

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

NATIONAL BROADCASTING CO., Inc.
1934
RECEIVED
SEP 8 1934
7:00 PM

INDEX TO ISSUE OF SEPTEMBER 7, 1934.

| | |
|---|----|
| FCC Names Directors of Three Divisions..... | 1a |
| Independent Code Operation Assured Radio Manufacturers..... | 1b |
| Nine New Lawyers Starter For FCC Investigations..... | 2 |
| Hearst Reported To Be Doubling Sunday Radio Space..... | 4 |
| Radio Program Listings Increase..... | 5 |
| Gilliam All Clear On New Virginia Station..... | 6 |
| Chicago Added To RCA Intercity Telegraph..... | 6 |
| Stewart Next Up For Radio Interview..... | 6 |
| De Forest Loses Sound Recording Suit..... | 7 |
| Oklahoma Corporation's Official Walker's Secretary..... | 7 |
| Industry Notes..... | 8 |
| Hundredth Station Joins Columbia Network..... | 8 |
| Telephone Division Issues No Orders..... | 9 |
| Assail Radio Sales Code..... | 9 |
| Applications Granted By FCC..... | 9 |

No. 755

Handwritten signature

9/7/34

FCC NAMES DIRECTORS OF THREE DIVISIONS

The Federal Communications Commission Friday (September 7) appointed the Directors of the three newly created Divisions of the new organization.

John Killeen, of New York, was named Director of the Broadcasting Division; Robert T. Bartley, of Texas, was named Director of the Telegraph Division, and A. G. Patterson, of Alabama, Director of the Telephone Division.

Brief sketches of these new additions to the staff of the Commission follow:

John Killeen, whose present residence is in New York City, was born in Troy, N. Y. in 1876. His first position was that of a clerk in the Traffic Department of the New York Central Railroad. He remained with that company for 9 years and was promoted for meritorious service to be Chief Clerk of the Traffic Department. He resigned that position to serve as a member of the Assembly of New York.

For 15 years Mr. Killeen was connected with the General Electric Company serving as a contact man between the parent company and holding companies. During that period he served on various committees of the National Electric Association and was active in formulation of policies. At the time of his resignation from the General Electric Company, he was representing that Company in broad administrative matters and on policy questions.

Mr. Killeen established and published a weekly newspaper from 1924 to 1933. From 1930 to 1932, Mr. Killeen devoted much time and study to radio as a means for the dissemination of news and other information.

Mr. Bartley received his education in the School of Commerce at Southern Methodist University and Metropolitan Business College at Dallas, Tex., and later was connected with concerns at Dallas as an accountant and manager. He began work in Washington as statistician in the investigations (under the direction of Dr. W.M.W. Splawn, then Special Counsel for the House Committee on Interstate and Foreign Commerce and now an Interstate Commerce Commissioner) into holding companies in the utilities field. Mr. Bartley was promoted to be Executive Secretary of the investigating staff and served as such throughout the investigation of holding companies in the communication field. The results of that investigation are embodied in House Report No. 1273 which gives special mention to Mr. Bartley's work.

Among the companies studied in that report are the Western Union Telegraph Company, the International Telephone & Telegraph Corporation, the American Telephone and Telegraph Co., and the Radio Corporation of America, as well as others over

9/7/34

which the Federal Communications Commission now has jurisdiction. Among other things the report recommended that the Congress enact legislation to create a Communications Commission with power and funds for a thorough and detailed investigation of the large communications companies.

A. G. Patterson is a native of Decatur, Ala., and is 50 years of age. He attended the public schools of Alabama and obtained his A.B. Degree at Terrill College, Decherd, Tenn. From 1920 to 1928 he served as President of the Alabama Public Utilities Commission. That Commission under his guidance conducted many proceedings and investigations involving rates, fares, charges, practices and valuations of telephone and telegraph companies as well as other public utilities under jurisdiction of the Commission.

While President of the Utilities Commission, Mr. Patterson was elected head of the National Association of Railroad and Utility Commissioners. He resigned as a Commissioner on the Utility Board to accept appointment by the Governor of Alabama as a Probate Judge of Morgan County, serving four years.

From April 1, 1933, to June 15, 1934, Mr. Patterson was engaged by the Special Senate Committee appointed to investigate Ocean Mail and Air Mail contracts as Chief Investigator.

Mr. Patterson has been a member of the Board of Directors of the Tennessee Valley Bank, Decatur, Ala. for 20 years. In 1926 he was a candidate for Governor of Alabama.

The Commission also placed its field force on a temporary basis for a period not to exceed 60 days, pending a reorganization now in process under the direction of the Chief Engineer.

X X X X X X X X X X

INDEPENDENT CODE OPERATION ASSURED RADIO MANUFACTURERS

The Code Committee of the Radio Manufacturers' Association, of which Capt. William Sparks, of Jackson, Mich., is Chairman, is now virtually assured of independent Code operation, according to Bond Geddes, Executive Vice-President of the RMA.

"Whether this will be under the Electrical Code or whether we will have a Code of our own has not been definitely determined", Mr. Geddes said, "but in any case independent operation will be assured us."

There will be a meeting of the Radio Manufacturers' Association Board of Directors in New York Wednesday, September 12th, to discuss the Code.

X X X X X X X X X

NINE NEW LAWYERS STARTER FOR FCC INVESTIGATIONS

When Judge Ira E. Robinson was appointed to the old Federal Radio Commission, not so many years ago, he declared that his first work would be to strengthen the legal end of the Commission.

"What we need is more lawyers", Judge Robinson said.

"But, Judge, four of the five Commissioners are lawyers - isn't that enough lawyers?" someone asked.

"We must have here a strong legal division, examiners, and so on, and this will require many more lawyers."

This was prophetic for not only was the Legal Division of the Commission rapidly built up, but numerous legal Examiners were added. Even this force, however, was found to be inadequate to handle the radio, telephone and telegraph investigations which are now being undertaken by the Federal Communications Commission (which absorbed the Radio Commission).

According there have just been added to the Law Department of the Commission, nine lawyers, two of them women. They will work under the direction of Paul D. P. Spearman, General Counsel.

They do not include the three Assistant General Counsels at a salary of \$7,500 a year each who are yet to be appointed. The nine lawyers just named are Col. Davis G. Arnold, formerly of the Veterans' Bureau, of Washington, D. C.; Melvin H. Dalberg, of New York City; John P. Bramhall, of Washington, D. C.; Albert E. Stephan, Assistant to the Senate Interstate Commerce Committee, Washington, D. C.; A. L. Dalrymple, of Texas, prosecutor of revenue cases in the Philippine Islands; F. V. Fletcher, of North Carolina, and Marshall Orr, of Oregon. The women are Miss Annie Perry Neal, of North Carolina, who has been engaged in private practice, and Miss Elizabeth C. Smith, of Oklahoma, formerly a law clerk for Commissioner Walker, when he was Chairman of the Corporation Commission of Oklahoma.

Colonel Arnold joined the staff of the Federal Communications Commission on September 1st in the capacity of Attorney Examiner and was born in Providence, R. I. He served in France in the World War as Major in the 26th and the 42nd Divisions, A.E.F.

While in the Government service in Washington since 1923, he has acted as counsel to the Senate Committee that investigated

RADIO CORPORATION OF AMERICA

RCA BUILDING
30 ROCKEFELLER PLAZA
NEW YORK



RECEIVED
SEP 7 1934
LEGAL DEPT. TRUST

RECEIVED
SEP 6 1934
13 19 11 12 1 2 3 4 5 C

September 5, 1934.

Release— IMMEDIATE

Chicago was added today to the new inter-city radio telegraph service of R.C.A. Communications, Inc., making a total of six large cities now in the RCA domestic network. The service previously has connected New York, Boston, Washington, D. C., San Francisco and New Orleans. Within a short time, Seattle, Detroit and Los Angeles will be brought into the system and other important cities will be added later.

Cities included in this domestic radiotelegraph service also have direct radio contact with the international networks of RCA centering at New York and San Francisco. The new domestic system is consequently augmenting the importance of New York City as the radio communications capital of the world.

All collection and delivery facilities of the Western Union in the cities on the intercity chain, as well as the offices maintained by RCA, are available for the handling of domestic radio messages. This is an extension of the previous cooperative arrangement through which Western Union offices throughout the United States collect and deliver RCA's transatlantic and transpacific radiograms and radiograms exchanged with ships at sea.

Radiotelegraph rates between cities in the United States are based upon fifteen words at the regular wire-line rate for ten, and lettergrams of sixty words for the wire-line rate for fifty.

[Handwritten signatures and initials]

the Veterans' Bureau, later becoming Assistant Director, National Guardianship Officer, and Assistant Solicitor in the Veterans' Administration, formerly the Veterans' Bureau.

Mr. Dalberg was born in St. Louis and educated at Columbia University. He has been practicing law in New York City for thirty years. He was Assistant Tax Commissioner of the City of New York under former Mayor George B. McClellan.

In 1906-07, Mr. Dalberg acted as a member of a Commission appointed by the New York State Superintendent of Insurance which had charge of the conduct of the election of trustees of the Mutual Life Insurance Company and which held hearings involving the validity of ballots, for upwards of six months.

Mr. Bramhall first practiced law in Missouri and for seven years was counsel for the Street Railway System of Kansas City, Mo. He came to Washington to accept an appointment as Chief Counsel for the Federal Government in the prosecution of cases arising out of the military and naval operations in the World War. He was engaged in this activity in the United States and in Europe for five years, during which time he acted with the powers of a Special Assistant to the Attorney General. As a result of the litigation under Mr. Bramhall's direction, the United States recovered more than \$1,500,000.00. In 1923 Mr. Bramhall entered the practice of law in Washington.

Mr. Stephan with an LL.B from Harvard Law School, and an A.B. from Wesleyan University, was an Examiner at the Interstate Commerce Commission for five years. He was an attorney for the Commission in national investigation of motor transportation and later attorney for Federal Co-ordinator of Transportation.

Mr. Stephan served as Special Assistant to Senate Committee on Interstate Commerce helping to draft Communications Act of 1934, Emergency Railroad Act of 1933, Railway Labor Act, Railroad Pension Bill and other legislation.

Mr. Dalrymple has an LL.B. from Valparaiso University and took the Foreign Trade Course at Georgetown University. He was formerly a teacher in Texas, and Philippine Islands being Division Superintendent of Schools at the latter location. He was a prosecutor of narcotic and revenue cases in the Philippines and Governor, Amburayan Province, Philippine Islands. He was Chief Attorney, Board of Contract Adjustment, settling war claims.

Miss Neal, born in Louisburg, N. C., was graduated with an A.B. degree from Sweet Briar College, Sweet Briar, Va., in 1929, and was graduated from Wake Forest Law School, Wake Forest, N. C., with LL.B. degree, summa cum laude, in 1932.

She was licensed to practice law by the North Carolina Supreme Court and admitted to the Bar in 1931. Since that time she has engaged in the private practice of law in Louisburg, N.C., being the only woman who has ever engaged in the active practice of law in Franklin County.

9/7/34

Miss Smith graduated from East Central State Teachers' College, Ada, Okla. and attended University of Oklahoma, Norman, Okla., and Emory University, Atlanta, Ga. She finished Okmulgee Law School in May, 1929; passed Oklahoma State Bar examination in June, 1929, with a high grade, ranking among the first six in a class of approximately 100; with an Okmulgee law office until March, 1931, when she entered the employ of the Corporation Commission of Oklahoma as law clerk to Hon. Paul A. Walker, Chairman. The last three and a half years have been spent in Oklahoma City, Okla., where she was law clerk to Paul A. Walker, now Federal Communications Commissioner.

Mr. Fletcher was born in Sparta, N. C. in 1912. He attended North Carolina State College for two years and received his LL.B Degree from Wake Forest College in 1932, and attended Duke University Law School, 1932-1934. Admitted to practice of law in North Carolina in January, 1933.

Mr. Orr was born at Klamath Falls, Ore in 1899. He attended Pomona College in Southern California until enlistment in the Spring of 1918, returning to college and graduating in 1922 with an A.B. Degree. He received his LL.B Degree from University of California in 1925. He took office as an attorney in the Bureau of Inquiry (prosecuting bureau) of the Interstate Commerce Commission at Washington, D. C., in February, 1931, and has remained with that bureau until transferred to the Communications Commission.

X X X X X X X X

HEARST REPORTED TO BE DOUBLING SUNDAY RADIO SPACE

According to a Chicago dispatch, William Randolph Hearst has issued orders that beginning September 9th, all his Sunday papers carry two pages of radio news and programs.

It is also reported that Mr. Hearst will establish a national radio columnist for his papers in the same manner as motion picture gossip is carried.

X X X X X X X X

RADIO PROGRAM LISTINGS INCREASE

Radio is more than holding its own in the matter of friendly relations with daily newspapers throughout the country, according to a survey just completed by Editor & Publisher, which finds that there is an increase of 3 per cent in the number of published papers carrying radio programs compared to figures on 1933 data. Study included all of the newspapers in the United States having a daily circulation of 10,000 or over. This took in 565 papers in 312 cities. Due to some newspapers going out of business and consolidations, actually there are about 25 less papers concerned in the survey which in 1933 totaled 590 publications.

Among the discoveries was the fact that virtually all of the newspapers that dropped radio columns because of the radio news broadcasting controversy, replaced the columns in question; that the number of newspapers that will accept radio programs only as paid advertising is increasing, and that a large number of papers have increased the amount of space devoted to radio. Associated Press radio copy is used exclusively by more papers, number now being approximately 150. Newspapers not carrying radio as a regular feature will in most cases do so when such sponsored programs as the recent Lucky Strike cigaret Metropolitan Opera fare came along. Also high government officials and lesser lights got space because of the widespread interest in politics. Radio editors seem to be strongly entrenched, with only two papers out of 215 queried not having such editors. Some papers, due to being on a five days a week basis, employ two radio editors.

Use of newspaper space calling attention to sponsored programs is on the increase, the ads even appearing in papers which did not have a radio column, whether through error of the ad agency or deliberate. Cost of this "spotlight" advertising was reported as more than paying for itself in the resultant response to the radio programs. Newspaper ads by way of calling attention to the program in every case gave the radio advertiser a much quicker reaction from the consumer.

An innovation is the printing of programs several days in advance in such papers as go to subscribers by mail with the reader not getting it the same day. Large newspaper chains are the most liberal in devoting space to radio, the Hearst organization taking first place. Key stations of both NBC and CBS are getting 100 per cent co-operation from local newspapers. There are still many papers that bar mention of sponsored programs and but two syndicated radio columns are extant, one being by Peter Dixon and the other by Harriet Menken.

The recapitulation of the figures for 565 newspapers is as follows: 467 papers carry radio programs (83 per cent); 98 papers carry no radio programs (17 per cent); 171 papers carry radio columns (30 per cent); 394 papers carry no radio columns (70 per cent); 167 papers carry feature boxes (30 per cent); 398 papers carry no feature boxes (70 per cent); 79 papers carry art (14 per cent); 486 papers carry no art (86 per cent).

9/7/34

GILLIAM ALL CLEAR ON NEW VIRGINIA STATION

The Broadcast Division of the Federal Communications Commission at its last meeting reaffirmed the granting of a construction permit to Marion K. Gilliam for his new station Staunton, Va. Station KSD, of St. Louis, which is on the same frequency withdrew its protest and the Commission dismissed the protest of WEHC, at Charlottesville, Va.

Mr. Gilliam's station will operate on 550 kc. with 500 watts power, daytime.

X X X X X X X X

CHICAGO ADDED TO RCA INTERCITY TELEGRAPH

Chicago has been added to the new inter-city radio telegraph service of R.C.A. Communications, Inc., making a total of six large cities now in the RCA domestic network. The service previously has connected New York, Boston, Washington, D. C., San Francisco and New Orleans. Within a short time, Seattle, Detroit and Los Angeles will be brought into the system and other important cities will be added later.

Cities included in this domestic radiotelegraph service also have direct contact with the international networks of RCA centering at New York and San Francisco. The new domestic system is consequently augmenting the importance of New York City as the radio communications capital of the world.

All collection and delivery facilities of the Western Union in the cities on the intercity chain, as well as the offices maintained by RCA, are available for the handling of domestic radio messages. This is an extension of the previous cooperative arrangement through which Western Union offices throughout the United States collect and deliver RCA's transatlantic and transpacific radiograms and radiograms exchanged with ships at sea.

X X X X X X X X

STEWART NEXT UP FOR RADIO INTERVIEW

Commissioner Irvin Stewart of the Federal Communications Commission will be interviewed by Martin Codel over an NBC-WEAF network Tuesday, September 11th, at 8 P.M. EST. Commissioner Stewart is expected to discuss several phases of the work of the Telegraph Division of which he is the Chairman.

X X X X X X X X

9/7/34

DE FOREST LOSES SOUND RECORDING SUIT

A patent suit pending in the Federal District court in Wilmington since 1921 was decided last week in favor of the plaintiffs, the American Tri-Ergon Corporation of New York, a Switzerland corporation, and three residents of Berlin - Joseph Engl, Joseph Massolle and Hans Vogt.

The patent rights at issue were for a glow lamp for photographic recording of sound, and the suit was directed against the General Talking Pictures Corporation, DeForest Phonofilms, Inc., and Lee DeForest.

Judge John P. Niels ruled the three Berlin residents "are the joint and first inventors of the invention" and the American Tri-Ergon, their assignee, is entitled to the patent which the Commissioner of Patents had refused in favor of the defendants.

X X X X X X X X X X

OKLAHOMA CORPORATION'S OFFICIAL WALKER'S SECRETARY

John J. Hassler, of Oklahoma, has been appointed secretary to Commissioner Paul A. Walker, Chairman of the Telephone Division of the Federal Communications Commission. Mr. Hassler was Acting Secretary of Corporation Commission of Oklahoma.

He was born at Phillipsburg, Kans. in 1906. He graduated from Oilton Junior High School in 1919, and from the Stillwater High School in 1922. He attended Oklahoma A. & M. College, Stillwater, Okla. (Engineering School) 1922-1924 and part of 1927. He was later employed by Wood Engineer Co., Oklahoma City, and was Consulting Engineer, Oklahoma City from June 1, 1927 to September, 1929. In 1929 he received a B.S. degree in Civil Engineering.

Mr. Hassler was appointed City Manager of Elk City, Okla., which position he held until June 15, 1931, when he was appointed Gas and Electric Engineer of the State Corporation Commission of Oklahoma.

Mr. Hassler attended the Oklahoma City School of Law three terms.

X X X X X X X X

::::: _____ :::::
 ::::: INDUSTRY NOTES :::::
 ::::: _____ :::::

C. J. Young, of the RCA Victor Co., a son of Owen D. Young, Chairman of the General Electric Company, will address the September meeting of the Washington Section of the Institute of Radio Engineers Monday, September 10th. Mr. Young will speak on "Direct Printing Facsimile Equipment and Some of Its Applications", a development which he has been working on for sometime.

Harold F. Watts, 34, chief engineer of Station KFEQ radio station at St. Joseph, Mo. was electrocuted when his left foot came into contact with a high voltage terminal in the generator room of the transmitting station. The station was silent the rest of the day at the order of Clarence Koch, manager.

Herbert Bayard Swope, formerly editor of the New York World, has been elected Chairman of the Board of the Radio-Keith-Albee-Orpheum Corporation. Mr. Swope is a brother of Gerard Swope, President of the General Electric Company.

"Gateway to Radio" is a new book by Major Ivan Firth and Gladys Shaw Erskine (Macaulay Company, 381 - 4th Ave., New York City, Price \$2.50) dealing with the program, advertising and engineering side of radio. There is a foreword by Danial Frohman.

New York's Electrical and Radio Show will get under way about the middle of September. It will be held in Madison Square Garden.

