

# The National Association of Broadcasters

NATIONAL PRESS BUILDING \* \* \* \* \* WASHINGTON, D. C.  
 PHILIP G. LOUCKS, Managing Director

## NAB REPORTS

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Vol. 2 - No. 45  
 SEPT. 11, 1934

### BROADCAST ADVERTISING IN JULY

#### Developments of the Month

**B**BROADCAST advertising in July totaled \$4,375,463, a decrease of 19.2% as compared with June. National spot volume decreased 31.4% as compared with June, national network business 22.9%, regional network volume 9.0%, and local advertising 17.1%. Time sales in July were 37.6% below the March peak. It is probable that this decline is slightly greater than the usual seasonal one. National spot advertising showed the most pronounced seasonal decline, dropping to approximately one-half its March volume.

#### Comparison with 1933

Total broadcast advertising volume during July was 11.6% greater than during the same month of 1933. National network advertising was 37.8% above last year. Regional network volume experienced a similar increase, while national spot volume rose by 4.4%. Local advertising declined 20.4% as compared with July, 1933. Lagging retail trade and the slow revival of many small businesses undoubtedly have been to blame.

#### Comparison with Other Media

The July seasonal decline in broadcast advertising was somewhat less than that experienced by other media. Magazine volume dropped approximately 30.0%, farm paper volume 27.0%, and newspaper advertising 22.0%. Magazine advertising volume in July was 25.1% greater than in 1933. National farm papers registered a 44.0%

increase over the previous year and newspapers an increase of 6.2%.

#### Other Trends of the Month

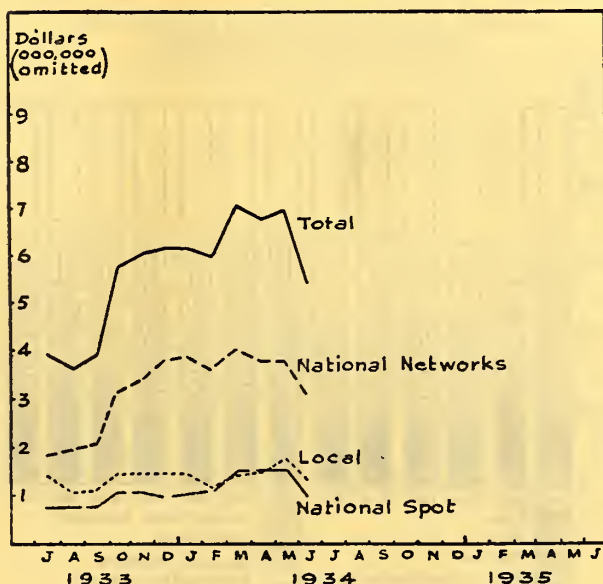
Heaviest declines in non-network advertising during the month occurred in the over 5,000-watt station class. July revenues of these stations were 36.0% less than in June. Revenues of stations of the 250-1,000-watt class were 14.1% lower than in the preceding month, and those of 100-watt stations 9.0% less. Low-power regional stations and local stations were in a slightly better position than in July, 1933, while other classes of stations were somewhat below the level of the previous year.

The Mountain-Pacific Coast area alone recorded gains during the month, time sales in this section increasing 4.4% over June. Far Western revenues were 41.1% above last July, while those of the South Atlantic-South Central area showed an increase of 22.0%. Advertising in the New England-Middle Atlantic district was 11.6% above last year, and that of the North Central area 5.6%.

