting for a reasonably large proportion of the total volume of radio advertising. A sample representing roughly 50 per cent of the industry's volume is being contemplated.

An important aspect of the entire plan for the collection of trade statistics by the broadcasters is the fact that it constitutes a voluntary step on the part of the industry to do what the rank and file of American business is being required to do by the national administration under the Industrial Recovery Act. Broadcasters again are showing their initiative and willingness to meet new problems without the force of governmental urging to make them do it.

One thing, however, should be kept in mind, it was emphasized by Dr. Hettinger. Any system for the collection of trade information depends entirely upon the cooperation of the members of the industry, month in and month out, for its success. Only continued cooperation by all broadcasters can make the collection of trade information a worthwhile undertaking for the NAB.

### NAB TO ESTABLISH PROGRAM CLEARING HOUSE

Following the approval of the general plan by both the Commercial Section and the Program Committee of the NAB, immediate steps have been taken for the establishment of a Program Clearing House by the Association.

The theory prompting the recommendation and establishment of the clearing house is that there is a wealth of program material existing, either in use or in the files of stations which could be used with profit by other non-competing stations throughout the country.

A station in one part of the country might have developed an especially effective manner of presenting a program to be sponsored by a local bank. Another station, situated in another part of the country, might have a bank as a potential customer. Its own ideas thus far might not have met with approval on the part of the

bank's officials, and the station therefore would be anxious to receive any ideas available as to what might be done in the way of a bank program. It might be that the program of the first station would be ideally suited to meet the problem. If the two stations could be brought together, therefore, both would profit. The one station would sell the other its program, while the other would have found the program which it needed."

A clearing house which would search out program ideas which stations were willing to offer for the use of other stations, for a consideration or otherwise at the station's own option, which would make available to the member stations of the NAB information regarding programs so offered, which would act as an agency for bringing the two interested parties together, and which would handle requests on the part of stations regarding the availability of programs of certain kinds in a similar fashion, it was believed by the Commercial Section and Program Committee, would be of great value to the broadcasting industry.

In keeping with this plan a program clearing house is being established immediately by the NAB. The clearing house will publish in the weekly bulletin information regarding all programs which have been sent to it by stations. The information published will include a summary of the program idea involved, together with other pertinent information regarding it.

The NAB program clearing house will not handle any continuities itself. It will merely transfer request for further information to the station originally offering the continuity, leaving it to the executives of the two stations to effect a satisfactory arrangement among themselves.

The clearing house likewise will publish in the weekly bulletin the requests of stations for information regarding the availability of programs of certain types. Any offers of continuities resulting from these requests likewise will be forwarded to the station seeking information.

The clearing house is but the beginning of a comprehensive plan of program service on the part of the NAB. Other items included for later consideration are matters such as studies of program costs, talent costs and sources, programs for special uses such as department store programs, community cooperation programs, program aspects of station promotion and similar features.

Stations having programs which they wish to make available to the clearing house are requested to do so immediately, giving the following information regarding each program:

1. Name of program.
2. Brief description of its general nature.
3. A copy of one or more sample continuities.
4. Any additional information regarding the development of the program's idea which you may care to add so that a clear picture of the program may be possible.
5. Number and type of characters required.
6. A brief history of the success achieved by the program, including the type of sponsor using it, the type of product advertised, and any information available as to its effectiveness.

It is believed that the creation of a program clearing house, and later a comprehensive program service by the NAB, will be of marked assistance to the industry. Not only will it assist individual stations in meeting trying problems, but it should aid in bringing about a general increase in program standards.

As in the case of the statistical service, the effort will require the support of every station if it is to be a success. It is the intention of the NAB to institute this service, and if it is supported by the industry, to continue it and to expand it. Failing support, the clearing house and contemplated service will be immediately abandoned.

## SECURITIES ACT REGULATIONS

The Federal Trade Commission on July 6 approved the rules, regulations and forms for the administration of the Securities Act of 1933 which vitally affects broadcast advertising of securities.