X X X X X X X X X X

HUNDREDTH STATION JOINS COLUMBIA NETWORK

Station KWKH, formerly owned by "Old Man" Henderson, at Shreveport, La., will join the Columbia Broadcasting System as the 100th unit of its nationwide network on Saturday, September 15th. It will operate on a full time basis on a wave length of 1100 kilocycles with 10,000 watts power. The station is now owned by the International Broadcasting Corporation and will be managed by Dwight Northrup. It was established in 1925 and because of the broadcasts of Henderson, became one of the most prominent broadcasting outlets in the South.

X X X X X X

TELEPHONE DIVISION ISSUES NO ORDERS

The Telephone Division of the Communications Commission met last Thursday but issued no orders. It was said that technical and groundwork in connection with forthcoming investigations formed the basis of discussion. It was the first meeting of the Commission in sometime owing to the absence from the city of Commissioner Paul A. Walker.

X X X X X X X X

ASSAIL RADIO SALES CODE

Opposition of a number of radio manufacturers to observing wholesale provisions under the Radio Wholesaling Code was expressed Thursday in Washington at an NRA hearing.

The discussion centred on interpretations by the Code Authority which included a ruling that a distributor is not permitted to classify his dealers to extend preferred discounts or preferred net prices.

Other questions on which the Code Authority had passed grew out of controversies regarding terms and discounts, in which it was held that a distributor may not grant preferred discounts or net prices to a dealer in anticipation of his earning a quantity discount.

X X X X X X

APPLICATIONS GRANTED BY FCC

BROADCAST DIVISION (September 4) - KADA, C. C. Morris, Ada, Okla., modification of C.P. approving transmitter location and move of studio to Highway No. 48, 1 mile north of Ada, Okla., installation of new equipment, extension of commencement and completion dates from 8/6/34 and 11/6/34 to 30 days after grant and 90 days after grant, respectively; KOL, Seattle Broadcasting Co., Seattle, Wash., modification of C.P., extension of completion date from 9/25/34 to 10/25/34; WTAX, WTAX, Inc., Springfield, Ill., license to cover C.P. 1210 kc., 100 watts, shares with WCBS; WFBC, Greenville News-Piedmont Co., Greenville, S. C., license to cover C.P. 1300 kc., 250 watts, ~~shares with WTAX~~; 1 KW LS, unlimited; KGKL, KGKL, Inc., San Angelo, Tex., license to cover C.P. 1370 kc. 100 w. night, 250 LS, unlimited; W6XAI, Pioneer Mercantile Co., Bakersfield, Cal., modification of C.P. (Exp.-Exp. Broadcast) extension of completion date from 9/11/34 to 12/11/34; W2XAG, R. D. Lemert, Portable (New York), license to cover C.P. (Exp.-Exp. Visual Broadcasting), 42000-56000, 60000-86000 kc., 100 w. A3, A4.

Also, W9XDT, Purdue University, Portable (Lafayette, Ind.), license to cover C.P. 890 kc., 50 w. A1, A2, A3; WPFB, Otis P. Eure, Hattiesburg, Miss., special temporary authority to operate specified time Sept. 6 and 7, 1934 in order to broadcast meeting of Mississippi State Bar Association; KSUN, Copper Electric Co., Inc., Lowell, Ariz., special temporary authority to remain on the air after local sunset on the nights of Sept. 11, 1934, and Nov. 6, 1934 for the purpose of broadcasting election returns; WBHS, Virgil V. Evans, Huntsville, Ala., special temporary authority to remain silent for a period not to exceed 90 days but in no event for a period longer than 3 A.M. Dec. 1, 1934, EST, in order to obtain a location for the station; WRGA, Rome Broadcasting Corp., Rome, Ga., special temporary authority to operate from 9 P.M. to 12 midnight CST, Sept. 12, 1934, in order to broadcast election returns.

TELEGRAPH DIVISION (September 5): WSDI, Aeronautical Radio, Inc., Cincinnati, Ohio, modification of license, authority to operate by remote control (licensed for 2612, 2636, 3457.5, 4740, 6540, 6550, 6560, 8015 kc., 250 w. A1); W4XS, City of La Grange, La Grange, Ga., license to cover C.P. 30100, 33100, 37100, 40100 kc., 15 w., A3 emission (licensed operator at control point only); WLXZ, Greenleaf Whittier Pickard, Seabrook Beach, N. H., license to cover C.P., 41000, 63000, 60500 kc., 2 watts, A2, A3; New, City of Santa Rosa, Santa Rosa, Calif., C.P. 2422 kc., 500 watts, A2 Spec; W6XI, RCA Communications, Inc., Bolinas, Calif., modification of license to delete the frequency 10320 and replace it with 9490 kc.; WMZ, Mackay Radio & Telegraph Co., Inc., Sayville, N. Y., fixed public-point-to-point telegraph, modification of license, add frequencies 4570, 4675, 4685, 4690, 5985, delete frequencies 4660, 4665, add Fed. Teleg. Co. transmitter; points of communication: Delete Copenhagen, Denmark; Add: Kansas City, Mo.; Atlanta, Ga., Washington, D. C.; KNR, Mackay Radio & Telegraph Co. (Cal.), Clearwater, Calif., fixed public-point-to-point telegraph; granted modification of license - Delete frequencies 4405, 7752.5 kc., add: 4575 kc.

Also, KNA, Mackay Radio & Telegraph Co., Palo Alto, Calif., modification of license, delete frequencies 4395, 4400, 5985 kc., add: 4195, 4665, 5240, 5980 kc.; also modification of license addition of 2 - 20 KW transmitters, addition of Honolulu, T. H., as point of communication; delete 4395, 5985 kc., add: 4665, 5240, 5980 kc.; KQU, Same applicant, Kailua, T. H., modification of license, change frequency from 4660 kc. to 4690 kc.; KVP, City of Dallas, Dallas, Texas, modification of license, extension of completion date from 7/23/34 to 9/1/34; KGZG, City of Des Moines, Des Moines, Ia., license to cover C.P. (Auxiliary transmitter) 2466 kc., 100 w. and 15 watts, A3 emission; KG PJ, City of Beaumont, Beaumont, Tex., C.P. for an additional transmitter, 1712 kc., 100 w. power, A3; KGZU, City of Lincoln, Lincoln, Neb., modification of license, change in equipment and power from 50 to 200 watts; WPGT, City of New Castle, New Castle, Pa., license to cover C.P. 2482 kc., 50 watts, A3 emission; KNFB, City of Idaho Falls, Idaho Falls, Idaho, modification of C.P. to extend commencement date from 5/29/34 to 10/29/34 and completion date from 9/29/34 to 12/14/34; New, State of Washington-Highway and Police Dept., Shuksan, Wash., C.P. 2490 kc., 10 watts, A3 emission; Bellingham, Wash. C.P. 2490 kc., 50 watts, A3 emission.

X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 11, 1934.

| | |
|--|----|
| News Broadcasts Policy May Cause Cincinnati Scrap..... | 2 |
| Radio Wholesalers' Code Threatened By Lack Of Funds..... | 5 |
| Predicts ABS Western Chain..... | 6 |
| Cleveland Radio Editor is Wedded..... | 6 |
| Trade Body To Make Few Radio Advertising Complaints..... | 7 |
| A Pair To Draw To..... | 8 |
| News Censoring "Poppycock", FCC Commissioner Declares..... | 8 |
| Industry Notes..... | 10 |
| "Crazy Crystals" Order Seen As Code Test..... | 10 |
| Appointments Of Communications Directors Political..... | 11 |
| Broadcast Division Amends Order No. 2..... | 12 |
| Broadcasting Applications Granted By FCC..... | 12 |

No. 756

[Handwritten signatures and initials at the bottom of the page]

September 11, 1934.

NEWS BROADCASTS POLICY MAY CAUSE CINCINNATI SCRAP

Usually national conventions are cut and dried affairs but several live issues are scheduled for discussion at the annual meeting of the National Association of Broadcasters in Cincinnati next Monday (September 17th).

If the speech of Senator C. C. Dill, of Washington, on the subject of "News by Radio" is as belligerent as his friends say it will be, it may bring to the convention floor a feud which has been raging between the stations who subscribe to the Press-Radio Bureau, and those who seek to broadcast more news bulletins and to have them sponsored by advertisers.

Senator Dill, who retires from the upper legislative body January 1st, denies that he has any personal interest in any company to engage in radio news broadcasting, and that after his retirement from Congress, he will take up law practice. He declares his interest is entirely that of public service to listeners. In a speech made in Chicago on Labor Day, and in conversation, he has predicted, with considerable emphasis, that newspaper publishers, through the Press-Radio Bureau, are stifling news broadcasts and that their bulletins are too infrequent. In view of the latter assertion, it is interesting to note that in connection with the burning of the steamship "Morro Castle", that up to noon of that day, the Press-Radio Bureau broadcast 20 bulletins and by 3 o'clock in the afternoon, the number mounted to 36 with additional news broadcasts regarding the identification of the dead and injured continuing throughout the remainder of the day.

According to Senator Dill, there is more demand for news broadcasts, especially in the rural sections, than for almost anything else on the radio. By way of proving this, he will make public at Cincinnati the results of the questionnaire which he recently sent out to 580 broadcasters asking them if they desired more news broadcasts. Three hundred and fifty, according to the Senator, have replied in the affirmative.

The Senator has stated that the time has come to determine whether or not radio stations are to be "dictated to" by the newspapers with regard to news bulletins broadcast. This doubtless will be the question which he will raise for discussion in his speech at Cincinnati.

Another paramount question when the broadcasters gather in the Middle West will be their attitude at the hearing before the new Communications Commission, October 1st, to determine whether twenty-five percent of the wavelengths should not go to educational, religious and other non-profit making institutions. According to Henry A. Bellows, Chairman of the Legislative Committee of the NAB, the broadcasters do not realize, apparently, that from the October 1st hearing, Congress may be expected to formulate future policies with respect to the American broadcasting situation.

"They do not realize that the Commission is required, by law, to report to Congress its recommendations for new legislation", said Mr. Bellows. "These recommendations will be based on actual facts presented at the October hearing." Mr. Bellows and others will endeavor to acquaint the industry with the urgency of this question and the necessity of putting up a strong fight to keep from losing some of their present choice frequencies.

Still another matter of wide interest will be the consideration of ways and means to follow up the Government anti-trust suit against the American Society of Composers. Although this suit will not prevent the increased rates levied by the Composers upon the broadcasters from becoming effective, nevertheless, it has heartened them in their fight against the ASCAP. Those who will be heard from on this will be Oswald F. Schuette, Copyright Advisor of the Broadcasters, of Washington; J. P. Hostetler, special counsellor and law partner of Newton D. Baker, of Cleveland, and Isaac D. Levy, Treasurer of the organization.

Despite the reassurances given to the industry that their advertising programs on the whole are O.K., insofar as fraudulent and misleading advertising is concerned, the convention will await with considerable interest what Commissioner Ewin L. Davis, of the Federal Trade Commission, will have to say to them "off the record" on the subject. Commissioner Davis, who, as a member of Congress, helped frame the original Radio Act, is known to be very outspoken and in his discussion of radio advertising will no doubt speak plainly.

A. J. "Hollywood" McCosker, President of the Broadcasters, is showing rare political form in his silence with regard to whether or not he is seeking a third term as President of the Association. There is known to be considerable sentiment in favor of Mr. McCosker's continuance, his friends declaring that he could easily be reelected, but thus far the NAB President has not been heard from one way or another.

If Mr. McCosker should decide not to run, the next in line for the presidency, insofar as seniority is concerned, are Leo J. Fitzpatrick, Station WJR, Detroit, First Vice-President, and John Shepard, III, WNAC, Boston, Second Vice-President.

9/11/34

A new name mentioned in connection with the election of officers at Cincinnati, September 18th, as a presidential possibility is that of Henry A. Bellows, of Washington, Chairman of the Legislative Committee of the National Association of Broadcasters. This proposal was made on the supposition that the position as head of the organization might become a salaried one.

The name of Powel Crosley, Jr., of Cincinnati, has also been proposed, but it is said that Mr. Crosley, because of his other numerous large interests, would not be able to consider it.

Six new Directors are to be elected and here may develop a contest between representatives of the networks and independent stations.

The convention will also have a chance to size up Hampson Gary, newly appointed Federal Communications Commissioner, who is in charge of the Broadcasting Division. Mr. Gary will go from Washington especially for the purpose of addressing the meeting. The general supposition is that his appointment is temporary and that he will be succeeded January 1st by Representative Anning S. Prall, of New York, a personal friend of the President, whose term in Congress expires at that time.

Mr. Gary, in his short time as Commissioner, has created a favorable impression and already his friends have suggested that perhaps the President could be persuaded to appoint Mr. Prall to some other position so that the time Commissioner Gary has served would not be lost in breaking in another new man.

Of the major questions to be taken up at the convention, there seems to be less interest in that of the Broadcasters' Code than in any of the others. Maybe the appearance of Sol A. Rosenblatt, NRA Deputy Administrator, who will speak at the convention, will revive interest in the subject.

Although James W. Baldwin, Executive Officer of the Code Authority, has called a special meeting the day after the convention adjourns, it is said that the call has been met with such a slight response that it seems doubtful whether enough broadcasters can be persuaded to stay over to justify holding the meeting.

X X X X X X X X

RADIO WHOLESALERS' CODE THREATENED BY LACK OF FUNDS

Unless an opportunity is given them to increase the sources of money to meet expenses of Code administration, their Code will become an almost useless instrument, members of the wholesale radio trade have told the Administration. They were appearing before Frank C. Felhaber, Assistant Deputy Administrator, in support of an application filed by the Code Authority for termination of that provision of Administration Order X-36 which frees members of a trade from contributing to the expense of administering a code other than that embracing their principal line of business.

The trade, which is operating under a code supplemental to that of the general wholesaling or distributing trade, was represented by the members of its Code Authority. They explained that, with changing economic conditions, there now remain few concerns whose "principal line of business" is the wholesaling of radios. It follows, they said, that unless assessments are permitted against those wholesalers who sell radios in "substantial" volume, but not necessarily in a volume large enough to be characterized as the "principal" line of business, the Code Authority will not be able to carry on.

Their attention was directed to Administration Order 78 which provides that no order of termination of the exemption in Order X-36 shall be construed to "require any member of any trade or industry to contribute to the expenses of administration of any Code which covers his principal line of wholesale (or retail) distribution."

Order 78, however, does open the way to agreements between two or more Code Authorities, with the approval of the Administrator, regarding the collection or allocation of assessments.

An intimation by H. C. McCarty, NRA Consumers' Adviser, that radio wholesalers might scrap their supplemental code and be governed by terms of the general wholesale code brought the quick rejoinder that the general code makes no provision for gathering administrative funds; and that administration in the trade has been left to the divisional codes.

This situation, it was declared, leaves the entire structure of distributing codes in danger of collapse because of possible failure to get into the treasury sufficient funds for administration.

Mr. Benjamin Gross, Chairman, who presented the trade's case, and his associates, asked that the Administration take action without delay to enable them to maintain a code in which all the trade had confidence.

9/11/34

Mr. Gross, and Mr. Estrom and their associates explained that in the early days of radio, numerous concerns established themselves as wholesalers. When sales of radio dropped, these concerns began selling refrigerators and other products. Now, a great majority are forced to admit that the radio department is not their principal line of business. Nevertheless, it was asserted, the sales of radios and radio equipment by many of these concerns still are huge. The Code Authority spokesmen pointed out the "absurdity" of their not levying an assessment upon a dealer whose radio sales amounted to \$200,000 a year, merely because his sales of refrigerators and other products amounted to \$201,000.

They admitted it would not be just or proper to expect contributions from a dealer doing only a small business in radios; and they suggested that the plan of assessment be changed so that a dealer doing less than a \$10,000 radio business annually be exempt.

X X X X X X X X X X

PREDICTS ABS WESTERN CHAIN

Fred Weber, Vice-President of ABS, in charge of station relations, is out scouring the field of independent broadcasting stations for possible additions westward to radio's newest network.

"He has an awful job on his hands", commented LeRoy Mark, owner of WOL in Washington, "but we're still contemplating and working on what we started before. Weber is going at it in a businesslike and mouth-shut sort of way - but it's coming - ABS will have a Western chain."

X X X X X X X X

CLEVELAND RADIO EDITOR IS WEDDED

Norman Siegel, Radio Editor of the Cleveland Press, was married last Friday to Miss Margaret Elizabeth Moss. Miss Moss is the daughter of Mr. and Mrs. Hammond Moss, of Cleveland.

Mr. Siegel is popular among his associates and because of his independent criticism and enterprise in gathering the news, is one of the best known radio editors in the Middle West.

X X X X X X X X

TRADE BODY TO MAKE FEW RADIO ADVERTISING COMPLAINTS

The radio broadcasting industry's compliance with the Federal Trade Commission's recent requirement for submission to it of copies of advertising programs broadcast by the networks and broadcasting stations has been so complete that of 598 stations in the country, only 5 have as yet failed to file copies of their advertising programs with the Commission. All of the networks have complied.

Of these five delinquent stations, one is in Alaska and another in Hawaii, so that it is entirely possible that these two stations have complied with the Commission's request and that their continuities are in the mails in transit to Washington.

"So general has been the compliance", the Federal Trade Commission states, "and so gratifying the cooperation which the radio broadcasting industry has given to the Federal Trade Commission in its effort to free radio advertising of false or misleading matter and place it on an even footing with printed advertising in newspapers and periodicals that the Commission anticipates it will be necessary to issue very few complaints against either advertisers or broadcasting stations."

The Federal Trade Commission recently announced that radio advertising would be subjected to its scrutiny, under authority conferred upon the Commission by Section 5 of the Federal Trade Commission Act. The Commission said at that time that all networks, broadcasting stations and transcription companies would be requested to file copies of their advertising programs with the Commission (beginning July 1st). During July, the Commission received 998 reports from network systems and broadcasting stations and 681 during August. The Commission has examined 117,357 programs and have on hand more than 50,000 which are now under examination. Of the programs already examined by members of the Commission's staff, 97,356 have been filed without action, having been passed as free from violation of the law prohibiting false and misleading advertising in interstate commerce. "The remaining 19,991 programs already examined are being further checked, but it is probable that of these only a small percentage will be found to be in violation of law", the Federal Trade Commission continues.

"Where programs are found to contain false or misleading statements, the stations are communicated with and, generally speaking, the broadcasting companies and stations are taking the necessary steps to eliminate all objectionable matter and bring the advertising programs within the law.

"The Commission subsequently advised the broadcasting stations that transmittal to it of advertising continuities might be discontinued until further notice. Somewhat later, the Commission will again require that such programs be submitted for

another check-up. However, no letter of discontinuance was sent to the networks or the transcription companies and their programs are still being received.

"During July, under the first call for the submission of radio programs to the Federal Trade Commission, 114 stations failed to comply with the Commission's request. A follow-up letter was sent to these stations with the result that the number of stations failing to comply was finally reduced to five and these stations have been communicated with and it is the Commission's expectation that within a short time every broadcasting station in the country will be filing its advertising programs and that compliance will be 100 per cent."

X X X X X X X X

A PAIR TO DRAW TO

Commander E. F. McDonald, President of the Zenith Radio Corporation, of Chicago, is cruising on his yacht in Georgian Bay, Canada. With Commander McDonald is Powel Crosley, Jr., of Cincinnati. Mr. Crosley has with him on the trip his Douglas amphibian plane.

X X X X X X X X

NEWS CENSORING "POPPYCOCK", FCC COMMISSIONER DECLARES

Charges that the Federal Communications Commission would be instrumental in censoring news are absolutely untrue without even the saving grace of plausibility, Dr. Irvin Stewart, Chairman of the Telegraph Division of the Federal Communications Commission, declared in an interview with Martin Codel, broadcast over NBC Tuesday night (September 11).

