

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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CONGRESS TALKS RADIO, BUT DOES NOTHING ABOUT IT

The first session of the Seventy-sixth Congress heard a lot of talking about radio and the Federal Communications Commission, but did nothing about it. All pending legislation, however, including the McNinch-Wheeler Bill to reduce the FCC to three members, goes over until the 1940 session.

Similarly, there were several preliminary moves toward a solution of the copyright problems, but no definite action was taken, and the Senate finally decided this week not to ratify the long pending International Copyright Convention before next year.

Congressional leaders on radio legislation expected that the fate of the Wheeler Bill and suggested amendments to the Communications Act will depend upon the success of the new FCC Chairman, James Lawrence Fly, and the recommendations he may have to make to the Administration and Congress next session.

Relations between Chairman Frank R. McNinch and Committees handling radio legislation were never cordial, and the House Appropriations Committee was outright hostile toward him this year.

The immediate future of the FCC, it is believed, will depend upon the ability of young Fly to win over these Congressional leaders if he is appointed Chairman of the FCC as rumored. As 1940 is an election year, however, any further move to reduce the membership of the Commission is likely to prove too hot to handle even by a Democratic majority.

The session opened with the eyes of Congress on the FCC because of the wide publicity given to the McNinch "purge". President Roosevelt's message to the Capitol, urging that the old Commission be scrapped and a new agency be set up started a display of fireworks that occupied public attention for weeks.

Senator Wheeler, while the sponsor of the McNinch bill, was never enthusiastic over it, and as soon as the cries of "dictatorship" were raised, he quietly shelved the legislation. He is not likely to revive it next year on his own initiative.

House critics of the FCC, principally Representatives Connery (D.), and Wigglesworth (R.), both of Massachusetts, introduced resolutions demanding an investigation of the FCC and the radio industry, but they were pigeon-holed by a Rules Committee obedient to the Administration.

Rumors that the Administration wished to revive the Pan American short-wave station project were met with the adamant refusal of the House Naval Affairs Committee to consider further the legislation feared by the broadcasting industry.

Mr. McNinch's plans for enlarging the FCC staff came to naught when the House Appropriations Committee held up the Commission's appropriation until almost the end of the fiscal year and then recommended an amount approximately equal to the previous year's expenditures.

Proponents of a modern copyright law are planning to force action at the next session after public hearings early in the year.

Last-minute objections of the National Association of Broadcasters to compromise copyright legislation were blamed for the postponement. Most parties concerned, including members of the radio industry, were said to be satisfied with the revised legislation and willing to see it enacted at this session of Congress.

The measure will be studied by the Library of Congress, the Justice Department, and the State Department during the recess, and reports will be made to the Patents Committees of both houses when the next session opens.

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FCC DENIED TELEPHONE FUNDS; WALKER ON CARPET

The House Appropriations Committee for the second time this session cracked down on the Federal Communications Commission this week by denying a budgetary request for an additional \$210,000 to broaden the regulation of the telephone industry.

After a severe grilling of Commissioner Paul A. Walker, who conducted the telephone inquiry, the Committee revealed its dissatisfaction with the report filed by the FCC, the length of time consumed by the investigation, and its results.

Nineteen additional attorneys and other employees would have been employed by the FCC to carry out some of the recommendations in the telephone report had the appropriation been carried in the Third Deficiency Bill as recommended by President Roosevelt.

Commissioner Walker, who was the only Commissioner heard on the estimate, sought to defend the telephone inquiry and stated that many rate reductions over the country were traceable to the findings of the FCC.

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FUNDS FOR RADIO CONFERENCES REFUSED BY HOUSE

The House this week refused to appropriate \$30,000 to pay the expenses of American delegates to radio conferences in Santiago, Chile, and Stockholm, Sweden, next year, but it is probable that it will do so early in the next session.

The State Department asked \$16,000 to send ten persons to the second Inter-American Radio Conference at Santiago and \$14,000 for the expenses of nine persons to the International Radio Consulting Committee on Radio parley in Stockholm on June 25, 1940.

Members of the Committee, by their questions, indicated they are disturbed by the frequency and variety of international radio conferences.

Chairman Woodrum, of the Deficiency Sub-Committee, commented on the fact that the same countries participate in all of the conferences.

"You have six or eight meetings scattered all over the country", he commented, "and the same countries participate, and it seems to me you could divide up the subject matter and have the meeting at one place."

Harvey B. Otterman, Chief of the Division of International Communications, replied that this is not possible.

"They tried to do that at Cairo", he said, "and came to the conclusion that all of the problems could not be satisfactorily handled. For example, aeronautical radio is just one field. There are so many phases entering into these world conferences that to undertake to pin them down to all details of any one particular phase or for restricted areas is usually difficult."

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RADIO SET EXPORTS SET NEW HIGH FOR JUNE

Exports of radio receiving sets components by this country rose to a new high of \$466,591 for the month of June, Secretary of Commerce Harry L. Hopkins announced this week. This compares with the May figure of \$368,913.

The export of radio receiving set tubes rose from \$237,465 to \$277,170 during the same period.

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NAB AND ASCAP FAIL TO COME TO TERMS AT PARLEY

Another long-drawn-out battle of words between the National Association of Broadcasters and the American Society of Authors, Composers and Publishers was foreshadowed this week after an NAB-ASCAP conference in New York failed to bring about an accord on the terms broadcasters propose for copyright music.

Neville Miller, President of the NAB and Chairman of the Copyright Committee, stated after the conference that the organized broadcasters immediately will begin to develop other sources of music to free the radio industry of dependence upon the ASCAP.

The NAB Copyright Committee will meet in New York again next Wednesday to consider means of setting up the copyright music source. A similar undertaking was attempted several years ago and an independent music bureau was set up, but the project never proved successful and the material later was sold.

As the present ASCAP contracts with radio stations do not expire until December 31, 1940, no crisis is at hand, and the broadcasters and copyright owners have a year and a quarter to shadow box before a new contract is drawn up.

The NAB wants a uniform contract calling for clearance of the copyright fees at the source, with royalties to be paid only on programs using ASCAP music. Under the present contract the stations pay 5 percent of net receipts to ASCAP.

Explaining that the broadcasters now pay the Society about \$4,000,000 annually and the figure is rapidly rising, Mr. Miller told New York newspaper men that the broadcasters had paid the Society about \$20,000,000 for the right to use its music in the past six years. He added that while the broadcasters expect to continue to pay substantial sums for the use of music, he believed they could no longer remain so largely dependent upon a single source.

The main objectives of the broadcasters, he said, are:

To defend themselves against the Society's requirement that they pay percentage-wise on all programs regardless of whether or not they use ASCAP music.

To reduce the Society's toll of \$4,000,000 a year.

To bring about a more equitable distribution of the charges among the broadcasters themselves.

To foster, encourage and promote the writing of new music and lyrics by giving opportunities to be heard to new composers and authors.

To arm themselves with such supplies of, or access to, music to enable them to conduct future negotiations with the Society on terms of some equality.

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FLY CONFIRMED WITHOUT DEBATE BY SENATE

The nomination of James Lawrence Fly as a member of the Federal Communications Commission was confirmed by the Senate late Tuesday. His designation as Chairman by President Roosevelt is expected before he takes office on September 1st.

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CARRIER POWER OF G.E. S-W STATIONS DOUBLED

Equipment, which will have the effect of doubling the carrier power of General Electric's short-wave stations W2XAD and W2XAF, Schenectady, as well as result in a more faithful reproduction of programs, is now in operation, it has been announced by C. H. Lang, manager of broadcasting.

The increased carrier power effect is brought about by the use of equipment, known as peak limiting amplifiers, which allows the two stations to transmit their programs at a higher power level.

The use of the new line equalizers between the studios of the stations and the transmitter, which is located at South Schenectady, will result in the listener receiving programs superior in quality to those previously received, by extending the upper limit of the audio range of the program from 5,000 to 8,000 cycles. To the listener this will mean that the high pitched notes of the human voice and of musical instruments will be as distinct as those of the lower register, by allowing the transmission of the overtones of speech and music, giving a more natural quality to the programs.

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LOGAN BILL GOES OVER UNTIL NEXT YEAR

Senate Leader Barkley this week said that the Logan Bill to restrict the administrative freedom of scores of Federal agencies, recently passed by the Senate, would be shelved for this session.

Senator Barkley told reporters he had obtained an agreement with proponents of the measure, including Senator Logan (D.), of Kentucky, its author, to defer further action until next year.

The day after the Senate approved the Bill, Senator Minton, (D.), of Indiana, filed a motion to reconsider, protesting that it had gone through by unanimous consent when he was out of the chamber.

The Senate agreed unanimously to his motion, thus automatically blocking House consideration and causing the bill to go over to next session.

Under the bill, regulations and court appeals from bureaus such as the Federal Communications Commission, Interstate Commerce Commission, Federal Trade Commission, Wage and Hour Administration, National Labor Board and others would be standardized.

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BAIRD DEMONSTRATES TELEVISION IN COLOR

The first demonstration ever to be given of television in natural colors was held in the experimental laboratories of the Baird Television Corporation at Sydenham, England, before an invited audience of the daily and technical press, according to I. C. Javal, Commercial Director of the company in New York.

The cable stated that a color photograph of King George was received on a large screen in full color and perfect definition. Press comments following the demonstration were enthusiastic. The London Times said: "King George's photograph televised in natural colors by cathode tube for the first time putting the Baird system in the forefront of world television." The Morning Telegraph commented: "Greatest progress since pictures have been transmitted through the ether."

John L. Baird has been conducting experiments in natural colors for the past year. Some months ago he predicted that this next step in television would be available to the public sooner than at first anticipated.

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RADIO CALLED "ENEMY OF CORRECT SPEECH"

New South Wales school inspectors blame the influence of radio serials for the deliberate dropping of "h's" and "g's" by many school-children.

"An insidious enemy of correct speech", the inspectors say, "is the alleged Australian speech of some of the radio serials. It is not uncommon to hear children in the playground purposely dropping the aspirates and carefully avoiding the final 'g' in such words as 'coming' and 'going'. The effect of this potential educational agency - wireless - is directly responsible for more bad speech than even the pictures." Wide reading is advocated as a corrective.

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FLY AND McNINCH CONFER WITH ROOSEVELT

James L. Fly and Frank R. McNinch conferred with President Roosevelt at the White House Thursday after Federal Communications Commission matters shortly after Mr. Fly had been confirmed as a member of the FCC by the Senate.

While the details of the parley were not divulged, it is expected that Mr. Fly will attempt to put over the "house cleaning" that Mr. McNinch failed to accomplish.

Mr. McNinch told newspapermen upon leaving the conference that the FCC chain-monopoly report will not be completed for six months.

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ELLIOTT ROOSEVELT'S RADIO TALKS HIT IN HOUSE

The radio commentaries of Elliott Roosevelt, son of the President, were denounced on the House floor this week by Representative Shafer (R.), of Michigan, before inserting in the appendix of the Record an editorial from the Detroit Free Press.

"Were it not for the prestige of his father, few people would be aware of the existence of Elliott Roosevelt, and his radio mouthings would attract no more attention than a ham sandwich at a family picnic", he said.

"But because his father is President of the United States, son Elliott has suddenly discovered his place in the sun and has blossomed out as No. 2 critic of the Seventy-sixth Congress. His blatherings, which ordinarily would be consigned to the wastebaskets of most radio stations, are broadcast over a self-controlled network of the Southwest, and New Deal press agents, whose salaries are paid by the taxpayers of the United States, are now making his broadcasts big news.