Several weeks ago the NAB sent to its members copies of the act, punched for insertion in the NAB HANDBOOK. An order has been placed for copies of the regulations and just as soon as these are available they will be sent to the entire membership also properly punched for the HANDBOOK.

In approving the rules under the act the Commission had regard "for the public interest and for the protection of investors, but endeavored to place no undue burden either upon general business or upon honest and reputable dealers."

"The act prohibits the filing of a statement prior to July 7 and requires that it be on file at least 20 days before a security may be

sold under the act," says the Commission's statement. "Realizing that many issuing companies distantly situated from Washington have been unable to obtain forms and prepare the statements required on July 7, the Commission promulgated a rule providing that such companies might file in such form as that might reasonably consider to be in compliance with the act, "provided that an amendment to such registration statement shall be filed at least ten days prior to the effective date, in the required form prescribed by the Commission and shall contain full, accurate and complete information in respect of each item thereof."

Registration statements as received, with all information contained therein, will be available for public inspection at the Commission's offices in Washington. Photostatic or typewritten copies will be furnished at a nominal sum per page.

Registration statements and all other papers required therewith are to be filed in triplicate, the date on which they are actually received to be the date of the filing thereof.

The maximum aggregate price at which securities are proposed to be offered is to be stated, and payment is to be made of registration fee of one one-hundredth of one per centum based upon such price, the fee not to be less than \$25.

Five copies of the form of advertising prospectus proposed to be issued with reference to a security shall be filed along with the registration statement. The Commission is to be notified of the price and date to be inserted in the prospectus prior to the date of the public offering.

Where a prospectus consists of a radio broadcast it shall be reduced to writing, five copies of which shall be filed with the Commission at least five days before the matter is to be broadcast or otherwise issued to the public.

There shall be inserted in a conspicuous part of advertising prospectuses, a statement the language of which is prescribed by the Commission, showing that "neither the fact that such registration has been filed with the Commission, nor the issuance of this prospectus under the rules or regulations prescribed, shall be deemed a finding by the Commission that this prospectus is true and accurate on its face, or omits to state a material fact or to mean that the Commission has in any way passed upon the merits of, or given approval to, such prospectus or the security mentioned therein."

The rules and regulations as approved today apply only to Title I of the act which provides for regulation of securities, particularly the registration thereof. No reference is made to Title II, the "Corporation of Foreign Bondholders Act, 1933," which is not to take effect until the President finds "that its taking effect is in the public interest and by proclamation so declares." The effective date is July 27.

The Commission desires to point out that most of the rules and regulations are explicitly required by the Securities Act. In some matters the Commission has discretion, and the rules and regulations in relation thereto are experimental pending actual working experience with the new Securities Act, and will be subject to revision from time to time as experience proves the advisability of changes.

## TELEVISION DEVELOPMENT PROGRESSES

A paper presented to the eighth annual convention of the Institute of Radio Engineers, recently held in Chicago, by V. K. Zworykin of the RCA-Victor Company, gave a preliminary outline of work with an electric eye—Iconoscope—as a pick-up for television and similar applications. It required ten years to bring the original idea to its present state of perfection.

The iconoscope is a vacuum device with a photo-sensitive surface of a unique type. This photo-sensitive surface is scanned by a cathode ray beam which serves as a type of inertialess commutator. A new principle of operation permits very high output from the device.

The sensitivity of the iconoscope, at present, is approximately equal to that of photographic film operating at the speed of a motion picture camera. The resolution of the iconoscope is high, fully adequate for television.

The paper described the theory of the device, its characteristics, and the mode of operation.

In its application to television the iconoscope replaces mechanical scanning equipment and several stages of amplification. The whole system is entirely electrical without a single mechanically moving part.

The reception of the image is accomplished by a kinescope or cathode ray receiving tube, described in previous papers.

The tube opens wide possibilities for application in many fields

as an electric eye, which is sensitive not only to the visible spectrum but also to the infra-red and ultra-violet region.