"Such charges show complete ignorance of the Communications Act and of the actions of the Communications Commission under that law", Dr. Stewart declared. "If there had been the slightest grain of truth in the charges, the press associations would have been the first to register protests. But those associations know that the Commission has neither the power nor the desire to play the censor. The fact that such fanciful and unfounded charges can be made and circulated by radio and in the press is the best possible evidence that there is no censorship. I am tempted to dismiss the charges, however honestly they may have been advanced, with the only expression which I believe they deserve - 'poppycock'. The dictionary defines "'poppycock' as 'empty talk, foolish nonsense, bosh.' With that definition, the word fits the situation perfectly. As some persons may have been

9/11/34

misled by the charges, however, I want to emphasize that the Commission does not have the power, the desire or the intention to engage in censorship in the slightest degree; and I want to add that no one, in the administration or out, has ever suggested to us that censorship in any degree was desirable. And when I make these statements, I make them as one in a position to know and who does know what he is talking about."

Efficient communications at reasonable rates are essential, according to Dr. Stewart, who continued:

"To attain the proper balance is a matter of great delicacy. Realizing this, the Commission is fortifying itself with facts; only after we get the facts can we map out our course. The art of electrical communications - I may seem trite in saying so - is still young. There is no telling where it will go, what with the tremendous strides both radio and wire communications have taken in recent years.

"I may say, and I know I speak for my colleagues, that the Commission's prime motive will be to develop its usefulness and to aid its growth as a servant of the public in the interest and for the benefit of the public; to guide its development along rational lines, and to encourage worthy and bona fide experimentation in every respect.

Dr. Stewart praised the amateurs and said:

"There are over 46,000 licensed amateur stations in the United States. It has been our government's policy to encourage them as far as possible, fighting for them in international conferences and setting aside wave lengths for their exclusive use nationally.

"Everyone knows what these 'hams' have done in the past, quite aside from furnishing the radio industry with splendid man power and making outstanding contributions to the development of radio; especially how they have set up emergency communications when other lines of communication were down in times of storm and flood. They are a fine lot, and the Commission is glad to encourage them."

X X X X X X X X

::::
 ::::INDUSTRY NOTES::::
 ::::

The American Broadcasting Company received considerable photographic publicity through the initials on their microphones at the "Morro Castle" inquiry in New York. Newspaper readers apparently were quite familiar with "NBC" and "CBS" but many asked what "ABS" meant.

WOL in Washington asked Capital listeners if they wanted the ABS "Morro Castle" broadcasts continued and both phones of the station were swamped with calls in the affirmative so the station kept the hearings from 1 to 3 P.M. during which time they are ordinarily off the air.

Don M. Lee, 53, operator of the Don Lee Network and owner of four California stations, died unexpectedly August 30 of heart disease in Los Angeles.

Mr. Lee, already the owner of KFRC, San Francisco, purchased KHJ in 1927, and since that time has been an important factor in radio development on the West Coast.

Sparks-Withington Co. - Year ended June 30: Net loss after taxes, depreciation and other charges, \$344,381, against \$285,137 loss in preceding year. Six months ended June 30: Net loss, \$179,925, compared with \$84,141 loss in first six months of last year.

X X X X X X X

"CRAZY CRYSTALS" ORDER SEEN AS CODE TEST

The order of James W. Baldwin, Executive officer of the Broadcasting Code, for all stations to furnish a sworn statement of contracts to broadcast programs advertising, "Crazy Crystals" seems to be construed as an acid test as to whether or not the trade practices clause in the Code is going to mean anything.

It is understood that Code officials believe there is rate chiselling in connection with this account, that is, some stations are selling time under what their rate cards call for. If this is true, the "Crazy Crystals" order will prove a show-down as to exactly what authority Code officials have in such matters.

X X X X X X X X X

9/11/34

APPOINTMENTS OF COMMUNICATIONS DIRECTORS POLITICAL

The appointments of the three new Directors of the Federal Communications Commission, John Killeen, of New York, Broadcast Director; Robert T. Bartley, Telegraph Director, and A. G. Patterson, Telephone Director, were purely political. It had been expected, since the Commissioners themselves were for the most part political appointees, that perhaps men with some technical ability or actual experience in the industry would be appointed as Directors of the respective divisions, but the contrary was true and as the Communications Commission set-up now stands, it is almost 100% political. The Administration was trying to find a place for Mr. Killeen in the days of the old Radio Commission when he was mentioned as a successor to Commissioner Starbuck.

Killeen was the publisher of the New York Democrat which was said to be among the earliest publications to advocate the candidacy of Franklin D. Roosevelt. Copies of the paper containing laudatory Roosevelt articles were sent to all parts of the United States. Killeen was backed by Ed Flynn, Democratic Bronx political boss and Postmaster General Farley. Killeen's only actual radio experience is set forth in the official FCC handout as follows:

"From 1930 to 1932, Mr. Killeen devoted much time and study to radio as a means for the dissemination of news and other information."

Mr. Bartley, Director of the Telegraph Division, is a nephew of Representative Sam Rayburn, of Texas, which explains that appointment, Rayburn having been the co-author of the Communications Act.

The appointment of Mr. Patterson, Director of the Telephone Division, is credited to Senator Black, of Alabama.

"It was a political appointment pure and simple", said a man in the industry. "Patterson isn't especially qualified for the telephone business. Commissioner Walker, in charge of the Telephone Division wanted to appoint his own people but Pettey, the Commission's secretary, representative of Farley in the Commission, already had the list of men to be appointed and Patterson's name was on it."

X X X X X X X X X X

9/11/34

BROADCAST DIVISION AMENDS ORDER NO. 2

The Broadcast Division took the following action today, Tuesday, September 11th:

"It is ordered that Order No. 2 as amended, promulgated by the Commission August 28, 1934, be amended by inserting after the word 'each' of paragraph 1a of said order as amended, the following:

"Provided, however, that if said licensee corporation has of record on said date 1000 stockholders or more, said corporation shall be required to file with the Commission the list only of such stockholders owning 1 percentum or more of stock in such corporation."

So as to make Section 1a read as follows:

"1a - The list of the stockholders of record, together with the numbers and the amount of stock held by each; provided however, that if said licensee corporation has of record on said date 1000 stockholders or more, said corporation shall be required to file with the Commission a list only of such stockholders owning 1 percentum or more of stock in such corporation."

IT IS FURTHER ORDERED that the next to the last paragraph of said Order No. 2 as amended, be amended as follows by inserting after the parenthesis and before the word "or" in line 4 as it appears on the minutes of the Commission, the words "as required by Section 1a hereafter as amended."

X X X X X X X X X X X X X

BROADCASTING APPLICATIONS GRANTED BY FCC

September 11 - WJEJ, Hagerstown Broadcasting Co., Hagerstown, Md., special temporary authority to operate from local sunset to 11 P.M. EST on Tuesdays, Thursdays, Saturdays and Sundays, with power of 50 watts, for period ending Oct. 12, 1934; KSLM, Oregon Radio, Inc., Salem, Ore., modification of C.P. to make changes in equipment; WIBW, Topeka Broadcasting Assn., Inc., Topeka, Kans., C.P. to make changes in equipment and increase day power from 1 KW to 2½ KW, (normally licensed 580 kc., 1 KW, share with KSAC); WSEN, The Columbus Broadcasting Corp., Columbus, Ohio, consent to voluntary assignment of license to WCOL, Inc.; WBBZ, Estate of C. L. Carrell (deceased), Ponca City, Okla, C.P. to move transmitter locally in Ponca City, Okla; WSXAI, Stromberg-Carlson Tel. Mfg. Co., Rochester, N. Y., modification of C.P. (Gen. Exp.) extending completion date from Aug. 27 to Oct. 27, 1934.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

LEGAL DEPARTMENT
RECEIVED
17 1934
SEP 17 1934

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 14, 1934.

Composers Welcome Court Test, Mills Declares.....2

Recent Olympia, England, Radio Show Successful.....5

Censorship Seen If Educational And Religious Programs Favored...6

Vas You Effer In Zinzinnati?.....8

Radio Advisory Council To Meet In Chicago.....8

Broadcast Advertising Shows Decline.....9

Sales Agreement Reported Aiding Germany Radio Trade.....10

Calls Ford License Cancellation Crackdown.....10

Harry A. Woodman Named KDKA General Manager.....11

Another Lawyer For FCC.....11

Applications Received By Broadcast Division, FCC.....11

European Radio Not Suited To U.S., Announcer Finds.....12

New Applications Granted By Telegraph Division.....12

No. 757

[Handwritten signatures and scribbles]

COMPOSERS WELCOME COURT TEST, MILLS DECLARES

In an exclusive interview, E. C. Mills, General Manager of the American Society of Composers, Authors and Publishers, regarding the suit recently filed in behalf of the United States of America by the Attorney General under the Anti-Trust Laws, commented as follows:

"ASCAP welcomes this suit. It is quite as anxious as its opponents or the Government can possibly be to know whether it is operating illegally. For twenty years such a suit has been threatened, and during these same two decades, ASCAP has continued to function and in the interim has been investigated repeatedly by the Department of Justice, the Federal Trade Commission and other governmental agencies. It has also, during that time, been a litigant in the Federal Courts of nearly every jurisdiction and in the Supreme Court of the United States. It has had every right to believe, and it now believes, that it has functioned and is now functioning not only in a completely legal but as well, a decidedly laudable, manner. Naturally, we would feel so. And, just as naturally, our opponents no doubt feel otherwise.

"From the outset of broadcasting, ASCAP has continuously invited the broadcasting industry itself to establish a basic formula under which fees should be paid for the right to perform publicly copyrighted music. The broadcasters started out with a refusal to pay anything. When they were brought to book in the Federal Courts and it was held that a broadcast rendition was a 'public performance' and under certain circumstances 'for purposes of profit', they first began to threaten ASCAP with dissolution under anti-trust laws. The plain truth is that they did not want to pay anything and through the years have resisted every effort made by the composers and authors to collect a fair fee for the use of their works.

"It will serve no purpose for the copyright owners on the one side of this controversy, and the broadcasters on the other, to make faces and gnash their teeth at each other. Whether the copyright owners like it or not, or the broadcasters, the operation of broadcasting is going to continue and the copyright owners no less than the broadcasters will have to find some basis upon which they can deal with due regard to the just needs and activities of all parties.

"We were threatened with this suit as the alternative to making a rate for our license fee which would be agreeable to the National Association of Broadcasters. The NAB does not have authority to deal conclusively for one single broadcaster. Nor does it have any authority to approve a rate for one single broadcaster. It deals in generalities and the broadcasters themselves have not authorized the NAB or anyone else to speak for them in the final acceptance of a formula to govern the license fee rates, even if ASCAP were prepared to submit one. ASCAP has always been prepared to deal with dispatch and conclusively in behalf of all of its members and the many foreign societies with which it is affiliated.

"In April, 1932, ASCAP submitted to all of the broadcasters a basic formula. The NAB between April 11th and the middle of August fumbled around with the proposition and finally, apparently unable to reach any definite conclusion or to get its membership to agree as a unit upon some counter-proposition, reluctantly, did seem to sanction the three-year agreement which was then negotiated. It proceeded at once then to indulge in a campaign of vilification and to do everything it possibly could to estrange the copyright owners, to offend them, to make them feel that the broadcasters had their licenses under duress. As soon as this feeling became apparent, ASCAP invited the NAB and each and every of the broadcasters to name any station which was dissatisfied with its license and desired to cancel the same, and to this good day, no station has asked to have its license cancelled. Neither has any station ever asked that it be permitted to do business direct with individual copyright owners. However, ASCAP has not hesitated in every case where a station has indicated that it might possibly prefer so to do, to invite that station to cancel its license and to deal with the individual copyright owners.

"ASCAP has no need to worry about the outcome of this suit. It is perfectly prepared to abide the consequences, and as an individual who, in 1924, said 'Radio constitutes the greatest contribution that Science has made to Mankind; it will do more to give us a universal language; to make wars impossible; to bring about the true millennium more than anything that has happened in the World since the advent of the Christian Religion', I personally hope that the broadcasters have considered the situation that will result if the suit of the Government is successful, sufficiently careful not then to come crying for the organization of something to take its place. Its own so-called 'Radio Program Foundation' will never do it, or anything like it, because if ASCAP is found to be illegal, that Foundation will be found just as much so.

"The rights vested in the members of ASCAP under the Copyright Law are reasonable and in accord with the practice of civilized governments throughout the world. A great many broadcasters recognize these rights cheerfully, and not nearly so many broadcasters as professional propagandists would have us believe are discontented with the present arrangement. We know,

because we have almost daily contact with them, and as individuals they often sing a different song from the tune called by those who assume to speak for them.

"I am glad to make this statement just prior to the forthcoming NAB Convention, that I think it would be healthy and useful if the true issues were frankly and openly discussed on the floor of the Convention. ASCAP has no wish to take part in the internal politics of the NAB but it knows a good deal about them and it would be sorry to see the rank and file of broadcasters subjected to the chaos and confusion that would result from a dissolution of ASCAP and a necessity for each broadcaster to deal individually with separate copyright owners. I know something of broadcasting, and of the 'headaches' that would be involved.

"Broadcasters this year will sell over one hundred million dollars worth of time to advertisers. They will sell this time only because of their use of music. Without using music for the bulk of their programs, they could not sell one-tenth as much time to sponsors. They might as well make up their minds that the copyright owners are going to be fairly paid for this use of their works - either through ASCAP or otherwise, make no mistake about that. These owners have no wish to be excessively paid - they want no more than it is right and fair that they should receive and they will not willingly accept anything less. Let the broadcasters not make the mistake of thinking that the individual copyright owners will not know their rights if ASCAP is dissolved or that there will not be some machinery set up to police the situation for them. Composers and authors are by no means powerless. They know their rights. Knowing them, they have no wish to assert them harshly or unfairly, and no purpose is served by threatening them or indulging in invective or vituperation.

"To the extent that he is interested in this music copyright situation, let every broadcaster take to heart this plain and simple statement - that the musical copyright owners realize that the broadcasters are amongst their best customers and they are anxious to deal with them fairly and equitably and with due regard for their situation no less than with a determination that the composers and authors shall be fairly paid for their contribution to this tremendous operation.

"And, without betraying confidences, it may be said that in informal conferences during the past few months had by representatives of ASCAP and NAB respectively, I personally feel that substantial progress has been made toward a solution of the problem. No solution whatever will derive from the outcome of the pending Federal suit, either one way or the other. If ASCAP wins, we are left precisely where we were. If ASCAP loses, 'Confusion twice confounded' will result.

9/14/34

"I close this interview by expressing the hope that the so-called 'little fellow' amongst the broadcasters may have a real voice in the councils of the organization before it commits itself to other steps as foolish as I deem its pressure upon the Government to bring this suit to have been."

X X X X X X X X X X

RECENT OLYMPIA, ENGLAND, RADIO SHOW SUCCESSFUL

The annual radio show held at Olympia, England, during August under the auspices of the Radio Manufacturers' Association was considered by the trade to have been most successful, Assistant Trade Commissioner Henry E. Stebbins, London, has reported.

Attendance during the nine days of the show totalled 240,143 compared with 202,000 last year, while sales concluded were valued at approximately £29,500,000 compared with £22,563,000 a year ago, the report stated.

Although there are but 124 manufacturers listed as members of the Radio Manufacturers' Association, 213 manufacturers exhibited their merchandise on 300 stands.

The chief features of the receiving sets exhibited at this year's show included noise suppressors, controls by which selectivity can be increased or reduced, all wave devices, twin loud speakers to increase the range of sound reproduced, tubes with clips instead of pins, and battery operated high-frequency pentodes, hitherto available for electric sets only, the Assistant Trade Commissioner reported.

The British Broadcasting Corporation and the General Post Office cooperated in the exhibition, the former providing a theatre in which visitors could witness actual radio broadcasting and the latter exhibiting a film display and a physical display.

The show was moved almost in entirety to Glasgow, Scotland, from which point it will later be transferred for exhibition at Manchester.

X X X X X X X X

9/14/34

CENSORSHIP SEEN IF EDUCATIONAL AND RELIGIOUS PROGRAMS FAVORED

An argument to be made by the broadcasters when the Federal Communications Commission considers October 1st whether a certain percent of the radio facilities should be allocated to educational, religious and other non-profit making stations, is that if this is done, it will amount to censorship of programs.

"The minute the Government starts saying what sort of a program is to be broadcast, it opens the door wide open for censorship", a broadcaster observed. "It raises the question as to whether the Radio Act means to control the type of program broadcast or simply the mechanical facilities.

"The minute Congress starts allocating frequencies for religious, educational or any other type of program, there will be no stopping. It is not a question of whether 10%, 25% or 50% of the radio facilities are to be allocated. It is not a question of the amount because the principle is just as bad if it were only 1%."

Broadcasters are being urged to make a bitter fight at the October meeting because if the Communications Commission recommends in favor of additional frequencies for religious and educational stations, it may mean that commercial broadcasters will lose some of their choice frequencies.

"The broadcasters do not realize apparently, that from this general hearing, Congress may be expected to formulate future policies with respect to the American broadcasting system", said Henry A. Bellows, Chairman of the Legislative Committee of the National Association of Broadcasters, in an effort to arouse them to the seriousness of the situation.

"They do not realize that the Commission is required by law to report to Congress its recommendations for new legislation."

Mr. Bellows said that in addition to representatives of the networks telling their story in their own way, a number of individual broadcasters would testify.

It was said at the National Committee on Education by Radio, advocates of more time on the air for educational stations, that a meeting would be held September 24th to determine who will represent them. It is expected that this may be Joy Elmer Morgan, of the National Education Association, Armstrong Perry, or Dr. Tracy F. Tyler, the latter two being officials of the Committee on Education by Radio.

9/14/34

Owing to the reported illness of Rev. J. B. Harney, Superior General of the Paulist Fathers, whose complaints were directly responsible for the hearing, it is doubtful if he will be present, but if not, the Paulist Fathers will unquestionably send a representative to take his place.

If the Communications Commission should recommend to Congress that a certain percentage of the radio facilities should be allocated to education and religious institutions, they will face the perplexing situation, according to the broadcasters, of having to define what "religious" and "educational" broadcasts really are.

"There would be enough differences of opinion as to what should constitute a religious broadcast, but they would be as nothing compared to the different views on educational broadcasts", Mr. Bellows said. "At least in the matter of religion you have certain well defined groups - you have the Roman Catholic Church, you have the Episcopal Church; you have groups you can define. But you cannot do that in education. There are just as many different views on education as there are educational institutions, and I am prepared to say, as many as there are individual teachers."

"What is meant by 'education' in the domain of radio?" Charles N. Lischka of the National Catholic Educational Association, a member of the National Committee on Education by Radio, asks and answers, "By education in the air we mean primarily the same that we mean by education in school - we mean the broadcasting of such material as is ordinarily presented in regular educational establishments, although the method of the studio necessarily differs from the method of the classroom. Moreover, we have in mind primarily the education of youth, and adult education only in a secondary sense. Those schoolmen who hold religion to be inseparable from education would logically, under proper conditions, put religion on the air in an educational rather than a commercial setting.

"For several years radio has been used successfully as a supplement to the school. The most notable example is the work of the Ohio School of the Air, under the direction of the State Department of Education. Another important venture is the American School of the Air in New York. A number of city school systems broadcast locally. About fifty colleges and universities maintain broadcasting stations. Five of these stations are Catholic, namely: WWL, Loyola University, New Orleans; WEW, St. Louis University; WHAD, Marquette University; WHBY, St. Norbert College, West De Pere, Wis.; and KGY, St. Martin's College, Lacey, Wash."