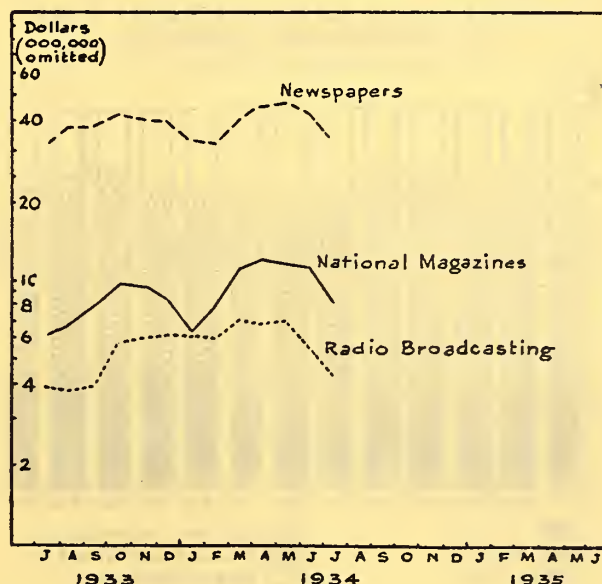
Electrical transcription volume declined 18.9% during the month, due principally to a dropping off of local business. Live talent volume declined 16.5%, record volume 50.0%, and spot announcement volume 8.4%. National spot business in the announcement field dropped 41.3% as compared with June. Electrical transcription volume in July was approximately the same as last year. Live talent volume was 2.6% greater than in July, 1933, due to a 70.7% rise in national spot live talent business. This seems to be a highly significant trend. Spot announcements were 28.8% under last July, with national spot business declining most heavily.

Trends as to sponsorship are discussed elsewhere in the report.

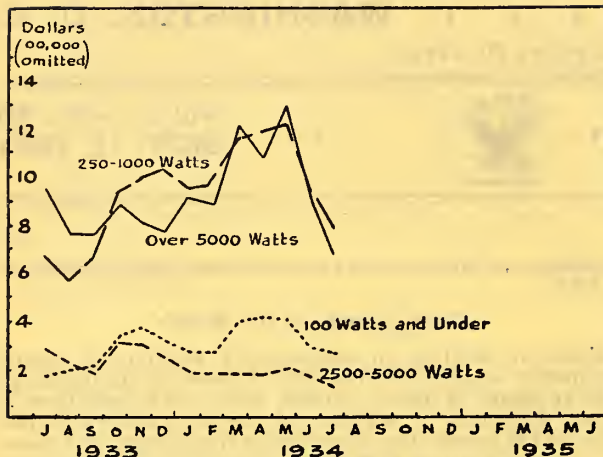
RADIO BROADCAST ADVERTISING VOLUME  
 July, 1933, to June, 1935



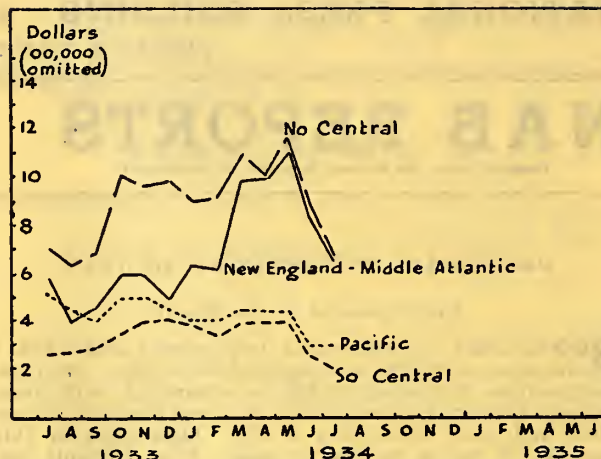
ADVERTISING VOLUME MAJOR MEDIA  
 July, 1933, to June, 1935