"Son Elliott's recent tirade, in which he declared Congress may have 'outlived its usefulness', definitely marked him a New Deal propagandist of the first order. The Detroit Free Press, in an editorial headed 'Question of Usefulness', expresses the reaction of many to son Elliott's sad attempt to criticize the Seventy-sixth Congress."

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SENATOR JOHNSON DEFENDS PROPOSED LIQUOR BAN

A spirited defense of his bill to prohibit radio advertising of liquor was made on the Senate floor this week by Senator Johnson (D.), of Colorado. While admitting that the legislation could not be passed at this session, Senator Johnson said he wanted to answer statements that the bill was sponsored by Senator Johnson (D.), of Colorado. While admitting that the legislation could not be passed at this session, Senator Johnson said he wanted to answer statements that the bill was sponsored by fanatics.

The Colorado Senator said the purpose of the measure is to protect the American home against the intrusion of liquor salesmen. He cited the intimacy of the radio, the fact that children listen to programs, and the public investment in radio sets.

He quoted statements from retiring Chairman Frank R. McNinch, who, he said, "is certainly not a professional reformer", Herbert Hoover, W. S. Alexander, Administrator of the Federal Alcohol Administration and others.

The NAB has placed liquor advertising on the list of outlawed radio trade practices under its code.

"The radio renders a private service and it renders a public service", he said. "The private service is rendered to its commercial customers, for which it is paid; the public service is rendered to the listening public, for which it is not paid. The radio is a public utility and, while advertising is incidental and necessary under our system to its operation, the real purpose for which the radio has been licensed by the Congress is service to the public and not service to the advertisers. Broadcasting stations are not given the privilege of a monopolized opportunity to occupy certain wave lengths by the Congress for the private benefit of radio advertisers. Even though the advertisers support the radio, the public interest which manifestly is not in advertising remains paramount."

"Congress in its wisdom has delegated broad powers to the Communications Commission, but Congress has relinquished none of its prerogatives over policies of radio utterances. It has already prohibited by law the utterance of any obscene, indecent, or profane language by means of radio communication, and it should obviously add liquor advertising to this very short list of banned subjects.

"Congress must recognize that liberty of expression is one of man's most precious heritages, but Congress must also remember that the exercise of free speech has never meant and never can mean 'the unrestricted right to say what one pleases at all times and under all circumstances.' There must be moderation

and common sense in the exercise of free speech, otherwise a great human blessing eventually deteriorates into a positive oppression. Unwholesome advertising poured out from radio stations to be received in the privacy of the various homes of this land becomes the instrument of injury to unprotected children if care is not manifested. When the spoken word does that it destroys by its very nature the social principles involved in the guarantee of free speech. There is a freedom of listening which is just as important as the freedom of speaking, for the listener to such a public utility, as the radio has just as much right to the consideration of Congress as has the speaker.

"S. 517 is not in any sense fanatical legislation. It has nothing whatever to do with the eighteenth amendment or with a return to prohibition. Its only purpose is to protect the American home against offensive and unwholesome liquor advertising. That home has petitioned Congress to bar the invisible but attractive vocal liquor salesman from entry into its sacred inner chamber. I am standing on this floor advocating the adoption of S. 517 because 379,000 parents living in every State in the Union have been so outraged that they have asked Congress to protect them and to guard them against the violation of their firesides by the unscrupulous voice of this unwelcome invader. The Constitution has as much to say about the sanctity of the home as it does about freedom of speech. It does not permit a police officer, for instance, to enter that privileged sanctum without a warrant, yet the impudent liquor salesman demands constitutional rights which have never existed to enter that home, violate its sanctity, and make repulsive sales talks to persons who do not want to listen."

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THREE NETWORKS REPORT GAINS FOR JULY

The three major broadcasting networks had substantial increases over 1938 in billings in July, it was disclosed this week.

The Columbia Broadcasting System was ahead by 69.1 percent, the National Broadcasting Company by 11.0 percent, and the Mutual Broadcasting System by 29.6 percent. Columbia billings were \$2,311,953, compared with \$1,367,357 a year before. Total for seven months was \$19,264,926, compared with \$16,949,912 in 1938, a gain of 13.7 percent. The number of stations on August 1 was 116, unchanged from 1938.

NBC billings in July were \$3,283,555, compared with \$2,958,710 a year before. For seven months the total was \$25,882,492, compared with \$23,982,384 in 1938, a gain of 7.9 percent. The chain had 171 stations on August 1 against 153 a year before.

Mutual billings in July were \$216,583, compared with \$167,108 in July, 1938. This was the fifteenth consecutive month in which Mutual billings gained over the year before. For seven months billings were \$1,840,819, compared with \$1,509,287 for the corresponding 1938 period, an increase of 21.9 percent.

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:::: TRADE NOTES ::::
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Arthur Radkey, of the WLW Educational Department, was this week appointed instructor in Radio Continuity Writing at the Evening College of the University of Cincinnati. The course will be new to the University curriculum.

Eddie Cantor was named defendant this week in Hollywood in a \$751,000 personal injury suit filed by a couple who alleged they were called Nazis and beaten up after a radio broadcast. Charles Gollob and his wife, Elsie, filed the action against Cantor, Bert Gordon, also known as the "Mad Russian", the Reynolds Tobacco Co., and the Columbia Broadcasting Co. The Gollobs alleged that when they left the Hollywood broadcasting theater of the radio chain, March 27, they were called Nazis, that a man, alleged to be Gordon, struck Gollob with a blackjack, and that Mrs. Gollob was struck in the face and knocked down.

Keeping pace with world affairs and responding to preferences evinced by listeners, the Columbia Broadcasting System considerably expanded its programs on international and foreign affairs and education in the first six months of 1939, as compared with the same period in 1938. A survey of network programs reveals increases in the time devoted to adult education, religion, international and foreign affairs, agriculture, news and drama.

Harry W. Conn, formerly a gag-writer for Jack Benny, filed suit for \$65,500 against the comedian in Los Angeles this week charging breach of contract. Conn declared he entered an agreement with Benny to write gags for thirty-nine weeks in exchange for 5 percent of the comedian's earnings during the time he used them. But whereas Benny has made \$1,170,000 from radio programs and \$140,000 from film work, using the Conn japeries the while, the writer asserted, he has received nothing.

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MacLAREN, NEW ZENITH PRODUCTION MANAGER

George I. MacLaren has been appointed Production Manager of Manufacturing Operations of the Zenith Radio Corp., Chicago, according to Commander E. F. McDonald, Jr., President.

"This important addition to our staff, one of a number announced during the present year, is made necessary by our continuous increase in sales and the consequent need for expanded manufacturing operations", Commander McDonald said.

"Mr. MacLaren has had 14 years of intensive experience as Production Manager in full charge of manufacturing operations of the Atwater Kent Manufacturing Company of Philadelphia, followed by a term as Factory Manager in charge of production activities with the RCA Manufacturing Company, Camden, N. J.

"Well and favorably known in the radio industry, Mr. MacLaren brings to his new responsibility an unusually well-rounded experience in the manufacture of all types of radio apparatus, including tube and microphone manufacture as well as that of receivers and transmitters."

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CONTRACT LET FOR WJSV 50 KW TRANSMITTER

Contracts for construction of a new transmitter in Wheaton, Md., for Station WJSV, Washington outlet, of the Columbia Broadcasting System, have been awarded, and construction has begun, according to A. D. Willard, General Manager of the station.

The George Martin Construction Company of Washington will build the transmitter building, of modern functional design, at a cost of \$53,600. Three guyed towers, each 340 feet high, will be erected for \$33,657 by the Blaw-Knox Company of Pittsburgh. It is expected construction will be completed in approximately 90 days.

The power of WJSV is to be stepped up from 10,000 to 50,000 watts when it abandons its present transmitter on the Mount Vernon Boulevard near Alexandria, Virginia.

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FIREWORKS MARK FCC HEARING GREAT LAKES SCRAP

Charges and counter charges of attempts to obtain a monopoly of the radiotelephone business on the Great Lakes are being studied by an Examiner of the Federal Communications Commission pending the resumption of a hearing on August 16.

Lawyers in the case, centering about the rates of the Lorain County Telephone Company and the Lorain County Radio Corporation, almost came to blows before the hearing recessed because of a statement by a Lorain official that the Radiomarine Corporation of America tried to buy out the Lorain properties.

The Lorain companies, which are owned and operated by the same persons, now have a lion's share of radiotelephone business on the Great Lakes, partly because of their ability to furnish both equipment and service to ship owners. The Radiomarine Corporation has joined with the Donnelley Radio Telephone Company, which has a station at Lake Bluff, Ill., in asking that the Lorain outfit be denied the right to tie up a service charge with radiotelephone rates.

Thorne Donnelley, President of the Illinois Company, told Examiner Robert L. Irwin that his concern is unable to compete successfully with the Lorain corporation because of the \$25-a-month service charge. Mr. Donnelley said he is willing to drop the service charge and thinks Lorain should be compelled to do so.

If Lorain is permitted to continue to service charge, he testified, it will constitute an "economic boycott" of the Donnelley station.

Frank W. Wozencraft, counsel for RCA, had several verbal clashes with attorneys for Lorain over a statement made by Herman E. Hageman, President and General Manager of the Lorain companies. Mr. Hageman said that Alfred James Wills, former commercial representative of the Radiomarine Corporation in Cleveland, had approached him with an offer to buy the Lorain properties upon behalf of RCA for \$56,000 in 1937. He said that Mr. Wills had advised him to accept the offer because RCA is "Very powerful" and "influential with the Federal Communications Commission".

Mr. Wozencraft hotly denied the story and later produced Mr. Wills to make the denial personally. The RCA attorney pointed out that Charles J. Pannill, President of the Radiomarine, had denied the story shortly after it was alleged to have occurred. He accused Mr. Hageman of repeating it merely because he was angry with RCA for entering the case.

Mr. Wills did admit, however, that he had suggested, entirely on his own initiative, that Lorain and RCA might "unite their forces in a good will effort to serve the ship owners." He left the services of Radiomarine as of July 31, he said, entirely of his own free will although Lorain attorneys inferred by cross-examination that he had been dismissed because of this "offer".

Lewis P. Gilmer, Vice President and General Manager of the Donnelley corporation, subsequently testified that Mr. Hageman had offered to take over the operation of the Lake Bluff station and to split the profits with the Donnelley company after he had learned that the latter was going to participate in the Lorain rate case before the FCC.

Earlier in the hearing, Mr. Hageman testified that Lorain had equipped 82 ships in the Great Lakes with its radio telephones and had handled 18,699 calls in 1938.

Ship owners contributed \$100,000 to the capital fund of the companies at the beginning, he admitted, and were reimbursed by the placement of radio equipment aboard their ships.

The name of Commander Eugene F. McDonald, Jr., President of Zenith Radio Corporation, Chicago, was brought into the hearing several times by Mr. Gilmer. The witness first called attention to his ownership of the yacht "Mizpah" and his use of radiotelephone services and spoke of his courage in running the craft in the Great Lakes even when the ice of winter endangered travel.

A telegram from Commander McDonald stating that he preferred to pay for radiotelephone messages on a straight basis without service charges as is the practice along the Atlantic coast was read into the record by the attorney for Donnelley.

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N. Y. DEPARTMENT STORES ASK FOR TELEVISION PERMITS

The first attempt to utilize television for practical merchandising will be made by two New York department stores, Abraham & Straus, Inc., and Bloomingdale Bros., Inc., if the Federal Communications Commission grants an application they filed in Washington last week.

The application for the license was filed by Metropolitan Television, Inc., a subsidiary of the two stores, especially organized for the transmission of television programs.