X X X X X X X X

VAS YOU EFFER IN ZINZINNATI?

The National Association of Broadcasters will hold the most important convention in its history at Cincinnati beginning Monday, September 17th. The news broadcasts, the Broadcasters' Code, the government suit against the American Society of Composers, and the October 1st hearing of the Federal Communications Commission on religious and educational programs will be among the live topics discussed.

Cincinnati, noted for its hospitality and as the home of WLW, the world's most powerful broadcasting station, will run out the red carpet. Philip G. Loucks, Managing Director of the NAB, predicts a record-breaking attendance.

The Association meetings end Wednesday afternoon but it is hoped that enough broadcasters may be persuaded to remain over until Thursday morning to attend a session devoted entirely to a discussion of the Broadcasters' Code.

X X X X X X X X

RADIO ADVISORY COUNCIL TO MEET IN CHICAGO

October 8 and 9 are announced as the dates for the forthcoming annual assembly of the National Advisory Council on Radio in Education which will be held in Chicago. Five sessions will be at the Drake Hotel and one in the Hall of Science at the Century of Progress Exposition.

"The Importance of Radio Broadcasting in a Changing Social Order" is to be the general subject of the conference. Among the speakers will be Secretary of the Interior, Harold L. Ickes; Dr. John H. Finley, Associate Editor of the New York Times; Walter Damrosch; John Erskine; President Robert M. Hutchins, University of Chicago; President Walter Dill Scott, Northwestern University; Dr. Frederick P. Keppel, President of the Carnegie Corporation of New York; President Robert M. Sproul, University of California; President Lotus D. Coffman, University of Minnesota; Colonel Frank Knox, publisher of the Chicago Daily News; Dr. Harry Woodburn Chase, Chancellor of New York University, and others.

Carl H. Milam, Secretary of the American Library Association, is Chairman of the Committee on program which includes Levering Tyson, Director of the N.A.C.R.E., President Hutchins and President Scott. Private versus government control of radio will be one of the live topics of discussion. Robert A. McMillan, President of the Council, will open the conference with greetings transmitted by short wave from London.

X X X X X X X X

9/14/34

BROADCAST ADVERTISING SHOWS DECLINE

Broadcast advertising in July totaled \$4,375,463, a decrease of 19.2% as compared with June, the National Association of Broadcasters reports. 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.

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.

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%.

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, dues principally to a dropping off of local business. Live talent volume declined 16.5%, record volume 50.0%, and spot announcement volume 8.4%.

X X X X X X X X

9/14/34

SALES AGREEMENT REPORTED AIDING GERMANY RADIO TRADE

The receiving set sales agreement arranged between the Radio Equipment Manufacturers' Organization and the various radio dealers associations of Germany in 1933, has now been renewed and will continue in force until December, 1935, according to a report by Vice Consul C. T. Zawadzki in Berlin.

The sales agreement has, in general, had a favorable effect on the conditions in the German radio industry and trade, having resulted in better ordered discount rates and the elimination of alleged unfair trade practices, the report stated.

One favorable effect of the sales agreement has been the reduction in the number of dealers in radio receiving equipment, it was stated. It has been estimated that there were approximately 60,000 retailers and 1,500 wholesalers of radio receiving sets in Germany at the beginning of 1933 among which were numbered many unemployed persons who retailed sets from house to house.

The registration policy for the retail trade contained in the agreement resulted in reducing the number of retailers to about 37,000 while wholesalers were reduced in number to approximately 750, the Vice Consul reported.

X X X X X X X X

CALLS FORD LICENSE CANCELLATION CRACKDOWN

Among other things in his alleged proof of his censorship accusations against President Roosevelt, Senator Thomas D. Schall, of Minnesota, said:

"On the 'first day after the Communications Act was passed, the Radio Commission issued against the three radio stations of the Ford Motor Company - stations used for S.O.S. signals to ships on the Great Lakes in time of storm and as light beacons for airships of the Ford company and the general public - a report recommending cancellation of their charters. This is in revenge because Ford refuses to carry a Blue Eagle and subject his business to the dictatorship of 'Crackdown' Johnson."

Senator Schall reiterated the charge that the Communications Act gave the government control of the radio and wire communications.

X X X X X X X X

HARRY A. WOODMAN NAMED KDKA GENERAL MANAGER

Harry A. Woodman, veteran broadcasting executive, has been made general manager of KDKA, Pittsburgh. Woodman, who for years has been traffic manager of the National Broadcasting Company, succeeds William S. Hedges, who some months ago was named manager of owned and operated stations of the NBC.

The new KDKA general manager, a native of Portland, Maine, was graduated from Bates College. He became interested in the possibilities of radio during the early days of broadcasting, and joined the staff of WEAf, then owned by the A.T. & T. in 1925, as sales and station contact.

He assisted in the formation of the first experimental networks and when the NBC was formed in 1926, taking over WEAf among other stations, Mr. Woodman joined the new organization as traffic manager, a post which he has held ever since.

X X X X X X X X X

ANOTHER LAWYER FOR FCC

A. L. Stein, of Chicago, has been appointed to serve in the Legal Division of the Federal Communications Commission. Mr. Stein was born in Eveleph, Minn., is a graduate of Harvard, and has been teaching in Chicago on the subject of public utilities.

X X X X X X X X X

APPLICATIONS RECEIVED BY BROADCAST DIVISION, FCC

September 12 - WMAL, National Broadcasting Co., Inc., Washington, D. C. modification of license to use present licensed main transmitter as auxiliary and present licensed auxiliary as the main transmitter; A. L. Chilton, Kilgore, Texas, C.P. to erect a new broadcast station to be operated on 1200 kilocycles, 100 watts, unlimited time; WAMC, Raymond C. Hammett, Anniston, Ala., modification of C.P. authorizing rebuilding of station requesting approval of transmitter site, installation of new equipment and extension of commencement and completion dates; Leo J. Blanchard, Fredericksburg, Texas, C.P. to erect a new broadcast station to be operation on 1220 kilocycles, 250 watts, sharing time with WTAw; Clinton Broadcasting Corp., Clinton, S. C. C.P. to erect a new broadcast station to be operated on 1120 kilocycles, 500 watts, daytime amended to request 620 kilocycles, transmitter site to be determined; Maynard Dowell, San Diego, Cal., C.P. to erect a new broadcast station to be operated on 1150 kc., 100 watts, unlimited time.

X X X X X X X X X

EUROPEAN RADIO NOT SUITED TO U.S., ANNOUNCER FINDS

Americans would not be happy under any of the broadcasting systems now in vogue in Europe, John S. Young, National Broadcasting Company announcer, declared on arriving in New York recently after an extensive survey of broadcasting methods in Europe.

Mr. Young, only NBC announcer with a Doctor of Laws degree, has just returned from Oxford University, England, where he went at the invitation of the Warden of the King's English to deliver a series of lectures on American speech. He also engaged in research at Cambridge University and made an intensive study of British broadcasting.

From his observations abroad, Young concludes that "the test by which any national system of broadcasting must stand or fall is whether the nation caters to the needs of its own listeners and adequately fulfills their distinctly national characteristics of mind and enjoyment in terms of the national culture."

What is good for one country in radio broadcasting may not be good for another because of differences in social structure and traditions, the announcer pointed out.

German broadcasting, Mr. Young said, has changed from an aggregation of privately owned companies into a publicly-owned system which takes its instruction from the Minister of Propaganda.

Russian broadcasting, while furnishing excellent music, exists to inculcate Communist ideals among the people, he observed. As for France, there is a "mixture of elements, some analogous to England and some to America." Both direct government operation of broadcasting through the Post Office and operation by private companies are in force in France.

Mr. Young is of the opinion that "the people of this country would not be happy under any broadcasting system in vogue in Europe."

X X X X X X X X

NEW APPLICATIONS GRANTED BY TELEGRAPH DIVISION

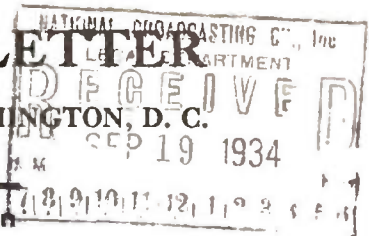
September 12 - Associated Press, Portable-Mobile, 2 C.P.s, frequencies 31100, 34600, 37600, 40600 kc., power 0.5 watts, also licenses covering same; City of Springfield, Ohio, Portable-Mobile (2 applications) C.P. frequencies 30100, 33100, 37100, 40100, 86000 to 400000, 401000 kc. and above, 9 watts; United Press Associations, Portable (2 applications), C.P. (Exp. Gen. Exp.) 27100, 31100, 34600, 37600 kc., power 0.5 watts, also licenses covering same; Bell Tel. Labs., Inc., Portable-Mobile used principally in State of N.J., license 30000 to 56000, 60000 to 86000 kc., 1 KW power.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 18, 1934.

| | |
|---|----|
| New B.B.C. Radio Station Opens..... | 2 |
| Cincinnati Hears About Broadcasting Under The New Deal..... | 3 |
| RMA Board Approves Separate Radio Code Plans..... | 6 |
| Increased Export Trade Under New Reciprocal Treaties..... | 6 |
| San Francisco Talks To Hawaii Over Television Tube..... | 7 |
| Network Program Advertising Begins..... | 8 |
| Dill Speech May Lead To Radio News Association Formation..... | 9 |
| One Cent Runs Radio 1½ Hours..... | 10 |
| Senator Dill's Proposal Criticized By Harris..... | 11 |
| FCC Starts Free Telegram Probe..... | 11 |
| Industry Notes..... | 12 |
| Former Commissioner Starbuck Divorces Wife..... | 12 |

No. 758

[Handwritten scribbles and signatures]

September 18, 1934.

NEW B.B.C. RADIO STATION OPENS

Using five times the power of the nine-years-old veteran, "5XX", at Daventry, England, the new long-wave station of the British Broadcasting Corporation has been officially opened. It is at Wychbold, about three miles northeast of Droitwich, on the Droitwich-Birmingham road.

"Technically the 'National' transmitter is as nearly perfect as knowledge can make it, and, for the present, is the best broadcasting station in the world", Capt. Ernest H. Robinson, radio expert, observes. "It is self-contained, with its own generating plant, and a twin set of Diesel oil engines as the main prime-movers. Its two lattice-girder masts are each seven hundred feet high, nearly twice as high as the cross on the dome of St. Paul's."

When Droitwich is thoroughly established, the existing National transmitters will close down. New regional stations are to come into operation for the North Scottish, North Eastern, and Belfast areas. When the work is completed 98 per cent of the inhabitants of England, Scotland, Wales, and Northern Ireland should have a thoroughly good service from one transmitter and something between 85 and 90 per cent, an equally good service from two transmitters. The B.B.C. engineers define "good service" in a very technical way, but the generally accepted meaning of the words is the kind of reception one can get within about forty miles of a Regional transmitter.

In most districts Droitwich will be very much more powerful than "5XX". Also its quality is much better than that given by the old station.

"It will have a profound effect on listening in remote districts, and should mean a considerable increase in the number of licenses issued this winter", Captain Robinson continues. "Those who dwell within twenty or thirty miles of the present twin stations have little or no idea of the difficulties which those farther afield have in receiving the present National stations, difficulties which are complicated by the low level of signal strength of '5XX' in many places and its undoubtedly poor quality.

"On the other hand, there are a great many who are fairly close to the present National transmitters who will be sorry when they close down and Droitwich provides the only National programmes. The North of London is a district that is likely to be particularly effected. Some, living almost under the shadow of the Brookman's Park aerial, who have been getting both programmes on a few feet of wire slung up around the room, will find that they must put up an outdoor aerial to get Droitwich at the strength they are used to from London National."

X X X X X X X X

CINCINNATI HEARS ABOUT BROADCASTING UNDER THE NEW DEAL

"What we do will be with a minimum of breaking down the present allocation and assignments thereunder. What we direct will be evolutionary rather than revolutionary. What we shall ask of you is simply that you maintain the same progressive standards on the technical side that the public demands you shall maintain on the side of culture and entertainment."

That, Hampson Gary, Federal Communications Commissioner, told the National Association of Broadcasters' Convention at Cincinnati, is the spirit of broadcasting under the New Deal.

Mr. Gary said the Commission recognizes there must be a sound economic as well as technical basis for the broadcasting structure. But the technical basis must not be disturbed if it will seriously affect adequate service to the listener. The listener comes first.

There is certain advertising being done on the radio which is unfortunate to say the least, Commissioner Gary asserted.

"We've all heard people on the air who should not have been on the air", he continued. "Here is presented the opportunity for you to do some housecleaning. Is it not practicable in our free land for the radio advertisers themselves, together with the radio stations and networks, to develop their own school of ethics, guiding themselves?"

Mr. Gary again emphasized the fact that the Commission has no power of censorship and added, "And we desire none. The United States is the land of freedom of speech, freedom of the press, and radio should be maintained as a free American enterprise. The Communications Commission has no wish to dictate what manner of entertainment or discussion shall go on the air. It is not desirable or necessary. We want the broadcasters themselves to maintain, for the sake of their own continued existence, a clean, wholesome American attitude and balance, the kind that good taste and common sense suggest."

Broadcasters are facing legislative problems both more serious and more acute than any they have faced in the past, Henry A. Bellows, Chairman of the Legislative Committee warned the convention.

"Don't for one moment forget that the only reason why we escaped special legislation in the last session of Congress was because such legislation was expressly reserved for the session which begins next January", Mr. Bellows said. "The President has told the Federal Communications Commission to make recommendations to Congress, and unquestionably the Commission will do so. Even if, as we hope, its recommendations call for no radical changes, we are still facing the certainty of legislative attacks in the next session of Congress."

9/18/34

"This, after all, is the New Deal, which means in the minds of a great many people a vast extension of government control over business. It means an era of unprecedented legislative experiment. It means that many of the rights which used to be regarded as firmly established can no longer be considered as stable. The broadcasting industry has got to justify its existence, but it has got to do a good deal more than that. It has got to prove that its operation is in the public interest, and that any material change in the method of that operation would hurt the public."

The immediate issue before the broadcasters is the showing they must make on behalf of American broadcasting in the hearing before the Radio Division of the Federal Communications Commission October 1.

"I have no hesitation in saying that this hearing is one of the most important events in the entire history of American broadcasting. It is up to us, not merely to present a case which will justify the Commission in recommending no material changes in the law as it affects broadcasting, but still more to establish so strong a record that we shall have a conclusive answer to every attack which can be made on our industry and our work", the Chairman concluded.

"After the hearing will come the session of Congress, and, as I have said, no matter what the Commission may report, attacks on the broadcasting industry are bound to be made. We shall have the Tugwell bill, possibly in a more drastic form than ever. We shall have proposals for automatic copyright. We shall have bills seeking to take away part of our facilities, and bills seeking further government regulation of our activities."

In dealing with the subject of radio advertising and the Federal Trade Commission's relation thereto, Ewin L. Davis, Vice Chairman of the Commission, said, in part, in addressing the convention:

"Radio broadcasting has become a very important factor in our social, political and economic life. It takes into the remotest homes throughout the land the voices of the great leaders of thought, and a wide variety of music and other forms of entertainment. On occasions a large portion of our population are brought into a single radio audience.

"In England and other countries, the cost of radio programs is met by charges to the owners of receiving sets. In the United States most programs are paid for by advertising sponsors. I am advised that for the twelve months ending last June the national radio advertising bill exceeded \$65,000,000. Yet the radio art and the radio industry are still in their infancy. I mention this to emphasize the importance of the subject."

9/18/34

Mr. Davis emphasized the point that the Federal Trade Commission neither claims the authority, nor has any desire to censor advertising. Its sole purpose is to curb unlawful abuses of the freedom of expression guaranteed by the Constitution. To put it tersely, he said, the Commission does not dictate what an advertiser shall say, but may indicate what he shall not say. The processes of the Commission are not punitive, but injunctive.

In response to the Commission's request that all of the networks, transcription companies and individual broadcasting stations file with them copies of their advertising continuities, all of the networks (two national and eight regional) complied; of the 36 transcription companies, 9 small companies have not responded; of the 596 broadcasting stations now operating, 593 have responded.

"The Commission has received nearly 180,000 continuities", Judge Davis reported. "They have made a preliminary detailed examination of 146,117 of such continuities. Of these 125,126 were found unobjectionable and filed without further action; 20,941 were distributed among members of the Special Board for further checking and possible investigation. There remain on hand not yet examined approximately 33,000 continuities.

"On July 30th the Commission advised those stations which had complied that they might discontinue forwarding continuities until further notice, although the network and transcription companies will continue sending their continuities. Further calls will be made upon the individual stations from time to time as the Commission is able to handle the continuities.

"The Commission has been very much gratified by the splendid spirit of cooperation shown by nearly all of those engaged in the radio broadcasting industry", Mr. Davis concluded. "We have been much pleased that this new procedure on our part has been received by the industry in the same spirit in which it is undertaken. It is refreshing that such an overwhelming percentage of your industry are so deeply interested and so fully appreciative of the importance of permitting only truthful and honest advertising over the radio -- thus not only preventing the violation of the law through that medium, but also preventing advertisers from defrauding the public and thereby causing a loss of listener confidence in radio advertising."

X X X X X X X X

RMA BOARD APPROVES SEPARATE RADIO CODE PLANS

Arrangements negotiated by the RMA Code Committee with the National Industrial Advisory Board and NRA at Washington for independent Code operation for the radio manufacturing industry were approved by the Board of Directors of the Radio Manufacturers' Association at its recent meeting in New York City. The Board also tentatively made new plans for a national radio sales promotion campaign this Fall and early Winter.

Capt. William Wparks, of Jackson, Mich., Chairman of the RMA Special Code Committee, and Bond Geddes, Executive Vice-President and General Manager, detailed to the Board an agreement reached between RMA and NEMA, in recent conferences with the National Industrial Advisory Board, providing for an independent Code status and Code Authority for the Radio Industry. The details are to be worked out by the RMA Code Committee in early conferences with NEMA and the Washington authorities.

Powel Crosley, of Cincinnati, Chairman of the RMA committee in charge of the "Five Point" national radio promotion plan, developed jointly by the RMA and Radio Wholesalers' Association, presented his report to the Board whereby it is hoped to place the new plan in operation next November. Its institution by manufacturers, with their exclusive financial support and direction, is contemplated, to effect an immediate beginning of at least part of the national promotion activities embraced within the original "Five Point" plan.

X X X X X X X X

INCREASED EXPORT TRADE UNDER NEW RECIPROCAL TREATIES

Efforts to increase foreign markets are being made by the Radio Manufacturers' Association, according to Bond Geddes, in behalf of the radio industry in connection with present negotiation of new reciprocal treaties with many foreign countries. Under the new "tariff bargaining" law the first reciprocal treaty with Cuba was signed August 24 and provided for increased concessions on radio products. The margin of preference to U. S. exporters on radio sets, tubes, parts and accessories was increased from thirty to thirty-five per cent. On sets the new advalorem rate is 26 per cent as compared with 28 per cent, while the new Cuban rate on tubes, parts and accessories is 19½ per cent as against 20 per cent under the old treaty.

The RMA is advised that the State Department has arranged for negotiations of new reciprocal treaties with Brazil, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, and information in connection with such treaties must be presented before October 15th. The RMA is acting to present the interests of the radio industry in the new reciprocal treaties.

X X X X X X X X

SAN FRANCISCO TALKS TO HAWAII OVER TELEVISION TUBE

Radio history was written on the Pacific Coast last week, writes Earle Ennis in the San Francisco Chronicle, when San Francisco talked to Hawaii and ships at sea over a Farnsworth "cold-cathode" television tube, operated for the first time as an oscillator.