The iconoscope apparently brings us closer to the corner around which television is supposed to be hiding. For the first time, satisfactory television appears technically possible, inasmuch as the iconoscope may scan any scene that may be photographed, such as a football game, a parade, or other events.

## NEWS BROADCASTS BANNED BY COURT

Following the decision rendered in the AP-KSOO case, Judge Walter L. Gleason of the Civil District Court of New Orleans, has ruled that Station WDSU, New Orleans, is prohibited from taking news from the columns of newspapers. The ruling prevents the station from using any news from newspapers for broadcasting purposes for 24 hours following first publication. The court announced that a written opinion will be filed later.

## ASCAP AND "THE STAR-SPANGLED BANNER"

Thanks to the research of S. H. Steinhauser, radio editor of the *Pittsburgh Press*, and of the initiative of J. F. Taggart of Mt. Washington, Pa., the mystery of the authorship of "The Star-Spangled Banner" has been solved.

"The American Society of Composers, Authors and Publishers always knew," says Mr. Steinhauser, "that John Stafford Smith wrote the music of 'The Star-Spangled Banner.'" This is the answer to the mystery propounded in a news bulletin issued by Oswald F. Schuette as director of copyright of the National Association of Broadcasters which revealed the fact that ASCAP was trying to discover, among its members, the author, composer, or publisher of the National Anthem.

To give it circulation, the letter which ASCAP sent to Mr. Taggart and which Mr. Steinhauser reprinted in the *Pittsburgh Press* is also published here:

"Dear Mr. Taggart:

"Thanks for your letter regarding 'The Star-Spangled Banner.' 'I presume your letter was written with a desire to help us out in connection with a bit of propaganda which the publicity department of the National Association of Broadcasters recently disseminated to the effect that we did not know who had written this composition.

"Of course we knew, but one of our clerks made a routine mistake and listed it among some 'unidentified compositions.' It was simply a clerical error in connection with the handling of hundreds of thousands of titles, but the broadcasters thought they might embarrass us by giving some publicity to the incident.

"We do not mind a little good-natured 'spoofing' and probably that is the way this should be considered. In any event, I want you to know that we thank you sincerely for having been interested enough to send us the information contained in your letter.

Sincerely yours,

American Society of Composers,  
Authors, and Publishers,  
E. C. MILLS."

## RMA BUSY WITH NIRA CODE

The Radio Manufacturers Association is busy with the task of formulating a code of fair competition for the set manufacturing industry which it expects to present soon to the National Industrial Recovery Administration. Bond Geddes, Executive Vice President of the RMA, proposes to submit the code, when in final draft, to all RMA members before filing it with the Johnson administration.

## RECORDINGS OF RICORDI MUSIC

Lists of records of the music contained in the Ricordi catalogue and which are available for broadcasting purposes are being compiled by the Radio Program Foundation. Oswald F. Schuette, president of the Foundation, hopes to be able to send a list of several hundred such records to all stations.

Sublicenses are being sent by return mail to all stations whose checks accompany their application authorizing the immediate use of this music. Sublicense charge to non-member stations is twice the charge to member stations and no application blanks were sent

to stations that are not members of the National Association of Broadcasters. Inquiries, however, are being received daily from these non-member broadcasters, and blanks for them are available upon request.

## WOQ AGAIN FILES APPEAL

Station WOQ, Kansas City, Mo., this week filed an appeal in the Court of Appeals of the District of Columbia in connection with a recent decision of the Radio Commission giving Station KFJH, Wichita, Kans., WOQ's time on the frequency of 1300 kilocycles. WOQ also asked for a stay order.

This station (WOQ) originally filed an appeal in the Court in connection with a similar decision of the Radio Commission on the ground that the Commission had not granted the station a hearing. The Court remanded the case to the Commission for hearing. Hearing was held and the Commission a second time gave WOQ's frequency to KFJH. The station has again appealed to the Court.

## FEDERAL RADIO COMMISSION MOVES

The Federal Radio Commission is now housed in the Architects Building, 1800 E Street Northwest, one block south of its old offices in the Interior Department Building. The move was completed yesterday. The new telephone number is District 8388.