Ira A. Hirschmann, Vice President of Bloomingdale's, said plans now are under way to establish the transmitting facilities of the new television company at one of the large hotels in the up-town Manhattan area, "near our store". He said he will go to England to study the television methods of the British Broadcasting Corp. while this is being done.

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While in London, he will spend some time with Gordon Selfridge, Jr., of Selfridge's Department Store, which is the first European store to conduct successful television experiments.

With their newly created subsidiary, Metropolitan Television, Inc., Abraham & Straus and Bloomingdale's plan to carry on a comprehensive program in television experiments, Mr. Hirschmann stated. He said the stores now are working on another plan with which "we hope to promote the sale of television sets at lower prices than today." However, he declined to develop this theme.

Commenting on television's role in merchandising, the department store executive described it as "a dramatic new supplement to our present media of advertising and publicity." He continued:

"Television will never replace advertising, but will go hand in hand with newspaper and radio merchandise advertising. Rather than acting as a threat to national and retail media it offers a fresh new field for the sale of goods and ideas. Merchandise, in short, becomes visual as well as vocal."

Mr. Hirschmann said "a modern and well equipped television broadcasting station costs anywhere from \$100,000 up," although he declined to be quoted on what the newly formed television corporation would expend in this direction. "If our license is granted," he added, "we plan to introduce the most modern equipment available."

It is the company's intention to study and formulate techniques for the sale of goods, particularly stores, Mr. Hirschmann said. "We are experimenting at present with 'movie' shorts which will be the phonograph records of television for repetitive use and economical programming. Motion picture companies and newspapers will welcome television rather than oppose it, for here is a major field for exploitation in their respective fields."

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NAB AND ASCAP WAGING BATTLE OF STATEMENTS

With copyright negotiations again broken off, the National Association of Broadcasters and the American Society of Authors, Composers, and Publishers this week were waging a battle of words with formal statements fulfilling the role of weapons!

Neville Miller, President of NAB and Chairman of the Special Copyright Committee, struck the first blow immediately following a conference with ASCAP officials in New York last week. (See previous letter).

Gene Buck, President of ASCAP, replied quickly that the copyright owners "welcome the fight" with the organized broadcasters." And then Mr. Miller let loose another blast at ASCAP!

"The NAB signed an agreement with the American Society for a period of five years, but the ink was no more than dry on the agreement three and a half years ago than they started a campaign to control or to break up ASCAP," said Mr. Buck.

"Failing to change the Copyright Act and after their failure in using the courts, they then introduced a new technique throughout the Nation in the States to gain their selfish interests.

"This having failed, with the possible exception of the States of Washington, Montana and Florida, they now announce that they are going to start something to deprive the authors and composers of the Nation of some compensation for the use of the creations of their brains. * * *

"Since broadcasting was invented the broadcasters have indulged in the fantastic idea that the men and women who create the music of the Nation and the world should furnish the products of their brains to this vast and powerful industry gratis. * * *

It is a sad state of affairs when these gentlemen, who sell commercial time to the amount of \$118,000,000 annually and will pay artists and performers and interpreters of music as much as \$15,000 for a single performance, cry and whimper because they have to pay the composers and authors of the Nation about \$3,500,000 a year, which makes their entire operation possible."

In answer to this statement Mr. Miller replied:

"Let's stick to the facts.

"Broadcasters are ready and willing to pay a fair and reasonable price for the use of ASCAP music. At present, ASCAP's total annual revenue amounts to approximately \$6,000,000, of which \$4,000,000 -- or two-thirds -- is derived from radio stations. In the past six years alone, the broadcasters have paid ASCAP over \$20,000,000.

"With few exceptions, radio stations pay ASCAP five per cent on their total gross receipts, paying on revenues derived from the sponsorship of dramatic shows, news broadcasts, sports broadcasts and many other broadcasts where not one note of ASCAP music is played; and also on programs which contain music but which is not ASCAP music. The present contracts expire December 31, 1940.

"We have informed ASCAP that we are willing to pay when we use ASCAP music but that we are not willing to continue to pay on programs which do not use ASCAP music. As their largest customer, we have asked them to set the price, and ASCAP has refused to do so. This is the heart of the present problem.

"Since last March, we have tried unsuccessfully to secure from the Society some expression as to the terms upon which it would be willing to renew the contracts. We do not propose to let matters drift on until December 31, 1940 and then, at the eleventh hour, be

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forced into an unfair and inequitable contract, compelled to meet any terms which ASCAP's present monopolistic control may dictate. The radio industry can no longer have its economic stability threatened by dependence upon one source of music, especially when that source is a copyright pool and monopoly. We propose to develop other sources of music, to encourage new composers and authors who find their creative genius stifled by the ASCAP monopoly; who are now unable to have their music published profitably and who find it practically impossible to have it performed.

"Through these means, we hope to build up an impressive reservoir of fresh new music, to make fair and equitable contracts with authors, composers and publishers which will enable us to carry on in event we are unable to meet the unknown demands ASCAP may make.

"We believe this development will uncover a wealth of new talent in the United States, and will bring to the American public an abundance of enjoyable new music."

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SENATOR BRIDGES URGES WOMAN FOR FCC

Senator H. Styles Bridges (R.), of New Hampshire, has proposed to President Roosevelt that a woman be appointed to membership on the Federal Communications Commission and has included among several nominees, Publisher Eleanor M. Patterson, of the Washington Times-Herald, Columnist Dorothy Thompson, New York Herald Tribune; and Mrs. Eleanor Roosevelt, wife of the President and author of a newspaper column, "My Day".

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CBS SEMI-ANNUAL PROFIT ABOVE 1938

Columbia Broadcasting System, Inc., and Subsidiaries, report for the twenty-six weeks to July 2: Net profit of \$2,771,892, equal to \$1.62 each on the 1,708,723 shares of \$2.50 par value stock either outstanding on July 1, this year, or to be outstanding upon completion of the exchange of the old \$5 par value stock, compared with a net profit of \$2,578,192, or \$1.51 a share in the corresponding twenty-six weeks last year.

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WIDE USE OF FREQUENCY MODULATION FORECAST

A new type "frequency modulated" radio broadcasts will be filling the air in the major markets in this country within the next year, Dr. W. R. G. Baker, head of General Electric's radio and television division, predicted in speaking recently before a delegation of college and university professors.

Dr. Baker explained that frequency modulation is one of the latest and most promising developments in the field of radio, and makes possible for the first time practically static-free reception with a high fidelity that has hitherto been unattainable with the presently used "amplitude modulated" radio system.

"Two frequency modulated transmitters are already operating," Baker said. "One is in Boston and another is in New York city. A third will be placed in operation here in Schenectady by early fall."

Present receivers will not be able to pick up frequency modulated broadcasts, and it will not be possible to change them so they can," he said. "The public need not fear that present day radios will be obsoleted immediately, however," he continued. "Amplitude modulated programs will continue to be broadcast for some time to come. Frequency modulation will be sold to the public at the outset as another band on a new receiver which will pick up both type broadcasts."

The frequency modulated system employs the use of ultra short radio waves, and the signals broadcast travel only slightly beyond the distance of the horizon, according to Dr. Baker's explanation. This characteristic is said to be the open sesame for an almost unlimited number of broadcasting channels with plenty of room for nationwide chains and local stations galore.

Dr. Baker stated that frequency modulated transmitters could be built for approximately one fourth the cost of the usual station, and that with the possibility of overcrowding the airwaves removed, many new broadcasters should crop up.

In describing the difference between the regular, or the amplitude system, and the new frequency modulated system, Dr. Baker explained that in the newer method the characteristics of the broadcast waves differ from the static, and as a result the frequency modulated receiver picks up the broadcast almost completely stripped of static.

In tests conducted earlier this year for a group of experts including four from the Federal Communications Commission and three from the Interdepartmental Radio Advisory Committee, General Electric radio officials showed that 96 percent of existing static, both atmospheric and man-made is eliminated from programs broadcast under the frequency modulated system.

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SENATOR ELOQUENT IN PRAISE OF "CHATTERBOX"

Senator Johnson (D.), of Colorado, waxed eloquent in a dissertation on radio in the Senate last week.

"The most intimate and important inanimate object in our home is a little piece of more or less unornamental furniture which we affectionately call the chatterbox, for it brings to us the chatter of the entire world", he said. "The first member to arise in the morning turns it on and the last to retire turns it off. It entertains with a program varied from the sublime to the ridiculous; it caters from early to late to the spiritual, the esthetic, and the fleeting fancies and moods of each member of the family. It so handles current news that we need only listen to the highlights to have constantly before us a picture of what is transpiring in the world. Sporting events and important ceremonies in far-away places are presented blow by blow so realistically and in such masterful manner that we prefer to stay at home rather than undergo the inconvenience and discomfort incidental to being actual eye witnesses. Over this unique contrivance the statesmen of the world gather with us around our fireside and discuss the issues which rock the universe.

"How fascinating to hear in our humble living room the natural voices of our beloved President, Mr. Roosevelt; the Premier who made the bad bargain at Munich, Mr. Chamberlain; the vociferous Il Duce, Benito Mussolini; and the great 'I am' Der Feuhrer Hitler, each in character depicting his part in the tragic drama of current history. Truly, the radio has added much to our home. Delightfully entertaining and pleasantly instructing, the radio has become a most essential part of our family life; and we would rather go without necessities than part with its magic."

He was speaking in support of his bill to bar liquor advertising from the air.

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Next week Editor & Publisher will present the first of two articles analyzing the possible effect of television upon newspaper advertising; the present status of television as regards possible number of stations, licenses issued or applied for; reception area; future cost of receiving sets, etc. In addition, the articles will tell the probable cost of equipping a 1 KW television station, yearly cost of operation, and probable sale price per hour of television time.

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: : : TRADE NOTES : : :
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"Principles and Practices of Network Broadcasting," consisting of the testimony of David Sarnoff, President of RCA, at the opening of the FCC chain-monopoly inquiry last fall has been published in pamphlet form and is being distributed by the publicity division of RCA.

Sparks-Withington Company and its Subsidiary report for the year to June 30--a net loss of \$232,547, compared with a net loss of \$60,581 in the year to June 30, 1938.

The use of U. S. forest service two-way radiophone for the first time in western newspaper history brought a scoop to the Ogden (Utah) Standard Examiner and a feather in the cap of Louis A. Skaggs, ingenious staff reporter, who scored a page one hit with a national convention coverage one day ahead of the other papers. Skaggs, 45 miles away from the city atop Monte Cristo, high in the Wasatch range of the Rockies, read his story by radiophone to a rewrite man, who rushed the copy to the editorial office and composing rooms to make the early editions of the paper.

Fred Adelman, also known as Frank Adelman, trading as Vit-O-Net Company, Vit-O-Net Corporation and Electric Blanket Company, 1716 South Michigan Ave, Chicago, has been ordered by the Federal Trade Commission to discontinue misleading representations in the sale and distribution of "Vit-O-Net", described as an electrical blanket device for treating diseases. Under the order, the respondent is to cease representing that "Vit-O-Net", or any similar device, sets up a radio-magnetic energy which is transmitted to the patient thus causing an increased activity and retitalizing of the organs and cells of the body and a charging of the blood stream with electromagnetic energy with beneficial results.

Rules and regulations covering radio aviation service have been amended as of August 1, by the Federal Communications Commission. The amended rules, among other things, remove the "day only" restriction applying to 6210 kilocycles. Where this frequency has been authorized it may now be used in accordance with the amended rules, without regard to the restriction concerning it which appears on outstanding licenses. The "day only" restriction will be removed from such licenses at the time of the renewal, or issuance of other instruments of authorization.