The conversation, effected in Continental code from a local station, officially inaugurated a new system of wireless communication.

The demonstration was conducted at the South San Francisco laboratories of Heintz & Kaufman, Ltd., television licensees, on Tanforan Avenue. The new tube, originally designed as a televisor, is now applicable to commercial communication work.

The demonstration was conducted in the presence of scientists, radio engineers, newspaper men, wire service representatives and university experts.

"A score of Dollar Line ships in all parts of the world kept an all-night watch for the new signals from the South San Francisco station", Mr. Ennis writes. "Immediately after the tests began Hawaii reported reception there with loud speaker volume, and on the heels of this came reports from the ships of the listening brigade that the signals were being received by them all over the world. The demonstration was regarded by radio engineers as an amazing and outstanding success.

"The tube used was a special type television tube invented by Philo T. Farnsworth, San Francisco inventor of Television Laboratories, Inc., which is without filament or grid and operates 'cold' or without heat. Before the astonished gaze of onlookers, electrons were started in motion in the tube, which resembles a fruit jar. The moving electrons, coasting freely in the tube, were bounced and rebounded back and forth, each time multiplying or breaking up into additional streams of electrons.

"This multiplying action of the tube furnished the 'oscillations', which piped onto the antenna through conventional circuits set up the well-known radio pulsations that carry the words of the voice, or the broken chatter of the radio key, into the far places of the world. The received impulses are high-pitched, flute-like in quality and resemble a crystal-controlled transmitter both in quality and frequency stability.

in the

"The tube used/demonstration had an output rated at 500 watts when piped through the conventional amplifier circuits. The circuit used was simplicity itself - the tube, the amplifier, the necessary tuning inductances, and capacities providing the

9/18/34

well-known LC elements - and the power supply. The tubes may be constructed to enormous size capable of handling power rated in kilowatts, according to radio engineers.

"The amazing part of the whole affair was that Farnsworth had no idea when he developed the tube several years ago that it would be of value in the commercial radio communication field. He was seeking a device that would replace the coarse and inefficient scanning disks of early television systems. In his hunt for a cold cathode televisior he brought forth a device that not only brings world happenings to a ground glass observation screen as clearly as a movie, but one that multiplies its own impulses to an astonishing degree, and can be substituted in radio transmitters for the handling of high power as well.

"The potentialities of the new tube in the communication field have not been tapped. But sufficient work has been done by the Heintz & Kaufman interests to assure engineers of the practical application of the Farnsworth tube to telegraph work in the communication field.

"The Heintz & Kaufman concern are affiliates of the Dollar Steamship group and manufacture all of the apparatus now used by Globe Wireless, Inc., whose San Francisco station is at Muscle Rock. They have been licensed by Television Laboratories, Inc., to manufacture transmitting equipment using the new Farnsworth tube."

X X X X X X X X X X

NETWORK PROGRAM ADVERTISING BEGINS

There appeared in the New York Times and 34 other leading metropolitan Sunday papers last Sunday for the first time, "Network Headliners", a syndicated advertisement giving briefly the time, feature, station and sponsor of the Sunday radio programs. It was a neat box arrangement about half a column in length and two columns wide - a sort of time-table for the day's radio highlights.

The networks themselves have nothing to do with the advertising which is solicited direct from the sponsors by the advertising agency. The idea is to centralize attention on the shows advertising instead of leaving them with no identification marks in the radio programs as listed by the dailies.

X X X X X X X X X X

DILL SPEECH MAY LEAD TO RADIO NEWS ASSOCIATION FORMATION

So great a sensation did the speech of Senator C. C. Dill, of Washington, cause at the Cincinnati Convention of the National Association of Broadcasters, that it may result in the formation of an independent association such as was advocated by Senator Dill to collect their own news.

At the conclusion of Senator Dill's speech, which was greeted by great applause and the delegates rising in their seats as a further tribute, A. J. "Hollywood" McCosker, President of the National Association of Broadcasters, declared that if the broadcasting of additional news as urged by Senator Dill had nothing further to recommend it than that it was in the "public interest to do so", he would be for it.

"To show how, resorting to the vernacular, 'up my alley', Senator Dill's suggestion is", Mr. McCosker declared, "I have, since its suggestion, refused to sign a renewal of the Radio-Press Bureau agreement."

Senator Dill declared that the Press-Radio Bureau is a failure. Of the 141 users of the service he had heard from, Mr. Dill said 100 had replied that it was unsatisfactory.

"It satisfies nobody because it flies in the face of progress. The listeners are disgusted with it. Most stations refuse to use it", the Senator said. "Many newspapers say it is unsatisfactory. Radio stations and newspapers all over the country are trying all sorts of schemes to furnish news by radio in violation of the spirit of the agreement. Even most of the stations now using the Press-Radio bulletins pronounce them highly unsatisfactory.

"Either the press associations must change the terms of the agreement so radio stations can give their listeners up-to-the-minute news and for longer periods of time, or radio stations will find or create means and methods for securing news entirely independent of the press associations."

Senator Dill said it was unbelievable that the newspapers generally don't use radio to their advantage (he remarked that 68 "wide-awake" newspaper-owned stations do) or that they should try to throttle and handicap it to the point where they force radio stations to set up a competitive short-wave facsimile service, which a few years hence may easily become so powerful that it will prove a Frankenstein to them by printing radio newspapers simultaneously all over the world.

The Senator said that radio stations are handicapped because they are not organized to secure news by radio.

"Let me now outline what an associated radio news organization of 100 or more stations could do", Senator Dill went on.

9/18/34

"First, it could either induce press associations and newspapers to sell news flashes and brief news reports for use by radio stations, or failing in that, it could finance the beginning of a great radio news service.

"Second, an associated radio news organization of 100 or more stations could secure recognition for its correspondents on an equal basis with press associations.

"Third, such an organization could send its news to member stations by short waves to be received on automatic short wave silent printers in station officers. This short wave printer is not a dream of the future. It is a reality now. I have seen it in operation.

"Fourth, such an organization could secure licenses for its members to use the necessary short waves to pick up sport events or celebrations where wire service is not available. The Associated Press and United Press often secure short waves for such purposes, but individual stations in small communities find it almost impossible.

"Fifth, if the newspapers should start a fight on radio because of news by radio and refuse to print station programs, as they have repeatedly threatened to do, such an organization could easily print their own national weekly publication such as the Radio Times of the British Broadcasting Corporation. It could then copyright radio programs and no newspaper would dare print them except by permission and then in the form the organization might direct. When it is possible to transmit newspapers by facsimile, it will be able to compel newspapers to treat fairly or face a new kind of competition in their own field.

"Sixth, such an organization could keep in direct touch with the impending developments in short wave facsimile transmission, that will certainly revolutionize the art of communication. Radio broadcasters should have such an associated radio news organization to take advantage of these developments as fast as they are made, in order to fulfill the true destiny of radio in presenting news first to all the world."

X X X X X X X X

ONE CENT RUNS RADIO 1½ HOURS

Calculations made by the New York Edison Company are that 1 cent's worth of electricity will provide 3 half-hour radio programs. Also 1 cent's worth of electricity will run a fan for 3 hours and 20 minutes and a clock for 2-1/3 days.

X X X X X X X X

9/18/34

SENATOR DILL'S PROPOSAL CRITICIZED BY HARRIS

E. H. Harris, Chairman of the Publishers' National Radio Committee, criticized last night (Sept. 17) the proposal of Senator Clarence Dill that broadcasters organize a news-gathering agency to compete with newspapers and press services.

Harris said such a proposal "is a bid for public support of a potential semiofficial Government news agency, similar to the ones existing in certain European countries."

"Since the newspapers of the United States", Harris said, "are now giving to the broadcasters the cream of the news, taken from each of the three of their National and international gathering organizations, the maintenance of which costs the newspapers more than \$25,000,000 annually, Senator Dill's proposal can only be interpreted as an attempt to build a news-gathering organization that will be under the direction of agencies licensed by the Government.

"When the Chairman of the Senate Committee, that wrote the Communications Bill and recommended its passage to Congress, advocates the organization of a National news-gathering organization, under Government license, he in effect is proposing a potential censorship of radio news and the building of a news machine for propaganda purposes.

"The people of the United States have not forgotten that radio broadcasting is under strict Government license and supervision, and that the newspapers' National news-gathering agencies are still free from Government supervision, license and restriction."

X X X X X X X X

FCC STARTS FREE TELEGRAM PROBE

The Federal Communications Commission last week issued an order directing all telegraph companies to report the names and addresses of all persons for whom telegraph messages were handled between January 1st and September 1st of this year free of charge, or a charge less than the published rate. The reasons must be given.

The carriers were asked, too, how much revenue would have accrued at regular charges between January 1st and September 1st, and separately for June, 1934.

X X X X X X X X

: : : : : : : :
 : : : : : INDUSTRY NOTES : : : : :
 : : : : : : : :

There was no meeting of the Broadcast Division of the Federal Communications Commission today, Chairman Gary being in Cincinnati where he spoke before the NAB convention.

The annual Electrical and Radio Exposition will open tomorrow, September 19th, at Madison Square Garden. For eleven days, more than 135 manufacturers of radio and electrical appliances will display their latest wares at this New York Show.

Three RMA engineering committees will hold meetings this week in New York. Further work on radio interference problems will be considered by the Joint Coordination Committee on Radio Reception of RMA, NEMA and EEI next Thursday, Sept. 20.

The RMA Facsimile Committee, working on the engineering programs and development of facsimile reception will meet in New York on Friday, Sept. 21, and the Tube Engineering Committee on Saturday, Sept. 22.

A message from President Franklin D. Roosevelt, to be read by James A. Moffett, administrator of the Federal Housing Administration, at the opening of the National Electrical and Radio Exposition in New York, will be heard during the Byrd Expedition broadcast on the WABC-Columbia network tomorrow night, Wednesday, Sept. 19, from 9:00 to 9:30 P.M. E.S.T.

Keeping line noises out of present-day all-wave reception is the function of the new TACO H-F All-Wave Line Filter just announced by Technical Appliance Corp., 27 Jackson Ave., Long Island City, N. Y.

X X X X X X X X X

FORMER COMMISSIONER STARBUCK DIVORCES WIFE

William D. L. Starbuck, of New York, patent attorney and mechanical engineer and until last February a member of the Federal Radio Commission, having served there for five years, obtained a divorce at Reno yesterday (Sept. 17) from Frances Sayre Starbuck of Egremont, Mass. Mr. Starbuck charged five years' separation. The decree was won on default when Mrs. Starbuck made no appearance. The case was filed July 18th.

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D.C. 1934

CONFIDENTIAL - Not for Publication

LEGAL DEPARTMENT
 SEP 22 1934
 7 8 9 10 11 12 1 2 3 4 5 6

DEPARTMENT
 DIVISION
 7 8 9 10 11 12 1 2 3 4 5 6

Recd
201 B9
9/22/34

INDEX TO ISSUE OF SEPTEMBER 21, 1934.

Tennessean Is Broadcasters' New President.....2
 U.S. Suit Against Composers Speaks For Itself, Says Schuette..4
 Rayburn Violates Own Radio Law.....5
 Microphonic NAB Convention Pickups.....6
 "Interference Conference" Planned By RMA.....7
 Wheeler, New SCC Possibility, Favors Radio Govt. Ownership...8
 Telegraph Division Of FCC Issues New Order.....9
 ABS Establishes New Production Department.....9
 Postal And I.T. & T. Announce Operating Expenses.....10
 Bayer Bows To Ad Order.....11
 Demonstration Period For Radio Sets In South Africa Reduced..11
 Applications Granted By Telegraph Division, FCC.....12

No. 759

adef *S* *g* *gph*

September 21, 1934.

TENNESSEAN IS BROADCASTERS' NEW PRESIDENT

In keeping with the New Deal, a new slate of officers was elected by the National Association of Broadcasters at Cincinnati. J. T. Ward, of Station WLAC, Nashville, Tenn., defeated H. K. Carpenter, of WHK, Cleveland, for the presidency by a vote of 96 to 55. Lambdin Kay, famous old announcer of WSB, Atlanta, was elected 1st Vice-President, and Charles S. Meyers of KOIN, Portland, Ore., 2nd Vice-President. Isaac D. Levy, of WCAU, Philadelphia, was chosen as Treasurer.

A. J. McCosker, whose record as President was highly praised, was urged by friends to run for a third term but declined in the following letter:

"Because of the demands on my time arising from the operation of the WOR 50 KW transmitter shortly to be completed, I request that my name not be reconsidered in renomination for the presidency. Having served two terms as President, I feel I have made the contribution to the Association which might be expected of me."

The name of Leo Fitzpatrick, of WJR, Detroit, was placed in nomination for President in opposition to the Administration slate but Mr. Fitzpatrick declined to run.

The following Directors were elected: Three years - A. J. McCosker, WOR, Newark; Leo Fitzpatrick, WJR, Detroit; Harry Butcher, WJSV, Washington; John Gillan, WOW, Omaha, and Gordan Persons, WSFA, Montgomery, Ala.; One year - Harold Wheelahan, WSMB, New Orleans; Stanley Hubbard, KSTP, St. Paul, and Powel Crosley, Jr., WLW, Cincinnati.

According to Miss Seibert in charge of the registration booth, 370 delegates registered which was about 100 more than last year and set a new record. The crowd taxed the capacity for the smoker at the Elks Club given by the Cincinnati Convention Committee, of which Powel Crosley, Jr. was Chairman, and the banquet Tuesday night was attended by almost 400, Edwin M. Spence, Chairman of the Convention, said.

Entertainment at the banquet was furnished by WLW and there was quite an ovation for Joseph A. Chambers, Chief Engineer of the station. The golf prize cup given by Broadcasting Magazine was presented to Lewis Allen Weiss, General Manager of WJR, Detroit.

Radio was not invented to bore the human race, William Hard, radio commentator and writer, observed; every broadcasting station must therefore amuse.

"Broadcasting is done on public property", Mr. Hard continued. "The true real estate upon which it operates is the ether. Bands of the ether are allocated to broadcasters everywhere by the public authorities. The broadcaster is a tenant of a public domain."

Speaking of the advertising situation Mr. Hard remarked:

"The power of advertisers in this country is today limited by the fact that they are so enormous in number and so disassociated in interest. They do not and cannot act as one. Let now the government, however, extend its domination of all business to the point of controlling all advertising through one agency in Washington and there will not be left one free newspaper or one free radio station in the United States."

Control of broadcasting can be either from within or without, Col. Thad H. Brown, of the Federal Communications Commission said.

"These are the only two possibilities", the Commissioner explained. "I submit to you sincerely and frankly that it is not the desire of the Commission to take from the broadcaster the right to control his activities. Instead, it is our steadfast desire to vest in the broadcaster all powers of control properly belonging to him. It is rightly your job and you are the ones properly qualified to do the job of directing broadcasting for the benefit of and to protect the rights of the millions of American listeners."

Colonel Brown evidently tried to pour oil on the troubled waters of newspapers and radio stations by saying:

"Radio and its relations with the press should be given consideration also with mutual co-operation as the ultimate goal. There is not a business of strict competition, properly viewed. Changes and adjustments between press and radio must be forthcoming. In the matter of supplying news, a definite understanding is also possible. If the press is faithful to its creed to seek to reach the greatest number of people with news in the least space of time, it cannot afford to overlook the radio. Nor can radio continue to prosper without the continued cooperation of the press."

Broadcasting is the most regulated of American industries, Alfred J. McCosker, President of the National Association of Broadcasters, said.

"We have had no quarrel about that. But we must be on the alert to prevent over-regulation", Mr. McCosker told the convention. "It is only a short step from proper regulation to

that character of Federal control which might impair, if not wreck, our freedom of operation."

The speaker predicted that any "class allocation by Congress" such as proposed in the October 1st religious and educational hearings, "would undermine our industry, and might lead eventually to nationalization of American broadcasting, after the fashion of continental systems."

Despite the fact that the membership of the National Association of Broadcasters had increased its membership 100 over 1933, bringing the total to 370, income from dues failed to meet operating expenses during the first nine months of the year. The deficit was about \$5,000, Philip G. Loucks, Managing Director, revealed and was made up from the reserve funds of the Association which now has a bank balance amounting to \$4,000.

The annual income derived from dues amounted to \$35,139.81; operating expenses totaled \$39,598.13.

X X X X X X X X

U.S. SUIT AGAINST COMPOSERS SPEAKS FOR ITSELF, SAYS SCHUETTE

Everything which need be said is summed up in the Government anti-trust suit against the American Society of Composers, Oswald F. Schuette, copyright advisor, told the National Association of Broadcasters at Cincinnati.

"Everything which has transpired since the last meeting of the Association is in that suit", Mr. Schuette went on. "The Government means to take away, if possible, the extortionate power of ASCAP. I shouldn't be surprised if, for the time being, the Composers will behave. I don't believe they will pursue their arbitrary methods while the suit is pending."

Referring to the interview with E. C. Mills of the Composers, which appeared in the Heintz News Service, Mr. Schuette said:

"I am glad Mr. Mills said there is nothing to be gained by making faces and gnashing teeth at each other. He was unfortunate in saying that the Composers were threatened with the suit as an alternate to making a rate for the broadcasting license fee. The rate had nothing to do with it.

"Mr. Mills' statement that ASCAP is willing to cancel the contract of any dissatisfied station is as absurd as if a Milk Trust, in some city whose milk supply it controls, were to say that any householder who dislikes its prices can cancel his contract and go out in the country and buy his milk from the farmer."

Mr. Schuette said that if ASCAP is dissolved, a nucleus for a clearing house for broadcasters' music would be found in the NAB Radio Program Foundation. He said a lot of Federal Court actions are allowed to go to sleep and that this one shouldn't be allowed to slumber.

J. C. Hostetler, of Cleveland, partner of Newton D. Baker, copyright counsel, also referred to Mr. Mills' interview and said he hoped the latter was correct when he said that substantial progress had been made during the past few months in informal conferences between the Composers and the Broadcasters.

"I have no desire to be offensive", Mr. Hostetler said. "I expect to see Mr. Mills in New York for further conferences."

"We want to treat ASCAP fairly", said Isaac D. Levy, of Station WCAU, Philadelphia. "We want to treat the composers fairly. We want to pay them what the music is really worth and not what Mills thinks it's worth."

"We don't want ASCAP to be hammering our heads every time a new contract is made. We want longer time contracts. We don't want them to be demanding another increase before the ink on the contract we have just signed is dry."

"The ASCAP does some worthy things, such as taking care of composers who are in need and in distress. However, they should pay for this benevolence and not expect us to do it."

Mr. Levy said the Broadcasters shouldn't be worried about where they will get their music if ASCAP is dissolved.

"The Government always gives time to work these things out", the speaker continued. "However, let's stop calling them names. We mustn't have a chip on our shoulder. We must do everything we can to work out an amicable arrangement. If we finally have to fight, it must be to a knockout and don't worry what will happen after that."

X X X X X X X X

RAYBURN VIOLATES OWN RADIO LAW

Representative Sam Rayburn, (D.), Texas, has become a law breaker of his own law. He tangled with his own statute when, at the conclusion of a radio address over Station WJSV, in Washington, he said, "Good night, Miss Lou."

Miss Lou is his sister in Texas. The new communications law, which Representative Rayburn helped write, makes it illegal for radio orators to send wireless personal greetings.

Mr. Rayburn says he's sorry; says he forgot.

X X X X X X X X

MICROPHONIC NAB CONVENTION PICKUPS

Perhaps the first time the nation's Chief Executive ever took cognizance of radio advertising was when President Roosevelt, in the course of a message addressed to the broadcasters at Cincinnati, said:

"I am not unmindful of another benefit which radio gives all the people and to all classes of business. That is a stimulation of buying power and its assistance to commerce generally."