Due to the holiday this week and the moving of the offices of the Commission, almost all of the routine work of the Commission was at a standstill.

## U. S. POPULATION 125,693,000

The Department of Commerce announces an estimate of the population of the United States made by the Bureau of the Census. This gives a total estimated population of 125,693,000 on July 1, 1933, as compared with 122,775,046 on April 1, 1930.

The total is arrived at by estimating the increase since 1930 upon the basis of the available data regarding births, deaths, immigration and emigration. The population of the several states is then estimated by distributing the increase in the United States population to the various states according to the per cent which each state increase was of the United States increase between 1920 and 1930, except that where there was a decrease between 1920 and 1930 the 1930 census figure is retained, and no estimate is made.

	Federal Census April 1, 1930	Estimated Population July 1, 1933
United States .....	122,775,046	125,693,000
Alabama .....	2,646,248	2,697,000
Arizona .....	435,573	453,000
Arkansas .....	1,854,482	1,872,000
California .....	5,677,251	6,062,000
Colorado .....	1,035,791	1,052,000
Connecticut .....	1,606,903	1,646,000
Delaware .....	238,380	241,000
District of Columbia .....	486,869	495,000
Florida .....	1,468,211	1,554,000
Georgia .....	2,908,506	2,911,000
Idaho .....	445,032	447,000
Illinois .....	7,630,654	7,826,000
Indiana .....	3,238,503	3,291,000
Iowa .....	2,470,939	2,482,000
Kansas .....	1,880,999	1,900,000
Kentucky .....	2,614,589	2,648,000
Louisiana .....	2,101,593	2,153,000
Maine .....	797,423	802,000
Maryland .....	1,631,526	1,663,000
Massachusetts .....	4,249,614	4,313,000
Michigan .....	4,842,325	5,043,000
Minnesota .....	2,563,953	2,594,000
Mississippi .....	2,009,821	2,047,000
Missouri .....	3,629,367	3,668,000
Montana .....	537,606	*537,606
Nebraska .....	1,377,963	1,392,000
Nevada .....	91,058	93,000
New Hampshire .....	465,293	469,000
New Jersey .....	4,041,334	4,193,000
New Mexico .....	423,317	434,000

	<i>Federal Census April 1, 1930</i>	<i>Estimated Population July 1, 1933</i>
New York .....	12,588,066	12,965,000
North Carolina .....	3,170,276	3,275,000
North Dakota .....	680,845	687,000
Ohio .....	6,646,697	6,798,000
Oklahoma .....	2,396,040	2,459,000
Oregon .....	953,786	983,000
Pennsylvania .....	9,631,350	9,787,000
Rhode Island .....	687,497	702,000
South Carolina .....	1,738,765	1,748,000
South Dakota .....	692,849	702,000
Tennessee .....	2,616,556	2,664,000
Texas .....	5,824,715	6,023,000
Utah .....	507,847	518,000
Vermont .....	359,611	361,000
Virginia .....	2,421,851	2,441,000
Washington .....	1,563,396	1,599,000
West Virginia .....	1,729,205	1,774,000
Wisconsin .....	2,939,006	2,992,000
Wyoming .....	225,565	231,000

\*Population April 1, 1930; decreased 1920 to 1930; no estimate made.

### RULING ON ADMISSIONS TAX

Radio announcers, newspaper reporters, photographers, telegraphers and persons of similar vocation who are admitted free to any place for the purpose of performing special duties in connection with the event and whose special duties are the sole reason for their presence at the event and for free admission thereto are not liable for any tax on admissions, according to a ruling by Commissioner of Internal Revenue Helvering. The ruling amends the last paragraph of article 1 of Regulations 43 approved June 14, 1932.

### JOHNSON ON PRICE INCREASES

General Hugh S. Johnson, industrial recovery administrator, stated on July 7 at his press conference that reports are reaching him of indications on the part of some industries for concerted action on prices. This, he believes, is due to poor legal advice. He indicated that this is what Attorney General Cummings meant this week when he stated that the Sherman anti-trust law is still on the statute books.