WOR ASKS FCC PERMIT FOR TELEVISION STATION

In the interests of an extensive program of research and experimentation, Station WOR, Newark, announced this week that it has applied for permission to construct a television station in the heart of New York City. The project, according to Alfred J. McCosker, President of WOR, will be closely linked with a campaign of experimentation in new television program technique and engineering advancement.

The application, filed with the Federal Communications Commission at Washington, calls for a 1000-watt transmitter operating in the 84 to 90 megacycle band and located atop a skyscraper in midtown New York. It will service the entire Metropolitan area.

The proposed policies of the new station will emphasize educational telecasts and special features covering spot news, political and sporting events with the same timeliness as WOR has displayed in its sound broadcasts.

Both live programs and motion pictures will be aired from the new television installation. A study of improved studio methods is already under way. The new station, although it will be licensed on an experimental basis for unlimited time, expects to offer visual programs daily, the number of hours being dependent on the increase within its service area of installed receivers.

Cooperation in the educational aspects of the venture has been assured by a number of important educational institutions in New York State and New Jersey.

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RCA'S OPERATING EXPENSES RISE SHARPLY

David Sarnoff, President of the Radio Corporation of America, announced this week that the corporation had a net income of \$724,091 in the second quarter of this year, after all expenses and charges. This result fell short by \$81,197 in covering preferred dividend requirements for the quarter, and compared with a net income of \$1,086,955, equivalent to 2 cents a share on the common stock, after full preferred dividend charges, in the June quarter of 1938.

For the first six months of this year Radio's net income amounted to \$2,172,201, equivalent to 4 cents each on the common shares, after preferred dividend requirements, compared with \$2,524,756, or 6 cents a share on the common stock, in the first half of last year. Gross income for the six months amounted to \$48,290,112, against \$45,254,304 in the corresponding period a year ago.

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PAYNE PRAISED IN CATHOLIC MAGAZINE INTERVIEW

Commissioner George Henry Payne, who has been strangely out of the news of recent months, is the subject of an interview in The Sign, a Catholic magazine, June issue, by Kathleen C. Bennett. After a preliminary summary of the events leading up to the introduction in Congress of the Wheeler-McNinch three-man-Commission bill, Miss Bennett relates an interview with Commissioner Payne.

"In spite of reassurances, I was prepared, from what I had read, to meet a bristling reformer who would pour out a flood of denunciation", she said, "not only of radio but of the entire cosmos - and who would probably (after the unpleasant manner of reformers generally) end by trying to reform me.

"But it was no bristling reformer who came forward courteously to greet me. It was a gentleman who possessed more of that generally abused word 'charm', than anyone encountered in years. Two main characteristics were soon evident; abundant energy, and far more than an average zest for life.

"Suave and tactful in manner, when a principle is at stake, he can be a tornado of scathing satire. Not all of those who have come to know him as the FCC's Progressive Reformer know him also as the author of a scholarly book on children, 'The Child in Human Progress'. Nor as the author of the most important history of journalism of our time.

"Not a Catholic, it has frequently been said that he expresses the Catholic philosophy in spiritual matters as they affect radio. With Skipper McNinch he has certainly not seen eye to eye; but he and Commissioner T. A. M. Craven have battled side by side for constructive reforms; and Commissioner Norman Case, from Rhode Island, has not infrequently voted with them.

"There is no doubt that reform-resisting elements have not ceased to pull political wires; that the troubles between the FCC and the radio industry have long bothered the President. But the heart of the mystery of the scuttling of the FCC would seem to be Skipper McNinch's antipathy to the aggressive and progressive reformer from New York.

"With Hugh Johnson, thoughtful elements see danger in the brig which Senator Wheeler has offered as substitute, with its crew of three to replace that of seven. They believe that there is less threat of centralization in the larger crew; that it is more democratic; that a variety of opinion is healthier, more representative; and that discussion, argument and even dissension are not unwholesome things in this important regulatory body.

"One thing is certain; as long as Commissioner Payne remains a member of the FCC's crew, there will not only be color but courage in dealing with communications."

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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STANDARDS BUREAU OFFERS MONTHLY RADIO FORECASTS

Disclosure that the U. S. Bureau of Standards is offering a service of monthly predictions of ionosphere and radio conditions was made in the annual report of the Radio Section released this week.

"Sufficient experience had accumulated so that this year a service of ionosphere predictions was begun", Dr. J. H. Dellinger, Chief of the Radio Section, stated.

Predictions three months in advance, he explained, are made on the basis of current observations of the changes from month to month, together with knowledge from past years of seasonal changes.

The introduction of the term "radio sonde" was another innovation of the year, the report revealed. This name is now applied to the device formerly known by several names, including "radio meteorigraph".

"A radio sonde is an assemblage of meteorological and radio apparatus carried aloft on a small balloon for the purpose of obtaining information regarding atmospheric conditions", the report explained. "In the form developed by the Bureau for the Navy Department, it transmits to the ground indications of temperature, pressure, and humidity, by means of a varying modulation frequency in an ultra high carrier frequency. At the receiving station on the ground an automatic recorder continuously draws a graph showing the three elements as the radio sonde ascends and descends.

"During this year it was put into extensive use by the aerological services of the Navy Department, Weather Bureau, and Coast Guard. Thus, the Weather Bureau made daily routine use of the system at six stations throughout the country, to replace the daily soundings hitherto made by airplane flights. The Navy Department used it at one ground station and two shipboard stations, and the Coast Guard used it on two ships of the International Ice Patrol. Some 3000 radio soundings were made during the year in the regular course of collecting upper-air weather data. The great improvement in the regularity and range of the upper-air observations obtained from supplanting the airplane method of sounding led to plans for increased use of the radio sonde system; the Weather Bureau and the Navy planned to use it at many more stations than they ever used airplane observations.

"The Bureau cooperated with each of the agencies which started to use radio sondes, and with the manufacturer supplying them. In supervising the initial processes of producing and using the device, the Bureau developed a number of detailed improvements indicated to be required by service experience. Thus, a new seal for the capillary electrolytic thermometer was developed which eliminated difficulties encountered in early service use from polarization, change in electrical characteristics, and breakage. The relation of the electrical resistance of the capillary thermometer to the controlling resistors in the radio-sonde transmitter was altered to provide for increased accuracy of temperature indication, particularly at stratosphere temperatures. The accuracy of the frequency indicating and recording system was improved by adoption of a standardized method of calibration; a feature of this method is the flexibility provided for interchange of component units.

"The regularity of operation was found to be materially better than when using airplanes, since practically no interruption to service was experienced during adverse weather conditions which would preclude the possibility of airplane soundings. The average limit of height of soundings was about 11 miles instead of the 3 miles obtained in airplane soundings.

"The accuracy of the observations obtained was determined by extensive testing in cooperation with the Navy Department and the Weather Bureau, and was found to be of the same order as in airplane soundings. The accuracy of pressure observation is within 15 millibars. The accuracy of temperature is within one-half degree Centigrade. The estimated accuracy of the humidity observations (with the hair-type hygrometer at temperatures above 0°C) is within 10 percent relative humidity."

Outlining other activities of the Radio Section, Dr. Dellinger said:

"The processes of radio wave transmission were investigated, principally by continuous recording of radio wave intensities from distant radio stations and by observations on radio echoes from the ionosphere. This work supplied useful information on a number of practical problems such as: selection of radio frequencies for transmission over specified distances at various times of day and year; determination of received intensities and limit of usable frequencies for various distances, times, and locations of transmission path; means of carrying on radio communication at times when radio conditions are irregular because of disturbances radiated from the sun or other causes.

The results of the Bureau's radio wave research were extensively utilized by others, e.g., by the Interdepartment Radio Advisory Committee in its work of assigning frequencies to Government radio stations, and by the Government committees preparing for the next meeting of the International Radio Consulting Committee.

"The regular broadcasting of standard frequencies was carried on throughout the year and its high reliability and accuracy were further improved. Modulators of higher output were installed, and frequency multiplying and monitoring devices were made more positive and automatic. The primary standard of frequency was improved by the addition of oscillators of greater constancy."

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CALL LETTERS OF INTERNATIONAL STATIONS CHANGED

By order of the Federal Communications Commission the call letters of all United States international short-wave stations are being changed to conform with the FCC order removing the experimental limitation.

The letter "X" has designated the stations as experimental, heretofore, so that the new call letters have dropped this identification.

FCC officials are waiting for the stations to select their own new call letters before announcing a complete new listing. However, those that have been changed are Columbia's W3XAU to WCAI and General Electric's W2XAF and W2XAD to WGEQ and WGEA, respectively. G.E.'s San Francisco station's identification is changed from W6XBE to KGEI.

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NORWAY ADOPTS LAW RE AERIALS

The new law on leases recently passed by the Norwegian Parliament lays down the following provisions covering the erection of aerials:

"The tenant must not install an aerial on the premises or make such alterations in the dwelling or the room occupied as would involve removal of flooring or stoves or similar objects, without the landlord's consent.

"Should the landlord, without justification, refuse consent to the installation of an aerial or to a necessary alteration of the kind referred to above, the Building Council, upon receipt of a complaint from the tenant, may authorize the alteration. If no Building Council has been instituted the complaint will be referred to the Committee of Conciliation for decision.

"The application of the conditions in the preceding paragraph cannot be waived by agreement."

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FCC HOLDS RECESS MEETING; COMMISSIONERS DEPART

The Federal Communications Commission, in Summer recess, held a special meeting this week to act on emergency cases before two Commissioners, George Henry Payne and Paul A. Walker, left Washington for the West Coast on FCC business.

Three new stations were approved. Construction permits were granted to the Hiawathaland Broadcasting Co., Sault Ste. Marie, Mich., to operate on 1200 kc., 100 watts night, 250 watts daytime, unlimited time, and the Yuma Broadcasting Co., Yuma, Ariz., for 1210 kc., 100-250 watts, unlimited time.

Proposed findings of facts and conclusions proposing to grant the application of WJMS, Inc., Ashland, Wis., to construct a new station to operate on 1370 kc. with 100 watts power, unlimited time were announced.

Among other action taken was the following:

Maj. Edwin H. Armstrong, of New York, was granted a construction permit for a new special high frequency relay broadcast station to use 133030, 134850, 136810, and 138630 kc. with 50 watts power.

The application of Mariannina C. Iraci, transferor, and Arde Bulove, transferee, for consent to transfer control of William Penn Broadcasting Co., licensee of WPEN, Philadelphia, was granted. Station WPEN operates on 920 kc., with 1 KW power, unlimited time.

The Travelers Broadcasting Service Corp., Hartford, Conn., was given a construction permit for a new high frequency broadcasting station to operate on 43200 kc., experimentally, with 1 KW power, unlimited time.

WOKO, Inc., Albany, was granted a permit to build a new facsimile broadcast station to operate on 25050 kc., with 500 watts power, conditionally.

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"If present negotiations are consummated", Leonard Lyons, Broadway columnist, said this week, "practically every Broadway movie house will soon display a television set. . . which reminded Bobby Clark of the early days of radio, when he was appearing at the Palace Theater. . . One member of the troupe rushed off between shows to appear on a radio program - and this enraged E. F. Albee, who summoned George Godfrey, the Palace's booking-manager, and instructed: 'I want you to put a clause in all my contracts, forbidding artists to work on the radio. I'll put those damn radio companies right out of business.'"

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FREQUENCY-MODULATION HIGH-FIDELITY RECEIVERS ON MARKET

The first frequency modulation radio receivers designed for sale to the public have been announced by the General Electric Radio and Television Department, Bridgeport, Conn., and are now being shown in New York and New England, only sections of the country to date in which there are transmitters and broadcasting stations utilizing the new system developed by Major E. H. Armstrong. Three models are now available, two of them equipped to receive only frequency modulation broadcasts, and a third which also combines three-band radio reception of the conventional type.