"The attitude of the Cincinnati newspapers towards the Broadcasters' Convention bore out pretty much what I said about the press omitting certain types of news", Senator Dill, of Washington said. "I didn't expect them to print my speech but I was amazed that they should ignore the presence in Cincinnati of the broadcasters of the nation."

There was enthusiastic praise for Phil Loucks, of the NAB, and his hardworking assistants at the convention, Miss Bert Seibert and E. V. "Gene" Coagley. Through their conscientious efforts, they unquestionably made many friends for the Association.

L. B. Wilson, of WCKY, Covington, Ky., was quoted as saying, "I've seen people writing shorthand, but Stanley Hubbard of KSTP, St. Paul, is the only one I ever heard talk it."

Darrell V. Martin, Radio Editor of the Pittsburgh Post-Gazette, said that as the result of the ballots which he had sent out recently, he (Martin) had been elected President of the National Radio Editors' Association; Charles Gilchrest, of the Chicago Daily News, and Norman Siegel, Cleveland Press, Vice-Presidents; Robert Stephan, Cleveland Plain Dealer, Secretary and Treasurer, and Yank Taylor, of the Chicago Times, Chairman of the Board.

Mr. Martin said that 46 radio editors had responded to his circular by paying \$1 a year's dues in advance.

Mayor Russell E. Wilson, of Cincinnati, said: "Powel Grosley, Jr., is the real Radio Mayor of Cincinnati."

X X X X X X X X

"INTERFERENCE CONFERENCE" PLANNED BY RMA

A comprehensive plan to reduce radio interference was launched by the Radio Manufacturers' Association at a recent meeting in New York City of the Association's Board of Directors. In the public interest as well as that of the radio industry, a broad centralized movement to reduce electrical interference with radio reception was recommended by the RMA Engineering Division of which Dr. W. R. G. Baker, of Camden, N. J., is Chairman.

An "Interference Conference" of leading radio engineers will be held by the RMA next November in Rochester coincident with the Fall meeting of the Institute of Radio Engineers and detailed plans made for institution of many efforts to reduce radio interference.

The RMA program on radio interference, as detailed by Dr. Baker, is as follows, according to Bond Geddes, Executive Vice-President of the RMA:

"The problems of electrical interference with radio broadcast reception have never been considered as a matter for a concentrated program headed up and directed by one organization. Instead there have been fragmentary bits of this important work done by various groups in a completely unorganized manner. While these bits were in many cases well done, the attack on the whole problem has never been really effective due to lack of a carefully planned and adequately directed program.

"This subject is one of greatest importance to the members of the Radio Manufacturers' Association. As makers of broadcast receiving equipment, they stand to benefit greatly in a financial way from improvement in interference conditions as representing the removal of sales resistance and increase in user satisfaction.

"The Radio Manufacturers' Association, as the prime beneficiary of a successful program along these lines, should, through its Engineering Division, take the active lead in initiating, directing, and working on this project. This Association can, by means of such a program, establish itself as an organization interested in securing for the customers of its members better radio reception conditions.

"The sources of interference are very numerous, and the causes are scattered through many other industries. For that reason a well organized and directed program is the only hope of securing results. The use of the short waves for broadcasting has tremendously broadened the scope of interference elimination work, and any public use of ultra-short waves will still further do so. As a specific instance, motor car interference is not a factor in the standard broadcast range, but it is in many locations the limiting factor on short-wave reception.

9/21/34

"The RMA Engineering Division has under formulation a plan of action which it will head. The aid of various organizations who can help in this work will be enlisted. It is certain that many organizations now dabbling in the subject will welcome a definite program. Naturally a program of this sort is not spectacular in action, and it will be difficult to trace its results directly as the benefits will be gradual but sure. The publicity value of the embarkation of the manufacturers on such a program should be of considerable value. Interesting public news stories could follow the various phases of the organization of the program.

"The tentative program of the Engineering Divisions calls for an "Interference Conference" to be held in Rochester at the time of the Fall meeting of I.R.E.

"Depending upon the results obtained at the first conference, it may be desirable to have a second conference, possibly six months from now. The fundamental idea back of the entire plan is that we feel that interference work should be centralized, and that RMA is the organization that should be effective in centralizing all interference activities."

X X X X X X X X

WHEELER, NEW SCC POSSIBILITY, FAVORS RADIO GOVT. OWNERSHIP

The possibility that Senator Burton Wheeler, Progressive Democrat, of Montana, if reelected next November, may succeed Senator Dill as Chairman of the Senate Interstate Commerce Committee, which has jurisdiction over Communications matters, recalled the fact that Senator Wheeler went on record at the Senate Communications Bill hearings as being in favor of Government ownership of radio. This was brought out by a question from Senator Capper when Judge Sykes was on the stand, as follows:

Senator Capper - I would like to ask Judge Sykes if this system of unified government regulation of wire and radio communication is in use in any other country?

Mr. Sykes - Most countries, Senator, most all of the principal countries in the world, have one head of the department. The government operates those things in a great many countries. It is practically unified in all of the great nations over the world.

Senator Wheeler - Most of the nations control them and own them, do they not?

Mr. Sykes. - Yes, sir.

Senator Wheeler - That is what we should have in this country.

X X X X X X X X X

9/21/34

TELEGRAPH DIVISION OF FCC ISSUES NEW ORDER

In a regular meeting of the Telegraph Division of the Federal Communications Commission, attended by Messrs. Stewart, Chairman and Payne, September 19, 1934, the following order No. 8 was promulgated:

"The Telegraph Division, having under consideration its prior orders, requiring the filing of copies of certain contracts, agreements and arrangements as described in said above-mentioned orders,

"IT IS ORDERED that each telegraph carrier subject to the Communications Act of 1934 shall, on or before October 20, 1934, file with the Commission verified copies in duplicate of all such contracts, agreements, and arrangements which have heretofore been entered into, but have not been filed with the Commission;

"IT IS FURTHER ORDERED that each such telegraph carrier shall on or before October 20, 1934, file with the Commission, verified copies in duplicate, of any modifications of, or amendments to, any such contracts, agreements, and arrangements which have heretofore been filed with the Commission, and verified copies in duplicate of statements showing the cancellation of any such contracts, agreements, and arrangements which have heretofore been filed with the Commission;

"IT IS FURTHER ORDERED that each such telegraph carrier which hereafter enters into, modifies, amends, or cancels any such contracts, agreements, and arrangements, shall, within thirty days thereafter, furnish the Commission with verified copies in duplicate of all such new, modified, or amended contracts, agreements, and arrangements, and verified statements in duplicate of such cancellations."

X X X X X X X X X X

ABS ESTABLISHES NEW PRODUCTION DEPARTMENT

A new production department has been established in the New York studios of the American Broadcasting System by Burt McMurtrie, Director of Program Operations of the ABS-WMCA network. Paul A. Greene, formerly night manager for another network, has been appointed ABS Production Manager. Jud Houston has been named Assistant Manager. He was previously in the production department of a leading transcription concern. The ABS Production Division will have charge of studios, announcers and all program production.

X X X X X X X X

POSTAL AND I. T. & T. ANNOUNCE OPERATING EXPENSES

The Postal Telegraph and Cable Corporation announced after the meeting of its Board of Directors yesterday (Sept. 20), that operations for the six months ended June 30, 1934, which include non-recurrent income of \$266,363.12, resulted in a loss, after all interest charges, of \$255,296.37.

Gross earnings as per details in company's statement for the six months ended June 30, 1934, were \$14,762,962.83, as compared with \$13,516,188.69 for the corresponding period in 1933. Operating expenses were \$13,602,636.98 as compared with \$12,771,686.76 resulting in net earnings of \$1,160,275.85 as compared with \$744,501.93 for the first six months of 1933. After providing for charges of Associated Companies, general interest and interest on Collateral Trust 5% Dollar Bonds and Sterling Debenture Stock, there was a loss of \$255,296.37 for the six months ended June 30, 1934, as compared with a loss of \$708,505.68 for the corresponding period in 1933. Depreciation has been provided for the six months ended June 30, 1934, on substantially the same basis as was provided for the year 1933.

The International Telephone and Telegraph Corporation announced after the meeting of its Board of Directors also yesterday that consolidated net income for the six months ended June 30, 1934, amounted to \$1,697,932.72, as compared with a loss of \$642,310.66 for the same period of 1933.

Gross earnings as per details in company's statement for the six months ended June 30, 1934, were \$38,480,879.49 as compared with \$33,059,189.42 for the first six months of 1933. Operating expenses were \$30,539,816.96 as compared with \$27,973,691.41 for the same period of 1933, resulting in net earnings of \$7,941,062.53 as compared with \$5,085,498.01. Charges of Associated Companies for interest, dividends and minority common stockholders' equity in net income, together with general interest and interest on International Telephone and Telegraph Corporation bonds outstanding amounted to \$6,243,129.81 as compared with \$5,727,808.67 for the first six months of last year. Consolidated net income for the six months ended June 30, 1934, was \$1,697,932.72 as compared with consolidated loss of \$642,310.66 for the corresponding period of 1933.

The consolidated net income for the first six months of 1934 was equivalent to 27 cents per share on the 6,399,002 shares of capital stock (without par value) outstanding in the hands of the public at June 30, 1934.

In Argentina, Brazil and Chile modifications have recently been made in the existing exchange control regulations to permit transactions in foreign exchange through a free market at rates substantially below official exchange rates. The Corporation announced that the lower free market rates have been used for converting into U.S. dollars the income accounts for the six months ended June 30, 1934, of Associated Companies operating in those countries rather than the official rates previously used.

9/21/34

BAYER BOWS TO AD ORDER

The Federal Trade Commission announced on Wednesday that Bayer Company, Inc., of New York City, had consented to the issuance of a cease and desist order issued against certain alleged unfair competitive practices in the sale of the company's aspirin.

"Unfair competitive practices prohibited in the order", the commission said, "pertain to misrepresentations concerning the name 'aspirin' the benefits to be derived from use of this product and statements to the effect that it is the only genuine aspirin on the market.

"Specifically the Bayer company is directed to cease and desist from using in its printed advertising matter and radio broadcasting, language stating or importing that the word 'Aspirin' is a trade-mark of the Bayer company. Provision is made, however, that where the word 'aspirin' has been held in certain foreign countries to be Bayer company's own valid trade-mark, the Commission's order shall not apply to advertising or packages to be sold in those countries."

The Commission, the announcement said, "makes it clear that its order is not to be construed as preventing the Bayer company from making proper therapeutic claims or recommendations based on reputable medical opinion or recognized medical or pharmaceutical literature."

X X X X X X X

DEMONSTRATION PERIOD FOR RADIO SETS IN SOUTH AFRICA REDUCED

South African radio dealers are expected to benefit from a recent regulation issued by the Post Office Department to the effect that receiving sets may be demonstrated in the houses of prospective purchasers only fourteen days without a license being obtained by the prospect, according to a report to the Commerce Department.

Demonstration is an important feature of the merchandising of radio equipment in South Africa, the report points out. However, the keen competition experienced in the trade has brought with it certain abuses and heavier financial burdens to the competing dealers. It has not been unusual for prospective buyers of radios to have two or three models from different dealers on demonstration at the same time and for extended periods. Sometimes demonstration sets have been retained by customers for as long as three months. The dealers, already carrying large stocks of sets needed to meet wide demonstration demands, and investing sizable sums in stocks on order from factories thousands of miles

away, have found the cost of selling mounting and the investment in stocks abnormally high.

It is expected, the report states, that the restriction of the demonstration period to fourteen days will greatly relieve the dealers and bring a more rapid turnover of stocks of radio receiving sets.

X X X X X X X X X

APPLICATIONS GRANTED BY TELEGRAPH DIVISION, FCC

September 19 - NEW; WM. Keith Scott, NC 585-K, license, 3105 kc., 50 watts power; City of Atlanta, Dept. of Police, Mobile, modification of C.P. (Exp. Gen. Exp.), frequency 37100 kc., 5 watts; D. Reginald Tibbetts, Portable-Mobile, license to cover C.P. (Exp. Gen. Exp.), 31600, 35600, 38600, 41000 kc., 200 watts; Mackay Radio & Telg. Co. (Calif.), Hillsboro, Ore., KEK, modification of license, to change description of transmitters; WSL, Sayville, N. Y., modification of license, to change description of transmitters and delete one transmitter; KFS, Palo Alto, Cal., modification of license to change description of transmitter; KJA, Palo Alto, Cal., modification of license to change equipment and power from 20 KW to 5 KW; KJG, modification of license to change equipment and point of communication; KJJ, Palo Alto, Cal., modification of license, change equipment, change power from 20 KW to 5 KW and change points of communication; KNX, same except change power from 20 KW to 50 KW; KNK, modification of license to change equip. and power from 20 KW to 5 KW; KNW, modification of lic. to change equipt. change power from 20 KW to 5 KW and change pts. of communication; KQI, Kailua, T.H., mod. of lic. to change points of communication; KWA, Palo Alto, Cal., mod. of lic. to change equipt. change power from 5 KW to 50 KW and change points of communication; Also granted requests for KWB, KWC, KWD, KWF, KWI, KWJ, KWP, KWS, KWZ, KGH, Hillsboro, Ore. WJF, Sayville, N.Y., KIWA, near Seattle, Wash., KQI, Kailua, T.H., KQE, WJD, Brentwood, N.Y., KJB, Palo Alto, Cal., WMZ, Sayville, N.Y., KWQ, Palo Alto, Cal., KWT, KOK, Clearwater, Cal., KEK, Hillsboro, Ore., WSL, Sayville, N.Y.,

Also, W8XBT, City of Springfield, Ohio, Police Dept., license to cover C.P. (Exp. Gen. Exp.), 30100, 33100, 37100, 40100 kc., 50 watts; W8XBU, Same, Portable-Mobile, license same as above except 9 watts power and location Portable-Mobile; WQEH, RCA Communications, Inc., Boston, Mass., modification of C.P. (fixed public pt. to pt. telg.) extending completion date to Sept. 16, 1934; KICJ, Northland Development Co., Inc., Goodness Bay, Alaska, license to cover C.P. (Fixed Public pt. to pt. Telg.) 212 and 274 kc., 100 w.; City of Compton, Cal., Police Dept., C.P. (police), 2490 kc., 25 watts; KGHW, City of Centralia, Wash., modification of C.P. extending commencement date to Sept. 20, 1934, and completion date to Nov. 20, 1934; WMJ, City of Buffalo, N.Y., Police, Dept., license 2422 kc., 500 and 300 watts.

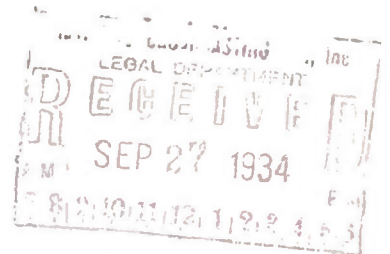
X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication



INDEX TO ISSUE OF SEPTEMBER 25, 1934.

| | |
|---|----|
| All Set For Big Educational Program Tussle..... | 2 |
| Enthusiastic Broadcasters' Code Meeting Held..... | 4 |
| Senator Dill Again Denies Radio Affiliation..... | 5 |
| Commissioner Case Discusses Telephone Over Radio..... | 6 |
| N.A.B. Would Modify Copyright Infringement Penalty..... | 7 |
| Nominations Are Made By Radio Engineers..... | 9 |
| Sarnoff NBC Chairman..... | 10 |
| Order No. 7-A, Telephone Division, FCC..... | 10 |
| Industry Notes..... | 11 |
| New Zealand Radio Fans Turning To Short-Wave Sets..... | 12 |

No. 760

Handwritten initials and a red stamp.

September 25, 1934

ALL SET FOR BIG EDUCATIONAL PROGRAM TUSSLE

Representatives of commercial, educational and religious broadcasters on both sides of the proposal as to whether or not Congress shall "allocate a fixed percentage of radio broadcasting facilities to particular types or kinds of non-profit radio programs or to persons identified with particular types or kinds of non-profit activities", flocked to Washington on Monday to attend a conference held at the office of Paul D. P. Spearman, General Counsel of the Federal Communications Commission. This conference was called to so arrange and schedule the appearances of witnesses representing the various interested groups as to be most convenient to the respective interests. The hearing is to be held before the Broadcast Division of the Commission on October 1st.

Naturally it would take a month of Sundays to hear all who might wish to appear, so the suggestion was made that the various groups appoint representatives to speak for them and Monday's conference was for the purpose of conferring with Mr. Spearman and to fix the allocation of time to be used by each interested group.

Among the interested parties who have filed written desire to be heard on October 1st and those expected to represent them are the following:

American Federation of Government Employees, Washington, D. C. - E. C. Babcock, Pres.; American Civil Union, New York City; Association of College and University Broadcasting Stations, Champaign, Ill., Jos. F. Wright, Past Pres. Station WILL; Chicago Civic Broadcast Bureau, Chicago, Ill., Harris E. Randall, Manager; City Club of Chicago, Chicago, Ill., Arnols R. Baer, President; Council of Church Boards of Education, Gould Wickey, Executive Secretary; International Council of Religious Education, Chicago, Ill., Hugh S. Magill, General Sec'y; National Advisory Council on Radio in Education, Levering Tyson, Director; John V. L. Hogan, of New York City; National Association of Broadcasters, Washington, D. C., Philip G. Loucks, Managing Director; National Committee on Education by Radio, Washington, D. C., Tracy F. Tyler, Secretary and Research Director.

Also, Ohio State University, Columbus, Ohio, John V. Bricker, Atty. General of Ohio; Pacific-Western Broadcasting Federation, Ltd., Los Angeles, Cal., Gross W. Alexander, Executive Manager and Secretary of Board; Peoples Pulpit Association; Paulist Fathers, New York City, John B. Harney, Superior General; State of Michigan, Dept. of Public Safety, East Lansing, Mich.,

9/25/34

Laurence A. Lyon, Dept. Supt. Uniform Division; State of Ohio, Department of Education, "Ohio School of the Air", Columbus, Ohio; University of Chicago, Chicago, Ill., Allen Miller, Director; Ventura Free Press, Ventura, Cal., S. Howard Evans, Garden City, N. Y.

Also the following broadcasting stations: WAAB, Boston, Mass; WBEN, Buffalo, N. Y., A. H. Kirchhofer, Vice-President; WEAN, Providence, R. I.; WICC, Bridgeport, Conn.; WNAC, Boston, Mass.; The Yankee Network; WNBH, New Bedford, Mass., Irving Vermilya, General Manager; WSYR, Syracuse, N. Y., Harry C. Wilder, President; WHA, Madison, Wis., Glen Frank, President; KFGQ, Boone, Ia., J. C. Crawford, Manager and KWSC, Pullman, Wash., Frank F. Neider, Director of General Extension and Radio Programs.

Also the various Government agencies, such as the Army and Navy have been invited to appear if they so wished and the Federal Trade Commission has been invited to sit in as an observer.

These representatives of various non-profit making organizations are to be allowed to present their case first confining themselves strictly to a statement of facts. All arguments are to be presented in briefs submitted to the Commission. After these have all been heard, probably extending over several days, the commercial broadcasters will appear to stand up for their rights.

The Broadcast Division will then decide whether or not it shall recommend to Congress that a certain percent of the broadcasting facilities of the country shall be allotted to these non-commercial, non-profit making types of institutions, having called for a report on this question by February 1st.

While the machinery for broadcasting programs has long been regulated by the Government, this will be the first time programs will have been officially considered. Broadcasters maintain that if the Commission should specify the percentage of facilities for broadcasting a certain type of program, it will amount to censorship of which there is no authority under the present law.