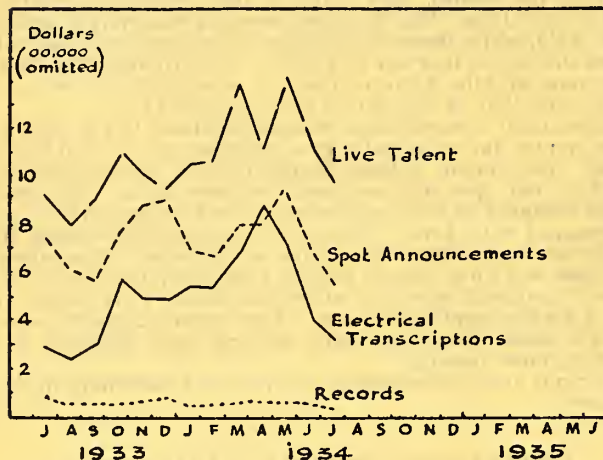
**NON-NETWORK ADVERTISING BY  
STATION POWER**  
July, 1933, to June, 1935



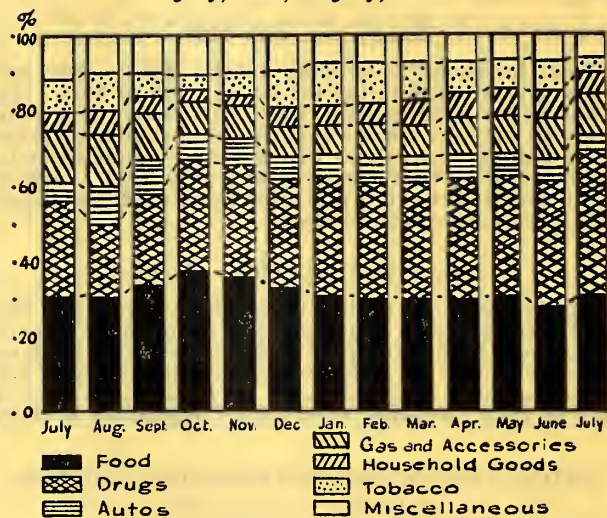
**NON-NETWORK ADVERTISING BY  
GEOGRAPHICAL DISTRICTS**  
July, 1933, to June, 1935



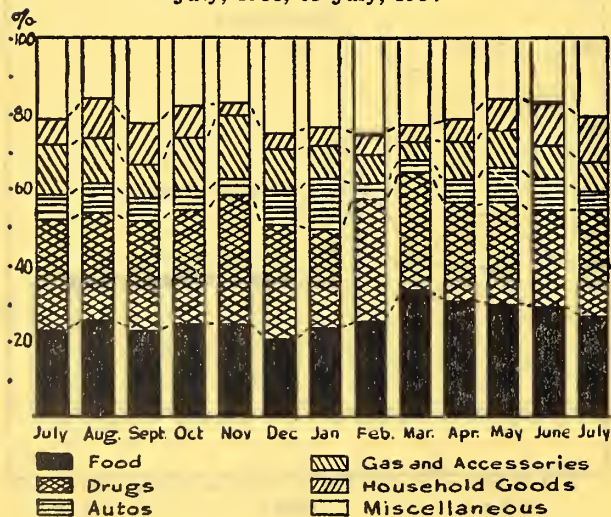
**NON-NETWORK BROADCAST ADVERTISING  
BY TYPE OF RENDITION**  
July, 1933, to June, 1935



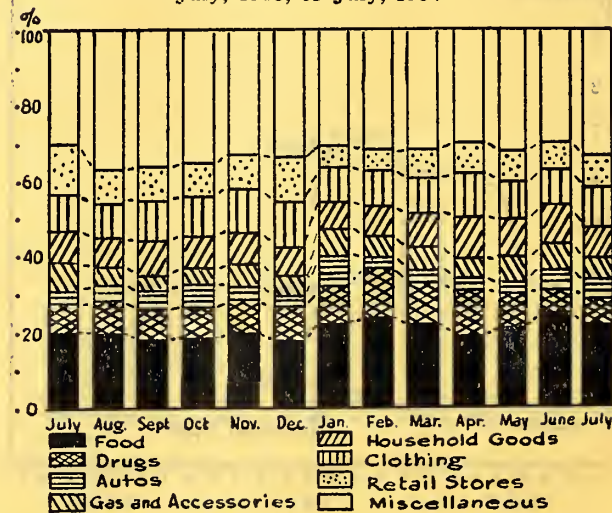
**NATIONAL NETWORK ADVERTISING BY  
TYPE OF SPONSORING BUSINESS**  
July, 1933, to July, 1934