Outstanding characteristic of the new receivers, so far as the public is concerned, is their ability to recreate music and voice to an astonishingly lifelike degree, with an almost complete absence of static and interference. The receivers faithfully produce the fundamental notes and harmonic overtones, retaining the personal element even in a human whisper. The individual instruments of a symphony orchestra which ordinarily defy reproduction, such as the tambourine, cymbal, and triangle, can be made to emerge with clarity. G. E. engineers have been engaged in the development of frequency modulation receivers for the public for more than two years, and the ones just announced have undergone rigid testing.

The new model HM-136 makes available standard American broadcasts, foreign and domestic short-wave stations, and those transmitters of the frequency modulation type now in operation. Its five-position tone selector makes possible the adjustment of tonal balance over a wide range in accordance with personal preferences. It is equipped with a 10-inch dynapower speaker with curvilinear cone, field of Alnico, and has terminal connections for a public address system, so that the programs may be fed directly into such a system when desired. A television audio and phonograph key automatically permits the listener to enjoy television sound programs and can be used in conjunction with a television picture receiver, thus tying-in the other major development of the year in a single instrument. Eleven feathertouch tuning keys are provided for standard broadcast stations.

The tuning range of this receiver, for frequency modulation, is 39 to 44 megacycles; for short-wave, 7500 to 22,000 kilocycles; for police-amateur, 2400 to 7500 kilocycles; and for standard broadcasts, 540 to 1600 kilocycles. Additional features are a multi-vision sliderule dial, floodlighted station finder, drift-proof station setting, tone monitor circuit, automatic tone compensation and volume control. It has 20 watts output, uses 13 tubes.

There are currently three broadcasting stations operating on the frequency modulation system - two in New England and Major Armstrong's original transmitter at Alpine, near New York City. This fact temporarily limits the markets in which frequency modulation receivers can be sold, as in the case of television. The transmitters have a range of approximately a hundred miles, or twice that of television transmitters of equal power. The Alpine station, in the New York metropolitan area, rebroadcasts the radio programs of WQXR at the present time. Daily half-hour programs are broadcast every hour on the hour, from 11 A.M. to 4 P.M., and after 4 P.M. the program is continuous until 11 P.M.

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SWISS NEGOTIATING FOR LEAGUE'S STATION

The Swiss Government is negotiating with the League of Nations for the purchase of the League's broadcasting station, according to a Geneva correspondent of the New York Times. An agreement is expected soon.

Two chief considerations are said to have prompted Secretary General Joseph A. C. Avenol to authorize the negotiations: First, expenditures recently have greatly exceeded receipts, and the League's declining membership necessitated a sharp budget reduction. Secondly, by agreement with the Swiss Government, the station enjoys extraterritoriality and might prove a source of embarrassment to neutral Switzerland in a war.

The League has received inquiries from broadcasting companies and press associations, especially in the United States whether the station would be available for dissemination of uncensored news in case of war. Berne, greatly concerned as to possible uses to which this station might be put, offered to buy. Negotiations dragged on until fire last month destroyed the Swiss Government's new short-wave station at Schwarzenberg.

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BRITISH CONSIDER \$5 FEE FOR TELEVISION SETS

Owners of home television units in Great Britain will have to pay a special license fee for the privilege, if the Government adopts recommendations of the Television Advisory Committee set up by the Postmaster-General. Every user of a radio already pays 10 shillings (\$2.50) annually to the Government for the privilege, out of which the British Broadcasting Corporation is financed, but the plan now is to have a special fee of one pound (\$5) for vision sets, covering both picture and sound reception, meaning the viewer will pay out 10 shillings extra.

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TWO STATION REVOCATION HEARINGS SCHEDULED

Revocation hearings on complaints against two broadcasting stations were scheduled this week by the Federal Communications Commission.

John H. Stenger, Jr., licensee of Station WBAX, Wilkes-Barre, Pa., was ordered to show cause why the license of his station should not be revoked because of circumstances in regard to management and control of station. The date was not set.

A hearing before Commissioner Norman S. Case was scheduled for September 25 in the revocation proceedings involving Albert H. Schermann, Yuma, Arizona.

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NBC APOLOGIZES FOR WPA CHARGE AGAINST TYDINGS

The National Broadcasting Company broadcast an apology to Senator Milliard E. Tydings (D.), of Maryland, Wednesday night for an assertion made on a program July 25 that WPA funds had been used to build a private road and a yacht basin on his estate, the Washington Star reports.

The apology said that Bob Allen, newspaper columnist, had made the assertions in an NBC program.

It said Senator Tydings had told the company the statement was "entirely without foundation in fact", and Col. F. C. Harrington, WPA Commissioner had advised it that an investigation "failed to substantiate the allegations".

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CANADA EXPLAINS NEW RULE ON SPONSORED PROGRAMS

Under the Canadian Broadcasting Corporation's new arrangements for administering subsidiary "hookups" of privately-owned stations - to be effective September 24 - the CBC itself will deal directly with sponsors. The new plan was reviewed by the CBC Board of Governors at a meeting in Ottawa. A statement explaining the change was issued as follows:

"Under the law the Corporation is the sole network authority. In addition to administering its national and regional networks, the CBC is responsible for the temporary, informal, limited hook-ups comprised mainly of privately-owned stations which it sets up for special purposes from time to time. These are called subsidiary hook-ups. In the past, the CBC has

restricted its function to approving subsidiary hook-ups, as application was made. In the future, it intends, in addition, to make all the necessary arrangements such as dealing with sponsors and agencies direct, booking time on the stations concerned, quoting rates, and other like administrative details. This is in accordance with the policy stated before the Parliamentary Committee. The change does not involve the taking over of private stations or interference in their operation. It is largely one of administrative procedure."

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 ::: TRADE NOTES :::
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The Federal Communications Commission has adopted an order calling upon foreign communications carriers to make a study of their traffic on September 7, 12, 16, 17, 20, 25, and 29, to be reported to the Commission on or before November 10, 1939 in order that the Commission may be more currently informed, particularly so in preparation for the forthcoming international telegraph conventions to be held in Lisbon, Portugal, in 1940, and in Rome, Italy, in 1942.

Virginia Campbell, actress, is ill at her home in Westport, Conn., apparently from the effects of the intense lighting used for a television broadcast, according to Variety. She has been suffering severe headaches and sudden dizzy spells, but is somewhat improved, although still under a physician's care.

She appeared on a televised dramatic program two weeks ago for NBC. She became ill immediately afterward her eyes becoming affected first. It is believed hers is the first such case, although "klieg poisoning" is a common ailment among film players, particularly since the introduction of color photography, requiring more intense lighting.

The Columbia Broadcasting System has signed agreements with L. B. Wilson, Inc., whereby WCKY, Cincinnati, becomes a CBS affiliate effective October 1. The station recently assumed maximum power facilities, broadcasting with 50,000 watts power night and day at 1490 kilocycles. Affiliation of WCKY improves Columbia's coverage of the Cincinnati area by substituting a 50-kilowatt transmitter for WKRC, with 5000 watts day power and 1,000 watts at night. WKRC, which is owned by CBS, will continue to be operated by CBS as a local station.

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Stations WBLK, Clarksburg, West Virginia, and WGKV, Charleston, capital of the State, will become affiliates of the National Broadcasting Company on September 24, bringing NBC's station total on that date to 174. WBLK is licensed to The Exponent Company to operate full time on 250 watts on the 1370 kc. channel. John A. Kennedy is President and General Manager.

Station WGKV, which is now being constructed under a permit held by the Kanawha Valley Broadcasting Company, operates full time on 100 watts on the 1500 kc. channel.

Auto-radio is fast becoming an all-year-round business, reports Sayre M. Ramsdell, Vice President of Philco Radio & Television Corporation.

"While seasonal peaks in auto-radio still remain, these peaks are showing a tendency to level off", Mr. Ramsdell declared. "I believe the reason for this trend is two-fold - first, the tremendously high peaks in automobile sales themselves are showing definite signs of spreading over much longer periods of time; second, auto-radio sales are becoming less closely geared to the automobile touring seasons."

William C. Steffy and G. V. Parkinson, trading as Atlas Globe China Company, Advertising Department, Rogers Silverware Distributors, Bordeaux China Company and China Sales Syndicate, 549 West Washington Boulevard, Chicago, were ordered by the Federal Trade Commission to discontinue false representations in the sale and distribution of silverware, earthenware, chinaware, radios or sales promotional plans and to also discontinue the use of lottery methods in the sale of merchandise.

The respondents are prohibited from misrepresenting the retail price of radios; selling any merchandise by means of a lottery scheme, or supplying others with lottery devices so as to enable such persons to sell any merchandise.

It is also ordered that the proceeding in relation to Lorina Steffy, mentioned as a respondent in the Commission's complaint, be closed without prejudice.

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A. T. & T. CHANGES TO SAVE USERS \$1,060,000

The Federal Communications Commission announced this week that it has received for filing from the American Telephone & Telegraph Company's long lines department tariff changes which will result in an annual savings to users of \$1,060,000.

Affected are private line Morse services, private line typewriter service, private line telephone service, press and government bulletin news service, and channels for program transmission.

In the latter category, the turning points in connection with the computation of interchange channel charges have been eliminated.

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NBC TELEVISION SIGNALS REACH CAPE COD

Television images from the National Broadcasting Company's station W2XBS atop the Empire State Building are being picked up regularly and clearly on Cape Cod, a distance of 185 air-miles from New York City, according to Dean R. Barker, a radio and television engineer who operates an experimental receiving station near West Falmouth, Mass.

Mr. Barker reported to RCA and NBC officials that he uses a home made 21-tube set with a five inch kinescope, a portable 40-foot mast and a two-element antenna beam. Although television signals are supposed to carry only to the horizon as seen from the top of the transmitting antenna, Mr. Barker says that he picks up hour-long programs from W2XBS without the slightest difficulty and with little or no interference.

The engineer's only explanation for the phenomenon is that the signals travel almost exclusively over water from the transmitter to West Falmouth. He points out that at his home in Taunton, Mass., which is far inland from the Cape, he is unable to pick up any visio signals from W2XBS.

Mr. Barker, a member of the Institute of Radio Engineers and the American Radio Relay League, operates amateur station WIJLY.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

WANNAMAKER BROADCASTING CO., Inc.
LEGAL DEPARTMENT

RECEIVED
AUG 16 1939

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August 15, 1939.

BOSTON STATION TO STRENGTHEN EUROPEAN AND S. A. SIGNALS

A step further in building up our international short-wave service to foreign countries will be additional facilities contemplated by Station WIXAL, operated by the World Wide Broadcasting Foundation in Boston.

"Early in September we hope to have WIXAL moved to a new location right on the Atlantic Ocean outside of Boston." Walter S. Lemmon, President of World Wide said in discussing his plans. "We will then put some reel signals into Europe and South America."

Three years ago The Rockefeller Foundation appropriated \$25,000 to enable the World Wide Broadcasting Foundation to experiment with radio programs of cultural and educational value. The Broadcasting Foundation has since received two additional grants from The Rockefeller Foundation for its experimental work: one of \$40,000 for use during the two years beginning July 1, 1936, and one of \$100,000 for the next two years. Of the latter sum, \$25,000 is to be paid unconditionally and \$75,000 on the basis of one dollar for each dollar collected by the Broadcasting Foundation from other sources.