The commercial broadcasters are naturally aroused over any plan to increase the "non-profit" time on the air as this would necessarily mean the taking away of some of the facilities of the commercial stations. Also the broadcasters, in principal, are opposed to Congress taking a hand in allocating radio facilities. This would make radio more of a political football than ever and would virtually amount to Congress becoming a super-Communications Commission.

Attacks on commercial programs are expected to be made and it is believed before the October 1st hearing is over that educational and religious representatives may succeed in putting on trial the entire American system, i. e. advertisers paying for the programs.

It opens the door to every person and group of persons who have from time to time opposed commercial broadcasting and gives them an opportunity to make public record of their objections.

Indirectly responsible for the Commission's present investigation is Rev. John B. Harney, Superior General of the Paulist Fathers, owners of Station WLWL in New York. Father Harney, after being turned down by the Federal Radio Commission for additional broadcasting hours for his station, went on the warpath. He declared that WPG, a commercial station at Atlantic City was on the air 110½ hours a week while WLWL, because it was obliged to share the same channel, was only allowed to broadcast 15½ hours a week.

Following the priest's appearance in Washington, thousands of telegrams and letters poured in to Congress from all parts of the country, resulting in several bills being introduced in the Senate and House that 25 per cent of all broadcasting facilities be allocated to cultural, educational, religious, labor and other non-profit making stations, notably one by Senator Robert Wagner, Democrat, New York, and Senator Hatfield, Republican of West Virginia.

Later the Wagner-Hatfield Bill was incorporated as an amendment to the Communications Bill. It was beaten in the Senate by a vote of 42 to 23. Subsequently, in conference a clause was inserted in the Communications Act calling for a study of the entire non-profit radio programs situation by the Commission.

X X X X X X X X X

ENTHUSIASTIC BROADCASTERS' CODE MEETING HELD

There were about one hundred who stayed over for the meeting to discuss the Broadcasters' Code which followed the annual N.A.B. convention at Cincinnati. As a whole the Code was heartily and enthusiastically endorsed and no objections were raised against it.

John Shepard, III, of Station WNAC, Boston, opened the session with a few brief remarks, after which he turned the meeting open to anybody who wished to talk. There was a general discussion by members of the industry on various questions arising under the Code but no real controversy.

9/25/34

Eight or nine resolutions were recommended to James W. Baldwin of the Broadcasters' Code Authority. Among these was one suggested by Edward Nockels, of Station WCFL, Chicago, recommending the formation of local and regional Code Authorities throughout the country to sit and pass upon rate differences and other violations of the Code. Another resolution recommended was that the Code Authority investigate the question of wages of broadcast technicians sharing time on clear channel stations.

It was recommended in another resolution that means be found to prevent the sale by broadcasters of time to any individual or organization for resale unless the rates for the resale facilities were stated on the rate card of the station.

Still another resolution recommended that the Code Authority amend the Code so as to make it unfair to give special discounts to broadcasting facilities sold in combination with newspaper or other publication space.

X X X X X X X X X X

SENATOR DILL AGAIN DENIES RADIO AFFILIATION

Senator C. C. Dill, of Washington, last week, when told persistent reports link him with an executive position with American newscasters, thundered, "I'll join anything I damn please", according to Editor & Publisher.

"Plainly angry, the Senator demanded to know how many times he must deny reports of this nature, adding that he has no present connection with any organization to broadcast news, nor any immediate plans in that direction. Then followed his emphatic declaration to follow his own dictates in the matter.

"The Senator made it clear that he is 'tired' of recent newspaper publicity and spoke in a belligerent vein of libel suits if they continue."

X X X X X X X X X X

9/25/34

COMMISSIONER CASE DISCUSSES TELEPHONE OVER RADIO

Norman S. Case, formerly Governor of Rhode Island, and now a member of the Federal Communications Commission, Telephone Division, spoke last evening (Sept. 25) from Washington over an NBC network.

Commissioner Case, in answer to the question put to him by Martin Codel, who was interviewing him, as to just how large an industry the telephone service is, replied that "the telephone is one of the major industries of the Nation. In support of this, let me cite a few statistics. The largest telephone system -- the Bell -- employs more than a quarter of a million men and women; it controls a plant investment of more than four billion dollars; its total assets are nearly five billion dollars; it has three-quarters of a million stockholders; and they say one person in every hundred in the United States either works for, or owns, securities of this system."

Commissioner Case replied in the affirmative when asked if that was the company Congress expected the Commission to regulate when it enacted the Communications Law. But he added "to the extent that its operations are in interstate and international commerce. But there is more to the telephone industry than the Bell System.

"The duties of the Commission as to interstate and intrastate service represent only a very small part of its work.*** Congress has directed the Commission investigate any conflicts to service between telephone and telegraph carriers, the existence of contracts or interlocking directorates creating monopoly or other conditions detrimental to public service at reasonable rates, and the Commission is directed to recommend to Congress such additional legislation on these or other subjects relating to carriers by wire or radio."

"We have jurisdiction over the American end of the international and ship radiotelephone service", Commissioner Case went on to say, "and all other uses of radio for telephone communication, such as intercity, coastal harbor and aviation telephony.

"There is no other agency except the Federal Government which can regulate this interstate business, and, as it is a natural monopoly, the citizens of our country have a right to expect from their Government a proper supervision of these services to assure efficient service at reasonable rates."

X X X X X X X X X X

N.A.B. WOULD MODIFY COPYRIGHT INFRINGEMENT PENALTY

Congress was petitioned by the National Association of Broadcasters which met at Cincinnati to amend the existing copyright law by omitting the language which fixes the minimum innocent infringement penalty for the public performance of musical compositions at \$250 and attorney's fees, leaving the Court free, in each instance, to fix such penalty as in its discretion the Court deemed proper.

The Association endorsed the government anti-trust suit against the American Society of Composers. It sanctioned organizing a music pool, possibly by a reorganization of the Radio Program Foundation to obtain for broadcasting stations air rights to music not otherwise available.

Because the custom of holding of the N.A.B. convention in the Fall months during the busiest season of the year for the broadcasters works a hardship on its members to get away, it was decided hereafter to hold the convention in June or July. The city in which the convention is to be held next year has not yet been decided upon but will be taken up at the October meeting of the Board of Directors.

The Association backed the Federal Trade Commission's radio advertising cleanup. A committee to be appointed will study what is pertinent information for the advertising agencies and the advertisers who are buyers of radio advertising, and to invite discussions with representatives of the American Association of Advertising Agencies and the Association of National Advertisers, with a view to setting up a bureau for the broadcasting industry.

Where Variety, the theatrical magazine was severely criticized at the Convention by Isaac D. Levy, of Station WCAU, of Philadelphia, its competitor, Billboard, which is published in Cincinnati, received the official thanks of the Broadcasters' Association "for its fine cooperative work". Billboard mimeographed all speeches and reports of the Convention for the Association which had neither the funds nor the facilities to do this work.

The Association adopted the following recommendations of the Committee:

1. That units of sales be standardized as follows: one hour, one-half hour, quarter hour, five minutes, one minute transcriptions, one hundred words, half-minute transcriptions, fifty words or less.
2. That all quantity discounts be given within a period of one year, with discounts retroactive to the first broadcast within that year, discounts to apply within the same time classifications.

3. That operating companies or holding companies operating more than one subsidiary be permitted to buy under a group plan allowing discounts for each of the separate companies under a blanket order to apply even if more than one agency is involved in placing time.

4. That all stations put on their rate cards, in addition to the regular standard units of time, under a separate heading called "special service features", such features as time signals, weather reports, sports events, participation programs and any other service features, with an adequate description of what the individual station allows.

5. That no station quote quantity discounts on consecutive times other than 13, 26, 52, 100, 150 and 300.

Another resolution was to the effect that the N.A.B. establish and maintain an advertising agency recognition bureau at the Washington office of the Association; and that such machinery as may be necessary be set up by the Managing Director with such funds as may be deemed necessary and approved by the Board of Directors as a part of the regular annual budget; that, in general, agency recognition be extended to only those agencies which can satisfy the bureau as to credit responsibility, character or operation and radio service facilities; that said bureau be given full power to study applications of agencies for such recognition and to determine whether or not such recognition should be extended, subject to approval of the Board of Directors; and that the bureau furnish a list of those agencies which are extended recognition, together with all supplements thereof, with the strong recommendation of the Association that its members pay agency commission only to those advertising agencies extended recognition by the said bureau.

The Association urged the fullest possible cooperation in merchandising that is consistent with good business practices; but since the merchandizing requirements of advertisers are wholly lacking in uniformity, the Association recommends, in fairness to all advertisers, that the cooperation of the stations be limited to such activities as do not entail direct expense, and that where any direct expense is involved such costs should be borne by the advertiser.

Since it is the belief of the Commercial Committee that special rates filed with the Code Authority may be used as a means of making concessions contrary to the intent of stabilized rates provisions of the Code, the National Association of Broadcasters resolved to petition the Code Authority to take steps to amend and clarify or to repeal its regulations permitting this practice.

The Association recommended that the work of the cost accounting committee be recommended and that a copy of the standard accounting system be sent to members if possible by Dec. 1st.

3/25/34

Reaffirming a resolution passed last year urging that the existing regulations be altered requiring that electrically transcribed programs made especially for broadcasting be so announced, the Association directed its officers to bring the resolution to the attention of the Federal Communications Commission.

Finally the Association ordered By-Law No. 1 repealed and substituted therefor the following:

Effective October 1, 1934, quarterly dues shall be payable each January 1, April 1, July 1 and October 1, on the following basis.

(a) Each member operating a station authorized to operate 40 hours or less per week shall pay a sum equal to one-third of the highest rate published by such member for one-quarter hour of broadcasting time.

(b) Each member operating a station authorized to operate 41 to 60 hours per week shall pay a sum equal to one-half of the highest rate published by such member for one quarter hour of broadcast time.

(c) Each member operating a station authorized to operate 61 to 80 hours per week shall pay a sum equal to two-thirds of the highest rate published by such member for one quarter hour of broadcast time.

(d) Each member operating a station authorized to operate 81 hours or more per week shall pay a sum equal to the highest rate published by such member for one-quarter hour of broadcast time.

X X X X X X X

NOMINATIONS ARE MADE BY RADIO ENGINEERS

Stuart Ballantine, President of the Boonton Research Corp., Boonton, N. J., and William Wilson, Assistant Director of Research of the Bell Telephone Laboratories, New York City, have been nominated for the 1935 presidency of the Institute of Radio Engineers, leading fraternity of American radio technicians. Ballots are now being submitted by mail to be opened on or about November 1, according to an announcement by C. M. Jansky, Jr., of Washington, 1934 President.

Nominated for Directors for 1935-1937 terms are the following, three of whom must be chosen; L.C.F. Horle, New York consulting engineer; E. I. Nelson, radio development engineer of the Bell Laboratories; Haraden Pratt, Chief Engineer of Mackey Radio & Telegraph Co.; B. E. Shackelford, Manager of the Patent Department, R.C.A. Radiotron Co., Harrison, N. J.; H. A. Wheeler, Engineer of the Hazeltine Corp., Bayside, N.Y., and Laurens E. Whittemore, Special Radio Representative of the American Telephone & Telegraph Co.

X X X X X X X X

SARNOFF NBC CHAIRMAN

David Sarnoff, President of the Radio Corporation of America, was elected Chairman of the Board of the National Broadcasting Co. at a meeting of the Board of Directors at their meeting last week. M. H. Aylesworth was reelected President and Richard Patterson, Jr., Executive Vice President.

Other officers reelected were Mark Woods, Assistant Executive Vice-President; John F. Royal, Vice-President in charge of programs; Frank Mason, Vice-President in charge of public relations; George Engles, Vice-President in charge of Artists' Bureau; Edgar Kobak, Vice-President of Sales; A. L. Ashby, General Attorney; R. C. Witmer, Vice-President of Eastern Sales; D. E. Gilman, Vice-President in Charge of Pacific Coast Division of the NBC; F. M. Russell, Vice-President, Washington office; Niles Trammell, Vice-President, Chicago headquarters.

H. K. Norton was reelected Treasurer; Lewis MacConnach, Secretary, and R. J. Teichner, Assistant Treasurer.

David Rosenblum, formerly associated with Trade-Ways, Inc., was elected to the NBC as a new Vice-President.

David Sarnoff, as Chairman of the Board, fills the vacancy created by the death of H. P. Davis, Vice-President of the Westinghouse Electric and Manufacturing Company.

X X X X X X X X

ORDER NO. 7-A, TELEPHONE DIVISION, FCC

In a special meeting of the Telephone Division of the Federal Communications Commission, Sept. 24, 1934:

The Telephone Division having under consideration its Order No. 7, adopted August 16, 1934, and a petition in the form of a letter from the National Association of Railroad and Utilities Commissioners dated September 14, 1934, requesting postponement from October 1, 1934, to January 1, 1935, of the date for the filing of exceptions, objections, or suggested amendments to the report in Interstate Commerce Commission Docket No. 25705;

IT IS ORDERED, That an extension of time be granted to November 1, 1934, for the filing of such exceptions, objections or suggested amendments;

IT IS FURTHER ORDERED, That Order No. 7 be set down for hearing and oral argument by the parties on November 16, 1934, before the Telephone Division in its hearing room at Washington, D.C.

X X X X X X X X

9/25/34

::::
::::INDUSTRY NOTES::::
::::

Station WEEI, NBC Boston affiliate, will celebrate its tenth birthday on Saturday, Sept. 29th. The special anniversary broadcast will be heard over an NBC-WEAF network from 7 to 8 P.M. E.S.T. The station is owned and operated by the Edison Electric Illuminating Co. of Boston.

Columbia Broadcasting System, Inc. - For 1933: Net income after expenses and other charges, \$923,794, equal to \$8.21 a share on 112,444 shares of combined Class A and Class B stock.

George H. Hill, Examiner, has recommended that the Federal Communications Commission affirm its grant of the application of the Red River Broadcasting Co., Inc., for the removal of Station KGFX from Moorhead to Duluth, Minn.

The colorful ceremonies attending the launching of the largest ship in the world, the Cunard liner Victoria, during which American listeners will hear the voices of King George and Queen Mary, will be presented over an NBC-WJZ network in an international broadcast from Glasgow on Wednesday, Sept. 26th.

Russia now has nearly 90 radio broadcasting stations.

More than 500 musicians, members of the Emergency Council, Professional Musicians of Greater New York, attended a meeting recently in New York. Resolutions were proposed at the meeting demanding local autonomy for Local 802 of the American Federation of Musicians and that a petition be sent to President Roosevelt requesting the elimination of synchronized music from all theatres.

Arthur Pryor, Jr., head of the Radio Department, and James W. Wright, manager of the Chicago office have been elected as Vice-Presidents of Batten, Barton, Durstine & Osborne.

X X X X X X X X

9/25/34

NEW ZEALAND RADIO FANS TURNING TO SHORT-WAVE SETS

Short-wave radio sets have recently become extremely popular in New Zealand, according to a report from Vice Consul Walter W. Hoffman of Wellington.

The sudden enthusiasm of the public for this type of receiver, the report states, caught the local trade without adequate supplies. However, considering the stocks of these sets available, a very satisfactory volume of business was done, radio sales in the second quarter amounting to almost a small boom.

Total imports of radio sets into New Zealand in the quarter ended in June were valued at £89,316 compared with £73,422 in the corresponding period of 1933, an increase of approximately 20 per cent.

A striking indication of the growing popularity of radio in New Zealand is shown in the increased number of registration licenses which have been issued during the current year. On April 1, the beginning of the radio licensing year, 109,000 licenses had been issued, which figure represented 95 per cent of those previously in force. By the end of May this number had grown to 120,893, an advance of 3,109 over the number which expired on March 31.

Very little progress has been made in the introduction of automobile radio sets into New Zealand, the report states. This situation, it is pointed out, results from the fact that no attempt has been made to promote the sale of such sets. Moreover, there is an almost total lack of facilities for servicing and installing automobile sets at the present time.

Effective September 14, the New Zealand general tariff rates on radio sets, applicable to imports from the United States, were increased from 35 percent to 45 percent ad valorem when mounted in cabinets, and from 25 percent to 35 percent when not mounted in cabinets, according to a cablegram received in the Department of Commerce from Vice Consul Walter W. Hoffman, Wellington. The British preferential tariff rates remained unchanged respectively at 10 percent ad valorem and free of duty, subject to the provision that on and after June 1, 1935, radio sets mounted or unmounted would be admitted under the British preferential tariff free of duty.

The New Zealand radio duties have been subject to several changes within the last few months.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

Handwritten initials

OCT 1 1934
171

INDEX TO ISSUE OF SEPTEMBER 28, 1934.

| | |
|--|----|
| Hitler Makes Germany Radio Conscious..... | 2 |
| Code Authority Issues Bulletin Re Broadcasting World Series..... | 4 |
| Chile To Have New Powerful Radio Station..... | 5 |
| To Debate Governmental Radio Control..... | 6 |
| Oppose Dill Radio Plan, Schall Asks Roosevelt..... | 7 |
| Hearing Pursuant To Broadcast Division Order No. 1..... | 8 |
| Industry Notes..... | 11 |
| Applications Granted By Communications Commission..... | 12 |

No. 761

Handwritten signatures and initials at the bottom of the page.

HITLER MAKES GERMANY RADIO CONSCIOUS

Disappointed that only 1,260,000 more Germans own radio receiving sets than they did two years ago, Chancellor Adolf Hitler is exercising his great power to make Germany radio conscious. Commenting upon the fact that as yet but 5,360,000 Germans out of a total population of more than 62,000,000 own radio sets, Dr. Paul Joseph Goebbels, the Propaganda Minister, declares that the influence of the radio will increase greatly. "Some day the radio will be the spiritual daily bread of the whole German nation", he said.

While on the one hand, Chancellor Hitler is suppressing and censoring the newspapers, on the other hand he is doing everything to increase radio listeners. The Government has gone so far as to cancel every postage stamp with the following slogan: "Jeder Volksgenosse Rundfunkhoehrer", which means, "Every Citizen a Radio Listener." Thus the Germans are inspired to think not only must they have a radio but that it is the patriotic thing to do. Imagine what a radio salesman could do with such a selling argument behind him as that.

Continually lessening the influence of the newspapers, Hitler turns more and more to the radio.

"The Germans proved themselves poor propagandists during the War", a student of the affairs of that country observed, "but today, abandoning the newspapers, the ablest radio propaganda in the world is being put out by Hitler."

In order to increase the number of radio listeners in Germany, they have exempted the unemployed from paying the monthly two mark radio fee. With the newspapers muzzled, when Hitler has anything important to say, he says it over the radio. His latest effort is an intensive series of broadcasts across the German frontier to the Germans of the Saar. He is staking practically all his chances on winning back the Saar on radio.

Loud-speakers are installed in public squares, parks and elsewhere in Germany. Whenever Hitler speaks, his address is heard all over the Reich by crowds of unbelievable size. When Chancellor Hitler made his campaign election speech in Hamburg, for instance, crowds gathered in other cities to hear him almost as large as in the city where he actually spoke.

9/28/34

Maybe one of the reasons which has caused Hitler to turn to the radio is revealed in an impression of him gained by William Wigglesworth, of Harvard University, who was one of the thirty-six American students who went abroad last year to study in private homes in Germany. This student happened to be in Coblenz the day Hitler was there, and was very close to him.

"Later we heard Hitler speak", Wigglesworth said. "He was all right but I think he sounds more impressive over the radio."

Showing that considerable discretion is used as to what goes out over the air was a recent order issued to Germany's radio stations to cut down on the number of political speeches, those in charge apparently feeling that the people have had enough politics for the time being.