**NATIONAL SPOT ADVERTISING BY TYPE  
OF SPONSORING BUSINESS**  
July, 1933, to July, 1934



**LOCAL ADVERTISING BY TYPE OF  
SPONSORING BUSINESS**  
July, 1933, to July, 1934





## Explanation of Charts

The principal information appearing in these reports will be presented in chart form from now on. Several features should be noted regarding individual charts. A scale showing *percentage of relative change* rather than absolute change has been used in the media chart. This chart, technically known as a semi-logarithmic chart, is necessitated by reason of limited space. The sponsorship charts (bar charts) show the percentage of business represented by various industries during the different months. The industrial groupings are condensations of those used in the sponsor tables.

## Sponsor Trends in July

A general decline occurred in practically all fields, as compared with June, the decrease in revenues being particularly heavy in the automotive, beverage, household equipment, and tobacco fields. Only clothing advertising increased, registering a gain of 10.6%. A number of fields showed marked increases in volume over July, 1933. They included the following: Soap and kitchen supplies more than doubled; pharmaceuticals, a rise of 40.0%; cosmetics, 70.0%, and foodstuffs, 26.0%. Tobacco advertising was 46.0% less than in

works down 23.2%, national spot 28.0%. Total decline slight. Food volume 26.0% above July last year. Network increase was 50.0%, national spot 23.0%. Local food advertising down 14.0% as compared with July, 1933.

7. *Beverages.* July volume 28.0% below previous month. Main loss a 50.0% decline in local revenue. Beverage advertising 20.0% above July, 1933, due mainly to doubling of national spot volume.

8. *Confectionery.* Slight decline, due mainly to 50.0% drop in national spot volume during month. Confectionery volume 15.0% above July, 1933.

9. *Household equipment and appliances.* Decline 30.0% during month. Slightly greater decrease in national spot volume. Current July 10.0% below preceding year, due mainly to 50.0% national network decrease.

10. *Soap and kitchen supplies.* Down 14.0% as compared with June, mostly network in origin. Soap and kitchen supply volume practically double July, 1933. National network and spot doubled, local up 50.0%.

11. *Insurance and financial.* Down 10.0%, mostly local in origin. Financial advertising 41.0% less than in July, 1933. Network decline 53.0%.

12. *Radio.* Revenues 19.0% less than in June. An 80.0% decrease in national spot volume. July volume slightly above last year.

## RADIO BROADCAST ADVERTISING BY TYPE OF SPONSORING BUSINESS (July, 1934)

Type of Sponsoring Business	National Networks	Regional Networks	Gross Receipts		
			National Spot	Local	Total
1a. Amusements .....	—	—	\$8,200	\$56,212	\$64,412
1-2. Automobiles and Accessories:					
(1) Automobiles .....	\$100,185	—	39,150	58,736	198,071
(2) Accessories, gas and oils .....	275,977	\$13,999	65,232	69,830	425,038
3. Clothing and apparel .....	27,025	825	25,054	115,000	167,904
4-5. Drugs and toilet goods:					
(4) Drugs and pharmaceuticals .....	257,212	393	164,500	69,800	491,905
(5) Toilet goods .....	698,573	954	47,550	11,114	758,191
6-8. Food products:					
(6) Foodstuffs .....	491,513	7,829	156,670	183,800	839,812
(7) Beverages .....	257,112	5,229	42,800	54,867	360,008
(8) Confections .....	21,519	250	5,220	1,775	28,764
9-10. Household goods:					
(9) Household equipment and furnishings .....	11,835	—	24,920	80,850	117,605
(10) Soap and kitchen supplies .....	141,061	—	65,064	9,550	215,675
11. Insurance and financial .....	36,121	2,140	9,610	35,280	83,151
12. Radios .....	34,188	—	1,420	8,830	44,438
13. Retail establishments .....	—	—	2,530	83,920	86,450
14. Tobacco products .....	93,494	—	19,430	2,720	115,644
15. Miscellaneous .....	48,895	1,320	90,400	237,780	378,395
<b>Total .....</b>	<b>\$2,494,710</b>	<b>\$32,939</b>	<b>\$767,750</b>	<b>\$1,080,064</b>	<b>\$4,375,463</b>