"The World Wide Broadcasting Foundation is a noncommercial organization incorporated for the purpose of developing, producing, and broadcasting programs of an educational, artistic, and cultural nature, and for arranging interchanges of constructive radio programs throughout the world." A Report of the Rockefeller Foundation states: "For this it has use of the facilities of the shortwave station WIXAL in Boston." This station accepts no advertising and operates on a nonprofit basis for the service of the public. It is the only station in the United States with national coverage that is devoted exclusively to educational and cultural programs. Its license gives it the use of four shortwave frequencies. Last year the Federal Communications Commission assigned to it, on loan, two additional frequencies of the five reserved for Pan-American Broadcasting."

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THUMBS DOWN ON NEW LOUISVILLE STATION

An application by the Northside Broadcasting Corporation now operating Station WGRC at New Albany, Indiana, and the Gateway Broadcasting Company, of Louisville to construct an additional station in Louisville has been refused by the Federal Communications Commission. After considering the case the Commission reached the following conclusion:

"Station WGRC and the station proposed by the Gateway Broadcasting Company, operating as proposed, would be limited at night to the approximate 5 or the 5.2 millivolts per meter contour, and would not render primary service day and night to the entire metropolitan district of Louisville. Under the allocation practice of the Commission it appears, and the Commission finds that a grant of these applications, or either of them, would not be in accordance with the proper allocation of regional frequencies and good engineering practice, and would not be in the public interest."

It had been proposed to locate the transmitter for the new station on an island in the Ohio River between the business districts of Louisville and New Albany.

George O. Sutton, Arthur H. Schroeder and C. E. Schindler on behalf of the Northside Broadcasting Corporation and Paul M. Segal on behalf of the Gateway Broadcasting Company and Station WAVE; Horace L. Lohnes and M. M. Jansky on behalf of Station WGBI; T. P. Littlepage, Jr., and William A. Porter on behalf of the Kentucky Broadcasting Corporation.

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ART STRINGER LANDS WITH BROADCASTERS

Another addition to the staff of the National Association of Broadcasters last week was Arthur Stringer, of "Eoornis Gobiensis" fame. He was engaged as a promotion specialist and will be assigned to the Public Relations Department.

Mr. Stringer, a resident of Chicago, has had a long and extensive career in radio promotion. He began work as a member of the Advertising Department of the Chicago Tribune. He was at one time Associate Director of Gorgas Memorial Institute. In 1926 he became Publicity Director for the first New York and Chicago Radio Shows and more recently was with Station WLW at Cincinnati.

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INTERNATIONAL GETS NEW CALL LETTERS

One of the nation's oldest short-wave calls passed out of existence August 1, when the Federal Communications Commission changed the call-letters of the Crosley International Broadcasting Station from W8XAL to WLWO. The announcement was made by R. J. Rockwell, technical supervisor. The assignment of the new call-letters, Rockwell explained, indicates that the station has been removed from the experimental classification and may now transmit commercial programs to its international audiences. At the same time the WLWO call-letters were assigned, all Crosley mobile unit and relay licenses were removed from the experimental classification and given call-letters WLWA through WLWI.

W8XAL, now WLWO, began operation as early as 1924 and is one of the pioneer experimental stations in the world. A new transmitter, developed by Rockwell, which will increase the power of the station from its present 10,000 watts to 50,000, was recently authorized by the FCC. It is expected that WLWO will begin operation on the new high frequency early in the fall.

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SARNOFF SEES TELEVISION AS GREAT CULTURAL AID

Through television coupled with the universal increase in schooling, Americans may attain the highest general cultural level of any people in the history of the world, David Sarnoff, President of the Radio Corporation of America, writes in the Journal of Applied Physics for July 1939.

"What of the effects upon existing institutions, such as motion pictures, the theatre, schools and churches?" Mr. Sarnoff goes on.

The motion picture industry may become an important source of supply of recorded programs to television broadcasters, where such recordings may serve the purposes of program material more conveniently than direct transmission of living actors. There are other possibilities too for cooperation between the motion picture industry and television. Each should be able to stimulate the other and this should result in an enlarged service to the public.

"With a rising cultural level, we may expect also an increase in the number of creative artists working with materials of the theatre. Such artists will be used not only by the television broadcasting systems; they will find additional outlets for their creative energies. Through these new developments we may see a rebirth of local community theatres for the production of

legitimate drama, musical performances, dances, and the like.

"The school systems will probably make increasing use of television as part of the educational program; for with this medium it will become possible for the best teachers in the land to give carefully prepared and illustrated lectures to millions of children simultaneously.

"Church broadcasting will rise to new spiritual levels, for with television the listeners can participate most intimately in the services of the greatest cathedrals; they will not only hear the ministers and the music, but see the preacher face to face as he delivers his sermon, witness the responsiveness of the audience, and observe directly the solemn ceremonies at the altar.

"Thus, the ultimate contribution of television will be its service towards unification of the life of the nation, and at the same time the greater development of the life of the individual. We who have labored in the creation of this promising new instrumentality are proud to launch it upon its way, and hope that through its proper use America will rise to new heights as a nation of free people and high ideals."

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CAPITAL POLICE STILL SEEKING RADIO HOME

Use of Central High School grounds in Washington, D. C. for a receiving set for the proposed two-way radio service soon to be inaugurated by the Police and Fire departments has been requested of the Board of Education.

After the Washington Monument Society refused to permit the use of the landmark for the receiving set, District officials experimented to find other suitable locations. The school site was selected, in addition to four fire engine stations in various parts of the city.

Herbert A Friede, superintendent of the police and fire alarm systems, expects to get part of a \$500,000 loan and grant asked from PWA for the new fire alarm headquarters, for the new radio service.

In addition, Maj. Ernest W. Brown, Superintendent of the Metropolitan Police, said he had enough funds available to install the two-way radios in about eight radio scout cars. A similar number will be tried out in Fire Department vehicles.

Engine Companies 16, 22, 25 and 31 would serve the radio system, Friede said.

The estimated cost to equip a scout car with the two-way system is \$350. Providing Congress appropriates the money, all police cars would be equipped with the new sets.

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PUBLIC TELEVISION IN GERMANY IN DECEMBER - MAYBE

Germany still hopes to come out with public television but nobody seems to know just when. Discussing this possibility in connection with a review of the German Radio Exhibition in Berlin, a writer in World-Radio (London) goes on to say:

"There is no theatre-studio to liven up the atmosphere of the television section, which consists of a vast hall, on both sides of which the five German firms interested in television show some historic apparatus, and present the new "Standard" television receiver--the first to become available to the public.

"All the television sets are showing the same picture, transmitted from the Berlin television station, with 441-line definition. It seemed surprising that the receivers on view did not produce a "standard" picture. I carefully observed the reception quality throughout the opening day, and noted considerable differences; in some instances bad flicker, poor focusing, and unpleasing dark shadows were apparent. I was assured, however, that the sets would be tuned to give correct performance later in the run of the exhibition.

"The most sensational exhibits were the bearings made of ceramic materials and the porcelain valves, which are intended to take the place of the metal valves. The former will not, however, be introduced at present, as they would be more expensive than the present metal valves.

"Large-screen reception of television is being demonstrated in the hall of a Post Office in a North Berlin district. The screen is approximately 10 ft. by 12 ft., the same as that used in small cinemas. Lighting of the screen seemed even brighter than in some of the smaller Berlin cinemas, but the brilliancy and quality of the picture shown is not up to full entertainment standard, bearing in mind the expectation of a public who will enter this hall as they would a cinema.

"The television set with its new flat screen with square picture--due to the form of the new type of cathode-ray tube used--will no doubt attract considerable attention at the Berlin Show. It is announced that five thousand sets will be on the market by December, and that another five thousand will then be made by the joint television industry. The price is fixed at £32 10shillings (at par), and this set is without medium or long wave radio reception although it has complete equipment for ultra-short waves. The screen of the set can be covered when the listener wishes to listen to the ultra-short transmissions of the Deutschlandsender programmes, which will fill in television intervals.

"The actual official opening of the first German public television service remains in the future. Once the sets become available--which, it has been officially stated, will be possible only if enough raw materials, can be spared from other work--by December Berlin will at any rate have a service."

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REGIONAL STATION RULE ENFORCED

In reporting adversely upon a request for an increase in power for Station WMBR at Jacksonville, Florida the FCC cited the fact that regional stations are designed to serve a metropolitan district and large rural areas adjacent and concluded: "In this instance the applicant will not render the service to be expected of a regional assignment.

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NEW WISCONSIN STATION FAVORABLY REPORTED

Favorable action was taken upon the application for a new station WJMS at Ashland, Wisconsin. It was believed that no interference would result to WSAV and WHLB there. The FCC concluded that public interest would be served by granting the WJMS application, subject to the following conditions:

(a) That the applicant shall, within a period of thirty days furnish the Commission with satisfactory proof of its authority to issue the capital stock proposed to be issued and to do business in the State of Wisconsin; and

(b) That if a construction permit be subsequently issued to the applicant, upon compliance with the above conditions, said permittee shall, within three months after the effective date of this order, file an application for modification of construction permit, specifying the exact transmitter location and complete radiating system.

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NINE MILLION GREAT BRITAIN LICENSES

Great Britain has now more than 9,000,000 licensed listeners, the number at the end of June being about 9,009,700, it was announced recently by the Postmaster-General. These figures give an average of 72 licences per 100 households, and, excluding children under seven, a total of 29,000,000 listeners. Licences, which have continued to increase, though at varying rates, since the wireless licence was instituted in January, 1923, increased by over 25,000 during June.

The density of licences to population in this country is exceeded, in Europe, only in Denmark and Sweden. It is exceeded, outside Europe, in New Zealand and the U.S.A. (as there is no licensing system in America, the proportion of listeners to total population is an estimate).

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NEWSPAPERS WARNED AGAINST TELEVISION

Surveying the probable effects of television upon newspapers David S. Spector in the first of a series of articles in the Editor and Publisher sees it as a definite threat to local advertising revenues. Mr. Spector intimating that publishers overlooked a great opportunity to get in on radio in the early stages warnsthat television is even more important, and advises newspapers to "take it into camp" while there is still time.

"Last April at a meeting of the National Newspaper Promotion Association held in New York, consideration was given to the problem of the position of the newspaper in national advertising schedules." Mr. Spector writes: "It appears that national advertising in newspapers in the year 1938 was 14.7% greater than in 1933, whereas national magazines showed an increase of 34.3% and radio an increase of 127.6%. The figures for 1938 continued to express a trend away from the use of the newspaper by the national advertiser and, very properly, intelligent newspaper officials are considerably disturbed.

"Now comes television. Unquestionably it behooves the newspaper to appraise most carefully the probable course of development of television as a new advertising medium and the effect of this development on the very foundation of newspaper income--that which comes from essentially local advertising.

"A sine que non of such an appraisal is a clear understanding of one important aspect of television. Those who have this understanding have little doubt that television must inevitably develop into an additional advertising medium and directly competitive to the newspaper, and one which will constitute a definite threat to the newspaper of much greater significance than radio broadcasting as we know it today.

"This important aspect of television is that its effective reception range is from 25-35 miles from the location of the television transmitter, in all directions from that transmitter.

"The most significant fact in television is that its reception area corresponds almost exactly with the normal circulation area of the large city newspaper. Because of this, television is destined to become an even more direct competitor of the newspaper for local advertising than radio. Also because of this, television must appeal principally to the local advertiser, who contributes so large a part of the total advertising income of the newspaper."

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FCC REBUKED; QUESTIONED COURT'S POWER

The Federal Communications Commission received a sharp rebuke from the United States Court of Appeals yesterday for advocating a "method of uncontrolled competition that is one way of creating monopolies."