One of the most ingenious things Hitler has done is the manner in which he has made use of electrical transcriptions, or broadcasting by records. This has been especially adapted for reaching countries in which there is a wide difference in the time. For instance, the evening period in Germany, the best time for broadcasting there, is morning in the United States. So on important broadcasts, Hitler has records of them made which are rebroadcast to this country by directional antenna short-wave and reach here at the right time for our evening listeners.

Such an occasion was the repetition of the entire funeral service of von Hindenburg, including the salute with cannon, rebroadcast to the United States that evening, at the end of which was a transcript of von Hindenburg's last speech. Thus Germany reaches out to other countries. Records are made of speeches broadcast in Germany and then are repeatedly rebroadcast in that country so everybody will be sure to hear them.

John S. Young, National Broadcasting Company announcer, who has just returned from a trip abroad, said that German broadcasting has changed from an aggregation of privately owned companies into a publicly owned system which takes its instructions from the Minister of Propaganda.

That Chancellor Hitler has an eye to the future is the effort he is making to have the German Post Office introduce and develop television in that country. Uniting television with telephony experiments are being made between Berlin and other cities. It seems to be the idea to have a chain of television and sound stations coordinated in the different cities.

It has been noticed that Senator Huey Long has been handicapping the press and using the radio in Louisiana very much the same as Hitler. The "Kingfish" barred newspaper representatives from the sessions of the Louisiana legislature where an investigation was being conducted to determine the character of

the city government in New Orleans. By broadcasting over Station WDSU, New Orleans, his questions and the replies of witnesses, Senator Long, as someone put it, "managed to get publicity and yet retained an effective control over what part of the proceedings was to reach the public." There are those who wonder if maybe Huey didn't get his idea for using the radio from Hitler.

X X X X X X X X X X

CODE AUTHORITY ISSUES BULLETIN RE BROADCASTING WORLD SERIES

The Code Authority for the Radio Broadcasting Industry, of which James W. Baldwin is Executive Officer, has just issued the following Bulletin No. 12 to all broadcasting stations and network companies:

World Series Baseball Games

"We are informed that the Officials of the Major Baseball Leagues have elected to commercialize the broadcasting of the 1934 World Series games; and that they have sold the exclusive rights to broadcast the 1934 World Series games to the Ford Motor Company. In consequence of this, the broadcasting of any of the 1934 World Series games including either the name of the Sponsor (Ford Motor Company) or any description of the sponsor's products must be on a commercial basis consistent with the provisions contained in Article VII, Section 1, paragraphs (a) and (b) of the Code of Fair Competition for the Radio Broadcasting Industry.

Short Rate - Contracts Must Be in Agreement With Rate Card

"The Code Authority has received inquiries from stations concerning the inclusion of the following clause in certain of their contracts:

"The advertiser reserves the right to cancel this program without short rate if governmental regulations or legislation require such a cancellation."

"The question arises whether such a condition is consistent with the provisions contained in Article VII, Section 1, paragraph (a) of the Code.

"That Section provides in part as follows:

"Each broadcaster and network shall forthwith publish and file with the Code Authority a schedule of all its rates regularly and currently charged to advertisers for the use of broadcasting time, together with all discounts, rebates, refunds, and commissions which shall be allowed to the users of such time or to their recognized agents, such schedule to be known as the Rate Card. * * *"

9/28/34

"Regular procedure for the modification of a rate card is also provided for in Article VII, Section 1, paragraph (a) of the Code, which provides in part as follows:

"'No Rate Card or rate charged thereunder shall be modified until fifteen days after the filing with the Code Authority of the Rate Card with the proposed modifications.'

"The inclusion of any such condition in a contract, therefore, cannot be accepted as a modification of a Rate Card.

"The Code Authority, therefore, rules that the inclusion of any such condition in a contract, if it is inconsistent with the stations' or networks' rate cards, is in violation of the Code."

X X X X X X X X X X

CHILE TO HAVE NEW POWERFUL RADIO STATION

What is said to be one of the most powerful broadcasting stations in South America will be erected in the vicinity of Valparaiso, Chile, according to advices from Consul Frank A. Henry.

Present Chilean stations, it is pointed out, are of comparatively low power and can not adequately serve the extreme northern and southern parts of the country. The new station will, it is stated, be readily heard throughout the entire length of the Republic.

This station is expected to be operating in October. The power at the antenna will be 10 kilowatts with a wave length of 760 kilocycles, or 400 meters. The latest technical advances will be embodied in the installation of plant and studios. There will be four of the latter, two in Valparaiso and two in Santiago and programs will continue from eight in the morning until twelve midnight. Greatly improved programs are promised with many new features.

This new broadcasting station, Consul Henry points out, will probably result in increasing sales of radio receiving sets in Chile, especially in those remote parts of the country not now reached by existing stations.

X X X X X X X X X X

TO DEBATE GOVERNMENTAL RADIO CONTROL

Whether the Government shall own, operate and control radio broadcasting in the United States will be debated at the Fourth Annual Assembly of the National Advisory Council on Radio in Education in Chicago October 8th. The general subject of the Assembly will be "The Importance of Radio Broadcasting in a Changing Social Order."

"Broadcasting in America is at a crossroads", declared Levering Tyson, Secretary and Director of the Council this week in telling plans for the meeting. "By February 1, 1933, the new Federal Communications Commission must report on the proposal that Congress by statute allocate fixed percentages of radio broadcasting to particular kinds of non-profit radio programs. Educational broadcasts fall under this classification.

"Many proposals for changes have been advanced and will be discussed at the coming assembly. In order to get revenue to operate during the depression years, the broadcasting stations have literally flogged the ears of the American public with selling talk for a variety of cathartic, cosmetic and pharmaceutical products. There has been a violent surge of criticism against types of so-called 'children's programs'. The broadcaster is belabored on one side by economic forces which no one could control; on another by an outraged public opinion against 'disgusting' advertising; on still another by advertising agency statistics to prove that certain types of programs bring 'results.' And he is continually faced with the cold, hard fact that the show must go on - that the transmitter must operate every hour for which he is licensed. The effort to keep out of the red seems to have sidetracked the fundamental concept that broadcasting is a public service."

The program for the 1934 assembly is as follows:

Monday Morning:

Greetings from London by short wave - Robert A. Millikan,
President of the Council
Chairman: Livingston Farrand - President, Cornell University
Address: "Radio and Public Policy" - Robert M. Hutchins,
President, University of Chicago
Address: "The Changing Social Scene in 1934" - William F.
Ogburn, Professor of Sociology, University Chicago
Address: "Implications of the Changing Social Order in
American Cultural Activities" - Frederick P. Keppel,
President, The Carnegie Corporation of New York

Monday Afternoon:

Chairman: Lotus D. Coffman, President, The University of Minn.,
Address: "What Radio Broadcasting Has Accomplished as a
Cultural Instrument" - Robert M. Sproul, President,
The University of California

Monday Afternoon (continued)

Address - "Educational Capabilities of Technical Audio-Visual Methods" - Alfred N. Goldsmith, Consulting Engineer; Chairman, The Council's Engineering Committee

Address: (Subject to be announced) - Grace Abbott, Professor, Public Welfare Administration, University of Chicago

Monday Evening:

Public Meeting, Auditorium, Hall of Science, Century of Progress

Chairman: Rufus C. Dawes, President, A Century of Progress

Address: John H. Finley, Associate Editor, New York Times.

Address: "Radio Broadcasting and Public Affairs"
The Hon. Harold L. Ickes, Secretary of the Interior
(To be broadcast NBC-WJZ network, 10 P.M. EST)

Tuesday Morning:

Chairman: Harry W. Chase, Chancellor, New York University

Subject: "Shall the Government Own, Operate and Control Radio Broadcasting in the United States?"

Speakers: For Government control - Bruce Bliven, Editor,
The New Republic
For private control - Col. Frank Knox, Publisher,
The Chicago Daily News

Tuesday Afternoon:

Panel Discussion

Subject: "What Should Be Done to Improve Broadcasting in the United States?"

Chairman: Lyman Bryson, Teachers College, Columbia University.
Participants to be announced

Tuesday Evening:

President: Walter Dill Scott, President, Northwestern University

Subject: "Radio in the Future" city

Speakers: Walter Damrosch
John Erskine

X X X X X X X X X

OPPOSE DILL RADIO PLAN, SCHALL ASKS ROOSEVELT

Senator Schall (Rep.), Minnesota, sent a telegram on Tuesday to President Roosevelt asking that the Chief Executive "immediately denounce" the proposal by Senator Dill (D.) of Washington, that the broadcasting companies set up their own news gathering agencies.

X X X X X X X X X

HEARING PURSUANT TO BROADCAST DIVISION ORDER NO. 1

The following schedule was developed by unanimous agreement of those representing organizations and groups interested in the subject matter covered by Broadcast Division Order No. 1. A few organizations or groups were not personally represented at the conference held in the offices of the Commission on Monday, Sept. 24. All of those who had filed appearances and who had requested time to testify at the hearing were given the periods of time desired by them. All organizations and groups represented in person at the conference on September 24 were likewise allotted the time that each such group or organization desired for the purpose of presenting testimony.

It was unanimously agreed at the conference that the governmental departments and agencies would be allotted time in addition to that shown on the following schedule so as to afford opportunity for these agencies to present facts and data for the benefit of the Commission.

It was also the unanimous agreement of all those attending the conference and representing all interested groups that the National Association of Broadcasters would be allowed the same amount of time for presenting the position of the broadcasting industry as has been allotted to the other groups as shown by the following schedule of hearings.

Order No. 1 above referred to was issued July 31, 1934 and is repeated here in its original form:

"Pursuant to the provisions of Section 307(c) of the Communications Act of 1934, as follows:

"The Commission shall study the proposal that Congress by statute allocate fixed percentages of radio broadcasting facilities to particular types or kinds of non-profit radio programs or to persons identified with particular types or kinds of non-profit activities, and shall report to Congress, not later than February 1, 1935, its recommendations together with the reasons for the same."

"IT IS ORDERED, that any person or licensee (of a radio broadcast station) desiring to submit information to the Commission concerning any matter referred to in said section may do so by appearing in person or by attorney at a hearing to be held at the offices of the Federal Communications Commission beginning at 10 A.M. on October 1, 1934, and continuing from day to day until completed. Written notice of intention to appear at said hearing should be furnished the Commission not later than September 20, 1934.

"IT IS FURTHER ORDERED, that the Secretary cause copies of this order to be sent all licensees of radio broadcast stations and any other parties known to be interested in said matters.

Monday, Oct. 110 A.M.-1 P.M. and 2 P.M. to 4 P.M. :

National Committee on Education by Radio and Kindred Organizations Including:

1. National Association of Education Broadcasters (successor to Association of College and University Broadcast Stations)
2. Jesuit Educational Association
3. National Catholic Educational Association
4. National Association of State Universities
5. National University Extension Association
6. American Council on Education
7. National Educational Association
8. National Council of State Superintendents of Public Instruction
9. Association of Land Grant Colleges and Universities
10. National Committee on Education by Radio

Note: Time allocated to the above-mentioned educational organizations will be distributed and the division thereof determined by Mr. Tracy F. Tyler.

Tuesday, Oct. 2 - 2 P.M. to 4 P.M.

National Committee on Education by Radio and Kindred Organizations Including:

1. National Association of Educational Broadcasters (successor to Association of College and University Broadcast Stations)
2. Jesuit Educational Association
3. National Catholic Educational Association
4. National Association of State Universities
5. National University Extension Association
6. American Council on Education
7. National Educational Association
8. National Council of State Superintendents of Public Instruction
9. Association of Land Grant Colleges and Universities
10. National Committee on Education by Radio

Wednesday, Oct. 3

- 10 A.M.-1 P.M. - Same as for Monday and Tuesday Oct. 1 and 2
- 2 P.M.-3 P.M. - International Council of Religious Education (c/o Hugh S. Magill)
- 3 P.M.-4 P.M. - Council of Church Boards of Education (c/o Gould Wickey)

Thursday, Oct. 4

- 10 A.M.-12:30 P.M. - Peoples Pulpit Association, c/o Anton Koerber
- 12:30 P.M.-1 P.M. - University of Chicago c/o Allen Miller
- 2 P.M.- 4:30 P.M. - Chicago Civic Broadcast Bureau, c/o Harris Randall and A. R. Baar

Friday, Oct. 5

- 10 A.M.-11:30 A.M. - Pacific Western Broadcasting Federation
(c/o Gross Alexander)
- 11:30 A.M.-12:30 A.M. - Association of State Police Executives
(c/o Capt. Laurence A. Lyon)
- 2 P.M. - 3 P. M. - Ohio State University (Station WOSU)
(Represented by Attorney General Bricker)
- 3 P.M. - 4 P. M. - American Civil Liberties Union
(c/o Harry F. Ward)

Monday, Oct. 8

- 10 A.M. - 1 P.M.) - Catholic Educational, Religious and Fraternal Group (c/o J. P. McArdle)
- 2 P.M. - 3 P.M.)
- 3 P.M.-3:15 P.M. - Ventura Free Press (c/o S. Howard Evans)
- 3:15 P.M.-3:45 P.M. - Babson Statistical Organization
(c/o T. G. Joslin)
- 3:45 P.M.-4:30 P.M. - National Institution of Public Affairs

Wednesday, Oct. 10

- 10 A.M. - 1 P.M.) - National Advisory Council on Radio in Education (c/o Dr. Levering Tyson)
- 2 P.M. - 4 P.M.)

- Thursday, Oct. 11 - 10 A.M. to 1 P.M. and 2 P.M. to 4 P.M.)
- Friday, Oct. 12 - " " " ")
- Monday, Oct. 15 - " " " ")
- Tuesday, Oct. 16 - 2 P. M. - 4 P.M.)
- Wednesday, Oct. 17 - 10 A.M.-4 P.M. and 2 P.M.-4 P.M.)
- Thursday, Oct. 18 - " " " ")

National Association of Broadcasters (c/o Philip G. Loucks)

Friday, Oct. 19

- 10 A.M.-1 P.M. - National Recovery Administration - 30 minutes
(c/o W. B. Dolph)
- Children's Bureau, Labor Department - 30 minutes
(c/o Dr. Ella Oppenheimer)
- Post Office Department - 1 hour
(c/o Owen A. Keen)
- Agriculture Department - 1 hour
(c/o Morse Salisbury)
- 2 P.M.-4 P.M. - Other Government Departments and Agencies

X X X X X X X X X

Theories are advanced that the excessive rainfall is due to atmospheric disturbances by radio. It may be worth an experiment to ascertain whether if the flow of speech and song will dry up the climate will do the same.

- Contributed

X X X X X X X X X

9/28/34

::::
::::INDUSTRY NOTES::::
::::

Fifteen thousand dealers and distributors of the Philco Radio & Television Corp, will join in a nationwide "radio meeting" Tuesday, Oct. 2, to hear a broadcast designed especially for them to be broadcast over the WABC-Columbia network from 2:45-3:00 P.M. EST.

A pamphlet entitled "Radio Communications Between Amateur Stations on Behalf of Third Parties", dealing with an important restriction upon the international exchange of messages by an amateur radio station on behalf of third party is for sale by the Superintendent of Documents, Washington, D.C. at 5¢ a copy.

Father Phillippe Soccorsi, noted Roman professor of science, has been appointed by the Pope as director of the Vatican short wave radio station, succeeding the late Father Gianfrancheschi, who installed the station along with Marconi.

Dean Carl W. Ackerman, of the School of Journalism, in his report to Dr. Nicholas Murray Butler, Columbia University, listed among what he regarded as the ten outstanding developments in journalism during the last year the following:

"The inauguration of press-radio news in the United States by The Associated Press, the United Press and International and Universal News services in cooperation with the National and Columbia broadcasting systems."

Examiner Ralph L. Walker, of the Federal Communications Commission has recommended that the application of Walker & Downing Radio Corp. (Station WWSW) for C. P. be denied and that the application of A. M. Rose, Inc. (Station WMMN) for renewal of license be granted.

A recently developed type of broadcast is the "partly-recorded" program featuring "in person" dialogue and electrically transcribed music. So satisfactory have they proved that many have been launched over WOR during the past month.

X X X X X X X X

APPLICATIONS GRANTED BY COMMUNICATIONS COMMISSION

Broadcast Division - WDAG, National Radio & Broadcasting Corp., Amarillo, Texas, Modification of C.P. to make changes in equipment and extend commencement date to 30 days after this date and completion date to 90 days after this date (Sept. 25); KGAR, Tucson Motor Service Co., Tucson, Ariz., license to cover C.P., 1370 kc., 100 w., 250 w. unlimited; WMAZ, Southeastern Broadcasting Co., Inc., Macon, Ga., modification of C.P. approving transmitter site at Log Cabin Ave., Macon, change in proposed equipment and extending commencement date to 30 days after this date and completion date to 6 months after this date (Sept. 25); WORC, Alfred F. Kleindienst, Worcester, Mass., license to cover special experimental authorization; station licensed on 1200 kc., 100 w., unlimited time, station has spec. exp. authority to operate on 1280 kc., 500 w., unlimited time and changed equipment; KMBC, Midland Broadcasting Co., Kansas City, Mo., license to cover C.P., 950 kc., 1 KW night, 2½ KW day, unlimited; KWKH, International Broadcasting Corp., Shreveport, La., modification of spec. temp. Exp. auth. for approval of proposed directional antenna system.

Also, WTAR, WTAR Radio Corp., Norfolk, Va., C.P. to make changes in equipment; WJMS, WJMS, Inc., (Portable) Ironwood, Mich., modification of C.P. to reduce power from 75 to 55 watts, change commencement date to Aug. 10 and completion date to Oct. 10; all other terms of existing C.P. to remain unchanged; KIKI, Liner's Broadcasting Station, Inc., Portable, near Monroe, La., license to cover C.P. 2150 kc, 75 watts; New, Onondaga Radio Broadcasting Corp., Portable-Mobile (Syracuse) (2 applications), C.P. (Exp. Gen. Exp.), 31100, 34600, 37600, 40600 kc., 5 watts.; W8XCF, Adirondack Broadcasting Co., Inc., Portable-Mobile (Hudson Falls), license to cover C.P. 31100, 34600, 37600, 40600 kc., 5 watts; W3XAD, RCA Victor Co., Inc., Camden, N. J., modification of C.P. to increase power from 500 watts and 2 KW to 30 KW, and extend completion date to March 15, 1935.

Telegraph Division: City of Chicago, Dept. of Public Works, Chicago, Ill., C.P. (Gen. Exp.), 31600 and 4100 kc., 15 watts; W4XU, City of Raleigh, N. C. Gen. Exp. license, 30100, 33100, 37100, 40100 kc., 25 watts; W2XGK, Town of Harrison, N.Y., license (Gen. Exp.) 30100, 33100, 37100, 40100, 86000-400000, 401000 kc., 50 watts; W2XGL, W2XGM, W2XGN, W2XGO, same as above except 9 watts; WAE WAF WAM WAU, WAW, Tropical Radio Telg. Co., Hialeah, Fla., modification of license to make change in transmitters and to add Belize, British Honduras to points of communication and delete San Salvador; WAV, Same Co., same as above except add points of communication: Belize, British Honduras, only; KGED, City of San Diego, Cal., Police Dept., license to cover C.P. 2490 kc., 1 transmitter 500 watts, 1 transmitter 50 watts; KNFH, City of Garden City, Kans., license to cover C.P. 2474 kc., 50 watts; WPBG, City of Medford, Mass., license to cover C.P. 1712 kc., 50 watts; W2XEM, City of Newark, N. J., license (Exp. Gen. Exp.) 30100 kc., 50 watts, for period ending June 1, 1935; New, City of Tampa, Fla. C.P. (Police) 2442 kc., 100 watts; New, Town of Sharon, Mass. and Same, Portable-Mobile, C.P., frequencies 30100, 33100, 37100, 40100 kc., 10 watts.

X X X X X X