July, 1933, financial advertising 41.0%, and household equipment 10.0%. A summary of trends in the various fields is as follows:

1a. *Amusements.* Little or no change during the month. Volume increased slightly.

1. *Automobiles.* Down approximately one-third. Network advertising down about 50.0%, and national spot the same. Local volume fairly steady. Network volume 4.0% above July, 1933. Local volume 25.0% greater. Spot volume 17.0% lower than year ago.

2. *Accessories, gasoline and oil.* Down 18.0% as against June. Approximately 25.0% decline in national spot and local fields. July volume 8.0% ahead of last year, due mainly to 12.2% increase in network volume.

3. *Clothing.* Increase of 10.6% as against June. Mostly local gain. Clothing advertising 8.9% greater than same month of 1933. Network advertising more than tripled. National spot volume up 8.0%. Local volume 6.5% less than same month last year.

4. *Drugs and pharmaceuticals.* Down 13.3% compared to previous month. National networks down 20.0%, national spot 16.0%. Local gained slightly. July volume 40.0% above same month 1933. Networks up 66.7% and national spot 36.1%. Total down 20.0%.

5. *Toilet goods.* Down 10.0% during month, due mainly to national spot and local fields. Cosmetic advertising 70.4% above July last year. National network volume more than doubled. National spot down more than 50.0%. Local also below previous year.

6. *Foodstuffs.* Decline of 17.5% as compared with June. Net-

13. *Department store and general store.* Decrease in department and general store volume 21.0% during month. Slight decline as compared with 1933.

14. *Tobacco products.* Decline 41.0% as compared with June. July advertising 46.0% below 1933.

15. *Miscellaneous.* Down 28.0% as against June. Decrease mostly local.

*General Retail Advertising.* Total retail advertising down 23.3% as against previous month. Sharp drop in retail automotive, accessory, food store, household equipment, furniture store, radio and department store advertising. Slight increases in clothing, hardware, and restaurant advertising.

## Business Conditions

The behavior of the major business indices seems to indicate that little improvement can be expected of business in September. July and August have been periods of gradual business recession. The cotton textile strike threatens to aggravate the situation during the current month. The New York Times Index of business activity declined approximately 6.0% during July, and registered a further decrease of nearly 2.0% during the first half of August. The index of steel production dropped from 27.0% of the 1923-25 average to 21.0% during the month. Cram's Reports estimate August automotive production to be 15.0% less than in the preceding month. Freight car loadings have not shown the customary seasonal in-

crease. Wholesale prices have increased somewhat due to the influence of farm products. Stock prices have remained relatively unchanged in recent weeks. July department store sales were 2.7% less than the preceding month, after allowance has been made for normal seasonal trends.

### RETAIL ADVERTISING OVER INDIVIDUAL STATIONS

(July, 1934)

Type of Sponsoring Business	Gross Receipts
Automobiles and accessories:	
Automobile agencies and used car dealers.....	\$41,600
Gasoline stations, garages, etc.....	25,740
Clothing and apparel shops.....	117,680
Drugs and toilet goods:	
Drug stores.....	7,365
Beauty parlors.....	3,570
Food products:	
Grocery stores, meat markets, etc.....	34,600
Restaurants and eating places <sup>1</sup> .....	20,420
Beverage retailers.....	1,343
Confectionery stores, etc.....	1,785
Household goods:	
Household equipment retailers <sup>2</sup> .....	25,160
Furniture stores.....	32,463
Hardware stores.....	9,640
Radio retailers.....	8,575
Department and general stores.....	86,450
Tobacco shops.....	540
Miscellaneous.....	35,720
<b>Total</b> .....	<b>\$449,081</b>

<sup>1</sup> Exclusive of hotels.