The attack was contained in a decision by Justice Miller upholding the commission's action in granting a license to radio station WMEX, operated in Boston by the Northern Corporation, to increase from 100 to 5,000 watts.

The Yankee Network, Inc., appealed from the decision on the ground that the financial and economic interests of its station, WAAB, would suffer in competition with the more powerful station. The court found the commission had a "substantial basis" for concluding that the new station would have no such effect and therefore dismissed the appeal.

The commission's claim that the court had no power to hear the appeal was made the basis of an attack on the "arbitrary and uncontrolled exercise of power" that might result if the claim were allowed.

Quoting the Commission's statement that "one of the chief concerns of Congress . . . was to guard against monopolies and to preserve competition" (in passing the Federal Communications Act), the Court commented, "It is difficult to understand how this result could be achieved by deliberately or carelessly licensing so many new competing stations as to destroy already existing ones, and possibly the newly created ones as well."

"The method of uncontrolled competition argued for by the Commission in the present case," the Court continued, is in fact one way of creating monopolies. If it were allowed to go on unrestrained, according to its theory of nonreviewable arbitrary power, none but a financial monopoly could safely exist and operate in the radio broadcasting field."

The right of existing licensees to appeal from decisions of the Commission is granted in the Federal Communications Act, the Court ruled, holding to interpret the section any other way would be to "deprive it of meaning and eliminate it from the act."

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PATENT LAWYER HIRED FOR MUSIC SCRAP

Sydney M. Kaye has been engaged as special counsel by the National Assn. of Broadcasters to complete the drafting of final plans to develop new sources of music for the radio industry independent of ASCAP.

"Mr. Kaye is regarded as one of the outstanding copyright lawyers in the nation", according to an NAB bulletin. "He is thoroughly conversant with broadcasting and its operating problems. He possesses a wide knowledge of the music publishing business and has acquaintances throughout the music publishing world."

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: : : TRADE NOTES : : :
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In line with its policy of experimenting with all types of television programs in order to determine audience preferences, the National Broadcasting Company will inaugurate a new series of telecasts dealing with the advertising of women's shoes over station W2XBS, on Wednesday, Aug. 16, at 12:45 p.m., EDST.

RCA Communications, Inc. - June and six months to
June 30:

	1939	1938
June gross	\$415,307	\$417,378
Net income	21,269	20,018
Six months gross	2,696,206	2,584,869
Net income	224,834	166,700

Aiming his camera through a high power telescope, Byron McGill, of the National Broadcasting Company at KDKA, Pittsburgh made a picture of the top of the broadcasting station's skyscraping antenna which is exactly 710 feet high.

Effective September 24, Station WCKY, Cincinnati - with 50,000 watts power night and day - joins Columbia as a member of the Basic Network, replacing WKRC (5,000 watts day; 1,000 watts night).

A national radio system for the whole of Malaya to be used in time of emergency was urged by Mr. E. N. C. Woolerton of Singapore at a meeting of the Legislative Council of the Straits Settlements.

The Morris Liebmann Memorial Prize for 1939 awarded by the Institute of Radio Engineers to H. T. Friis will be presented by the 14th Annual Convention of the Institute to be held in New York next month.

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WOR JOINS TELEVISION RANKS

In the interests of an extensive program of research and experimentation, station WOR of the Bamberger Broadcasting Service, Inc., announced this week that it has applied for permission to construct a television station in the heart of New York City. The project, according to Alfred J. McCosker, President of WOR, will be closely linked with a campaign of experimentation in new television program technique and engineering advancement.

The application, filed with the Federal Communications Commission at Washington, calls for a 100-watt transmitter operating in the 84 to 90 megacycle band and located atop a skyscraper in midtown New York. It will service the entire Metropolitan area.

The proposed policies of the new station will emphasize educational telecasts and special features coverage of spot news, political and sporting events with the same timeliness as WOR has displayed in its sound broadcasts.

Both live programs and motion pictures will be aired from the new television installation. A study of improved studio methods is already under way. The new station, although it will be licensed on an experimental basis for unlimited time, expects to offer visual programs daily, the number of hours being dependent on the increase within its service area of installed receivers.

Cooperation in the educational aspects of the venture has been assured by a number of important educational institutions in New York State and New Jersey.

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I. T. & T. APPOINTS NEW EXPORT MANAGER

O. J. Olgiati has been appointed export manager of the International Telephone and Telegraph Corporation, it was announced by Sosthenes Behn, president of I.T. & T. Connected with the telephone business since 1911, Mr. Olgiati in the past seventeen years has sold personally telephone, telegraph and radio equipment and other electrical supplies in thirty-five countries outside of North America.

Upon his graduation from the University of Vermont in 1911 as an electrical engineer, he joined the Western Electric Company and had four years' experience in its telephone factory at Hawthorne, Ill. In 1915 he was selected for the research staff of the Bell Telephone Laboratories and subsequently joined the United States Navy and served during the war as an ensign in the submarine service.

When International Western Electric was purchased by I.T. & T. in 1925 and reorganized as International Standard Electric Corporation, Mr. Olgiati was sales engineer. In 1934 he was made sales manager and now manager of the export department.

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WOR DEMONSTRATES FACSIMILE TO PRESIDENT

Miles will be no bar to President Franklin D. Roosevelt reading his daily news each morning while he cruises during the next ten days in the North Atlantic off American shores. Through the miracle of facsimile, a printed resume of the events of the day will be flashed across the miles to the U.S.S. Tuscaloosa each night and reproduced in identical form aboard the vessel for the nation's vacationing chief executive.

A special Finch facsimile receiver has been installed aboard the Navy cruiser, and this is tuned each night from 2 to 4:30 a.m., EDST, to WOR's regular 710 kilocycle channel. During that period WOR transmits facsimile signals which may be received many hundreds of miles at sea.

Facsimile is the new method of radio communication by which regular printed matter and pictures may be sent over the air for reproduction at the other end. WOR has been actively engaged in the new field for more than a year and a half.

A complete copy of the daily transmission, including all current items which should be of interest to the President during his vacation from Washington, will be placed before Roosevelt each morning by radio officers aboard the Tuscaloosa.

WOR also transmits facsimile each afternoon from 4 to 6 p.m., over its ultra-high frequency transmitter, W2XUP, for local receivers scattered about the metropolitan areas.

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MUTUAL ADDS NEW KENTUCKY OUTLET

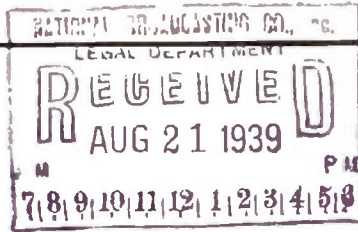
Station WCMI, at Ashland, Kentucky, and servicing the territory around Huntington, West Virginia, will join the Mutual Broadcasting System on September 24, thus forming another link in the newly-formed Southern Network.

WCMI, operated by the Ashland Broadcasting Company, operates on 250 watts of daytime power and 100 watts at night. The channel is 1310 kilocycles. WSIX, Nashville, WLAP, Lexington, and WGRC, New Albany (Ind.) and Louisville, Ky., - the three other members of the Southern Network - officially become affiliated with Mutual on September 24.

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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CANADA OUR BEST RADIO CUSTOMER

Canada has forged ahead as the largest radio market of the United States during the last fiscal year according to John H. Payne, Chief of the Electrical Division of the Bureau of Foreign and Domestic Commerce. South Africa led in 1936 with \$2,901,000 with Mexico second; Mexico was ahead with \$2,835,000 the year following with the United Kingdom close behind.

During the past year Mexico took a drop to sixth place. No comment was forthcoming on this at the Commerce Department but reasons advanced for the falling off of radio trade with our neighbor to the south were that either they were less friendly on account of the oil controversy or not so prosperous now as they were the year before.

The following table shows United States radio exports during the last fiscal year.

(Note: Underlined figures indicate first place for that year. Values in thousands of dollars.)

Commodity Description	Argentina	Brazil	<u>Canada</u>	Mexico	South Africa	United Kingdom
			<u>1 9 3 8</u>			
Transmitters....	54	72	<u>247</u>	136	24	53
Receiving Sets..	69	1,192	<u>296</u>	711	<u>1,552</u>	738
Tubes.....	494	167	221	75	<u>85</u>	140
Components.....	<u>1,094</u>	322	1,044	65	124	857
Loudspeakers....	<u>130</u>	60	<u>210</u>	11	11	8
Accessories.....	<u>17</u>	<u>11</u>	<u>131</u>	<u>27</u>	<u>32</u>	<u>55</u>
Total.....	<u>1,858</u>	<u>1,824</u>	<u>2,149</u>	<u>1,025</u>	<u>1,828</u>	<u>1,851</u>

The total radio exports to all countries by the United States during 1938 was \$23,100,000, of which \$10,554,000 was for receiving sets.

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BOSTON RADIO BUOY SUCCESSFUL

The following observation by the commanding officer of a Navy Vessel on the radiobeacon buoy which is now undergoing service trials in Boston Channel is of interest:

On May 29, 1939, this vessel received signals from the radiobeacon buoy No. 10 in Boston Channel, when at a distance of approx-

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imately 5½ miles from the buoy. The character of the signal was excellent at this distance and is considered sufficiently strong to obtain reliable bearings."

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FRANCE TO IMPROVE S-W BROADCASTS TO U. S.

At last France evidently intends to do something to improve its short-wave broadcasts to the United States. This is understood to be the proposal of M. Leon Brillouin, slated to be Director of State Broadcasting. At the same time M. Jean Giraudoux is to be named Commissioner for Information in charge of propaganda. Under them will be the government stations - Radio Paris, PTT, the Eiffel Tower, and the state provincial stations.

M. Brillouin while visiting the United States recently is said to have been told of many shortcomings of the French short-wave broadcasting service insofar as this country was concerned-- that Germany, England, Italy, Holland and even Czecho-Slovakia were sending a better signal into the United States than France. Also that the programs of these countries were superior to the French, the latter using for the United States many gramophone records.

So now evidently M. Brillouin proposes to do something about it. To meet the necessary additional expenditure, it is reported that the draft of the French Budget for next year will contain a provision for raising the licence fee from 50 to 75 francs. M. Brillouin is a Professor of Physics and is the inventor of a sound amplifier. He is well acquainted with the technical problems of broadcasting.

M. Jean Giraudoux enjoys the double distinction of being a member of the Diplomatic Service, and also of being one of the most notable among French men of letters. Many Londoners will remember his play Amphytrion 38, which was produced some time ago. As a diplomat he spent three years in Berlin, and at one time he was head of the Press service at the Quai d'Orsay.

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Message traffic and equipment sales in the marine radio field show a definite increase, according to Charles J. Pannill, President of the Radiomarine Corporation of America, who sailed from New York on the Normandie to attend the annual meeting of the Comite Internationale Radio Maritime in Paris.

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LOST BUSH-WALKERS

Tests made in Australia might be watched with profit by state police in this country in case there should be a repetition of an emergency brought about by the lost boy in Maine recently.

A Sydney suburban radio club has been conducting field tests to ascertain the value of portable radio transmitting and receiving equipment for communication between search parties looking for persons lost in the bush. The primary object of the tests was to determine what type of equipment is best suited for search and rescue parties, which are usually forced to walk over rough country.

Bushwalking is a popular pastime, and there are many well-organized and efficient bush-walking clubs. The members on these organizations are very well able to look after themselves and they have formed rescue and search sections to find, or assist the police force to find, careless or unskilled parties, a certain number of which lose themselves every year. In the Australian radio tests field parties kept in touch with a base station which in turn was in constant communication with a city station.