General Johnson stated that there is probably a wholesale accumulation of codes in various industries and they are holding them back because of better business conditions. He said that he now has 52 small codes but they are only from segments of various industries.

The new codes, he said, will control the piling up of unmanageable surpluses in various industries.

During this week announcement was made of the appointment by General Johnson of Edward R. Stettinius, Jr., as liaison officer with the National Recovery Administration. He will maintain his offices in Washington and devote all of his time to assist the Administration. He is vice president of General Motors Corporation.

Donald B. Richburg, general counsel of the Administration, said this week that "we are not trying to establish public management of private business. We are not trying to fix prices or wages by governmental order, and we are not trying to unionize labor by federal command."

The Administration is expecting a number of codes from important industries during the coming week.

### HAVE YOU PAID YOUR DUES?

New demands are being made upon all trade associations by the Government in connection with its program for the recovery of all business. These new demands are imposing added burdens upon association executives and members alike and can be met only through the closest cooperation. The National Association of Broadcasters, the only organized broadcasting group, wants to meet its obligations to its Government and to its members. New and

valuable services are being instituted for the benefit of members. These cost money but the cost will be met if every member pays his dues promptly. The constitution and by-laws of the Association are specific on the subject of delinquents and in accordance with these provisions the Association will drop from membership every member whose dues have fallen in arrears. Invoices were mailed to all members on July 1. See to it that your dues are paid promptly.

### ENGINEERING SECTION PROGRAM

In accord with a resolution passed at the meeting of the NAB Engineering Section at Chicago, June 26, favoring a complete study of the engineering factors involved in the so-called horizontal power increase for local and regional stations, plans are being prepared by J. A. Chambers, chairman, NAB Engineering Committee, and J. C. McNary, NAB engineer, for carrying out the terms of the resolution.

It is expected that a committee of five, consisting of one engineering representative from each zone as provided by a second resolution, will be announced during the coming week.

Active cooperation of member stations will be required in prosecuting the comprehensive program to a conclusion that will be beneficial to the industry as a whole.

### ENGINEERING SECTION PHOTOGRAPHS AVAILABLE

Photographs of the Chicago meeting of the Engineering Section may be obtained from NAB headquarters at \$1.00 per copy.

### FEDERAL RADIO COMMISSION ACTION

#### APPLICATIONS RECEIVED

##### First Zone

WNBH—Irrving Vermilyea, tr. as New Bedford Broadcasting Co., New Bedford, Mass.—Modification of license to change frequency from 1310 kc. to 1200 kc., contingent upon change of WORC from 1200 kc. to 1280 kc. and change of WPRO from 1210 kc. to 630 kc.

##### Fourth Zone

WHB—WHB Broadcasting Co., Kansas City, Mo.—Special experimental authorization to change from 860 kc., 500 watts daytime to 1120 kc., 500 watts night, 1 KW day unlimited time for period ending 12-31-33. (Note: This application was granted for 90 days on June 30.)

##### Fifth Zone

KOA—National Broadcasting Co., Inc., Denver, Colo.—Modification of construction permit, for 50 KW, amended to change requested transmitter site and as to type of antenna.

#### APPLICATIONS RETURNED

WAGM—Aroostook Broadcasting Corp., Presque Isle, Maine—Modification of license to change specified hours of operation (improperly executed).

WHDL—Tupper Lake Broadcasting Co., Inc., Tupper Lake, N. Y.—Construction permit to move transmitter to Lake Clear, N. Y., install new transmitter, and change from 1420 kc., 100 watts daytime to 1290 kc., 250 watts, specified hours (wrong form, Rule 6, and equipment).

NEW—Mr. S. J. Carnes, Camden, Ark.—Construction permit for a new station, 750 kc., 15 watts, unlimited time (improperly executed, Rule 6, 116, 117, 151, proposed equipment and transmitter location unsatisfactory).