<sup>2</sup> Such as electric refrigerators, oil burners, sweepers, furnaces, and the like.

### TOTAL BROADCAST ADVERTISING VOLUME

Class of Business	1934 Gross Receipts		
	June	July	Cumulative Jan.-July
National networks.....	\$3,103,796	\$2,494,710	\$24,493,576
Regional networks.....	35,599	32,939	350,190
National spot business.....	975,377	767,750	8,378,614
Local broadcast advertising...	1,303,960	1,080,064	9,374,563
<b>Total</b> .....	<b>\$5,418,732</b>	<b>\$4,375,463</b>	<b>\$42,596,943</b>

### ADVERTISING VOLUME BY MAJOR MEDIA

Advertising Medium	1934 Gross Receipts		
	June	July	Cumulative Jan.-July
Radio broadcasting.....	\$5,418,732	\$4,375,463	\$42,496,943
National magazines <sup>1</sup> .....	11,768,764	8,147,057	69,556,862
National farm papers.....	462,056	340,234	3,211,161
Newspapers <sup>2</sup> .....	42,839,000	34,462,900	276,998,150
<b>Total</b> .....	<b>\$60,488,522</b>	<b>\$47,325,654</b>	<b>\$392,363,116</b>

<sup>1</sup> National magazine totals are for 108 periodicals, prepared by Publishers' Information Bureau, Inc., from which source national farm papers and networks are also taken.

<sup>2</sup> Estimated.

### NON-NETWORK BROADCAST ADVERTISING BY POWER OF STATION

Power of Station	1934 Gross Receipts		
	June	July	Cumulative Jan.-July
Over 5,000 watts.....	\$892,310	\$673,354	\$6,940,407
2,500-5,000 watts.....	158,500	124,470	1,262,065
250-1,000 watts.....	934,357	791,700	7,218,629
100 watts and under.....	294,170	258,290	2,332,076
<b>Total</b> .....	<b>\$2,279,337</b>	<b>\$1,847,814</b>	<b>\$17,753,177</b>

### NON-NETWORK BROADCAST ADVERTISING BY GEOGRAPHICAL DISTRICTS

Geographical Districts	1934 Gross Receipts		
	June	July	Cumulative Jan.-July
New England-Middle Atlantic Area.....	\$841,786	\$658,384	\$5,908,885
South Atlantic-South Central Area.....	263,550	212,120	2,407,243
North Central Area.....	882,303	672,596	6,724,507
Pacific and Mountain Area...	291,698	304,714	2,712,542
<b>Total</b> .....	<b>\$2,279,337</b>	<b>\$1,847,814</b>	<b>\$17,753,177</b>

### NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION

Type of Rendition	National Spot		Local		1934 Gross Receipts		Cumulative Jan.-July
	June	July	June	July	June	July	
Electrical transcriptions.....	\$226,538	\$224,745	\$128,855	\$95,995	\$395,393	\$320,740	\$4,088,859
Live talent programs.....	460,737	397,450	686,690	559,964	1,147,427	957,414	8,197,617
Records.....	5,282	3,188	34,915	29,395	40,197	32,583	294,050
Spot announcements.....	242,820	142,367	453,500	394,710	696,320	537,077	5,172,651
<b>Total</b> .....	<b>\$975,377</b>	<b>\$767,750</b>	<b>\$1,303,960</b>	<b>\$1,080,064</b>	<b>\$2,279,337</b>	<b>\$1,847,814</b>	<b>\$17,753,177</b>