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NORWAY EXPANDS POLICE RADIO EQUIPMENT

In 1937 the Norwegian police authorities commenced to use radio transmitters and receivers in its service. The Oslo municipal police now own 11 receivers and 7 transmitters, and the Government police at Oslo own three transmitters and three receivers. With the exception of four patrol cars of the municipal police, which are equipped with receivers only, the two-way system is used. One of the transmitters, which is installed at police headquarters, is of 50 watts, whereas the other transmitters installed in patrol, passenger and transportation cars and a police harbor boat, are of five watts.

The equipment in use has been purchased from the local representatives of an American company. It is understood that when new patrol cars are provided, they will probably be equipped with ultra short wave radio telephone transmitters and receivers. The Norwegian police is interested in purchasing equipment for two-way communication only.

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THAW EXPEDITION WELL EQUIPPED

The four mobile motor units in the Lawrence Thaw trans-Asiatic expedition will be able to maintain contact with each other even when separated by distances as great as 200 miles. The equipment will permit short-distance transmission and reception between each of the two trucks, trailer and cruiser sedan by the use of four transmitters and communication type receivers. Two medium-high frequency transmitters and receivers installed in the cruiser sedan and trailer are capable of giving clear reception up to 200 miles or more.

The expedition left New York City on June 21, on the 14,000 mile tour that will take it through Budapest, Istanbul, Damascus, Baghdad, Herat, through Khyber Pass, Delhi, Calcutta and finally into Bombay, India, sometime next spring.

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MORE SHORT-WAVE CALL LETTER CHANGES

In recognition of the fact that the short-wave stations have outgrown their experimental status, the National Broadcasting Company's two international shortwave stations were assigned new call letters by the Federal Communications Commission. W3XAL hereafter will be known as WRCA, while W3XL is to be called WNBI.

Both stations will continue to operate on their old frequency channels, WRCA using 21,630 kilocycles (13.87 meters) and 9,670 kc (31.02 m.) and WNBI employing 7,780 kc (16.8 m.) and 6,100 kc (49.1 m.).

Westinghouse short-wave station W8XK, outlet of the pioneer station KDKA, will hereafter be known as WPIT; and the Crosley short-wave station at Cincinnati, W8XAL, which retransmits the programs of its big brother WLW will now have the call letters of WLWO. General Electric's Schenectady stations will be known as WGEO and WGEA from now on and their San Francisco station is now KGEI. Columbia's station W3XAU is now WCAI.

So will be seen that several of the stations have availed themselves of the opportunity to include the initials of their companies in the call letters, such as WRCA (Radio Corporation of America), WNBI (National Broadcasting Co.) WPIT (Westinghouse, Pittsburg) and WGEO, WGEA, and KGEI (General Electric).

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KHBC CALL LETTERS FOR HOWARD HUGHES

Howard R. Hughes, famous around-the-world aviator, has been granted by the Federal Communications Commission special temporary authority to operate already licensed aircraft radio transmitter aboard plane NX-19904, owned by Howard R. Hughes and bearing call letters KHBC, as a relay broadcast station. It will be on frequencies 4797.5, 6425, 12862.5 and 17310 kc, 100 watts, for a period not to exceed 30 days, to relay broadcast special program in connection with the proposed sub-stratosphere flight across the Atlantic Ocean and to be broadcast over CBS and Station Wcr for Mutual network.

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CAPITAL STATION SEEKS 5KW BOOST

The National Broadcasting Co. filed with the Federal Communications Commission an application for the removal of the transmitter of Station WMAL. The Washington Evening Star station from 712 Eleventh Street, N.W. to Bethesda, Md., a suburb of the capital. The application asks for a construction permit to install a new transmitter, directional antenna for day and night use and an increase in power from 250 watts night, 500 watts day, to 5 kilowatts. The station would remain on its present frequency of 630 kilocycles.

A map furnished with the application shows the proposed site of the station, about one mile west of the old Georgetown road between Alta Vista and Beane. The proposed transmitter would have four towers approximately 400 feet in height each.

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BOAKE CARTER STAGES COME-BACK THROUGH DISCS

Boake Carter, noted Philadelphia Commentator, whose retirement from the air sometime ago occasioned considerable comment, some declaring it amounted to censorship is to be heard through electrical transcription.

The daily commentary series begins September 11. The discs are now being distributed. Donald Flamm has contracted for the services in New York City for Station WMCA.

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At the end of May there were 1,128,664 radio receiving licences in force in Australia, equivalent to about one for every six persons. The gross income is estimated at £1,180,000.

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::: TRADE NOTES :::
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An application has been received to erect a new station at San Juan, Puerto Rico. It would be operated by the Puerto Rico advertising Company on 1500 kilocycles, 250 watts power, unlimited time.

A construction permit has been granted for a new municipal police station for Martinsburg, Va., with a frequency of 2490 kc.

Station KHQ, Spokane, Wash., has been given temporary authority to rebroadcast Washington National Guard planes in radio maneuvers.

Unit sales in radio-phonographs are 710 percent ahead of what they were last year, according to E. J. Krause, head of Philco's radio-phonograph division.

The Federal Trade Commission issued a complaint against Sam Luber, trading as Dearborn Sales Company, 711 South Dearborn St., Chicago, charging the use of lottery methods in the sale and distribution of radios and other articles of merchandise.

Ian C. Javal, commercial director of the Baird Television Corporation, sailed for England last Wednesday, on the Normandie, on business in connection with important new developments. He will return here in the late fall.

The first short wave radio direction-finding station will be installed at Sydney, Australia this summer. This station, the first unit in a scheme for 18 stations to cost \$50,000, will serve the Empire line, the trans Tasman line that is to start in 1940, the New Guinea line and the Dutch line. As soon as this station has been fully tested another will be erected on Lord Howe Island for the Tasman service.

WJSV LAUDED BY LABOR LEADERS

Representative Andrew C. Schiffler (Rep.) of West Virginia has caused to be entered in the Congressional Record an official recognition of "devotion to public service by radio station WJSV, of Washington" for its "Labor News Review" program now in its sixth year.

Simultaneously, A. D. Williard, Jr., general manager of the CBS station, and Albert N. Dennis, commentator on the program, have been presented with plaques in Appreciation of their service to Labor and given by Brewery and Yeast Workers Local No. 48 and Beer and Soda Water Drivers' Local No. 67.

Representative Schiffler, in placing a radio address by Harry J. Thompson, of the Brewery and Yeast Workers, in the Record, prefaced the entry with the following:

"The address (Mr. Thompson's) was delivered on the Labor News Review radio program which WJSV has presented continuously as a public service since the Summer of 1934 and which has become the oldest continuously presented labor radio program in all the world. Devoted to facts and avoiding participation in any controversy within the ranks of labor, the Labor News Review has become a worthy institution, rendering a first-class public service that is highly regarded, not only by labor but by the entire public."

The legislator also caused to be published the transcript of a tribute over WJSV by the Brewery and Yeast Workers and the Beer and Soda Water Drivers to their employer, Christian Heurich, Sr., prominent Washington brewer, whose employes broadcast their respects on his approaching 97th birthday.

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CBS NEW RATE CARD EFFECTIVE SEPT. 15, 1940

In publishing Rate Card No. 26 the Columbia Broadcasting System announces the first general rate revision since late in 1936.

"Constant advances in the size of the U. S. audience, and steady improvements in power and facilities, have been recorded in the past three and a half years, since the last rate changes," a Columbia press release states.

Growth of the radio audience since the last CBS rate revision in 1936 is seen in these percentage trends: total radio homes up 14%, from 24,500,000 to 28,000,000; total sets up 44%, from 33,000,000 to 47,500,000; auto radios up 56%, from 4,500,000 to 7,000,000. Moreover, sets in daily use have increased from 76.4% to 84%, and average hours of daily use have risen from 4.2 to 4.5 per day.

"Development and extension of CBS facilities since 1936 have made notable strides, with total station power up 46.3%, 60% more 50-kw stations, 45 stations operating with increased power, and 60 stations utilizing improved transmitters and equipment. The new card, effective September 15, 1939 for new contracts, and effective a year later, or September 15, 1940, for present contracts, advances CBS rates 7.5% over the present average.

"Comparison of Rate Cards 25 and 26 reveals the following detailed changes: time charges for 12 stations have been lowered \$25 per evening hour each; 41 stations remain constant; 56 stations increase an average of \$36.16; two stations added to the network (WMT, Cedar Rapids, and KWFT, Wichita Falls). This totals 111 stations; with four bonus stations and a choice of WMFG or WHLB, Hibbing-Virginia, Michigan, and a choice of WGR or WKBW, Buffalo, the complete CBS network now stands at 117 stations in 116 cities.

"The basic network under Rate Card 26 comprises 26 cities, compared with 25 on the current card. WMT, Cedar Rapids, has been added as a basic station, effective May 1, 1940; WHP, Harrisburg, becomes a basic optional station; WORC, Worcester, becomes a basic supplementary."

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YOUTH, 16, WINS MARCONI SCHOLARSHIP

A two-year scholarship valued at \$1,000 to the RCA Institute of New York was presented at the Westinghouse Exhibit Auditorium at the World's Fair to Robert Barkey, 16, a graduate of Stuyvesant High School, following a competitive contest of which he was the winner. Robert was sponsored by the American Institute of the City of New York, a 111-year old organization interested in promoting opportunities for youthful science workers. The Institute has organized Science and Engineering Clubs in high schools throughout the country.

Donor of the award was the Veteran Wireless Operators' Association, which has established a series of awards in honor of Marconi. Robert's Scholarship is known as the Marconi Memorial Award. The ceremony, attended by 400 members of the Veteran Wireless Operators' Association, the American Institute and World's Fair visitors, was broadcast over a coast to coast network of the Mutual Broadcasting System. Robert T. Pollock, President of the American Institute, presided. William J. McGonigle, President of the Veteran Wireless Operator's Association, introduced the organization's Marconi Memorial Award Chairman, J. R. Poppele, who made the presentation.

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"STATIC-LESS" RADIO TRYOUT

Plans are being made for extensive testing in New York City of "static-less" or "frequency-modulation" broadcasting by the National Broadcasting Company and the Bell Telephone Laboratories, as soon as the Federal Communications Commission gives the necessary construction permits.

Static-less broadcasting, compared with the usual kind of broadcasting known as "amplitude," has become synonymous in the last few years with the name of Major Edwin H. Armstrong, radio inventor and Professor of Electrical Engineering at Columbia University.

On numerous occasions during thunder storms, he has shown that a program can remain clear despite the noises of nature.

W2XMN, the Armstrong Station, at Alpine, N. J. works on about seven meters, or 42.8 megacycles.

If the FCC approves, a 1,000-watt frequency-modulation station will be installed on one of the top floors of the Empire State Building. The NBC channel will be 42.6 megacycles, adjacent that of XMN at Alpine.

The Bell Laboratories station will be installed at Whippany, N. J., where a corps of engineers will study the "frequency-modulation" problem in all its angles, independently of the work of other experimenters it was said.

Other applications now before the FCC, all on the Armstrong system, include a station for Stromberg-Carlson Telephone Manufacturing Company, at Rochester, N. Y.; the Traveler Company, Hartford; The Milwaukee Journal and the Worcester (Mass.) Telegram. Construction permits have been issued to various other experimenters both here and in the Middle West. Besides W2XMN at Alpine, three or more other stations are transmitting daily from various New England points.

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TAFTS GET CINCINNATI STATION

Agreement was reached for the sale of WKRC, Columbia's owned and operated station in Cincinnati, to the Cincinnati Times-Star. The sale will become effective on September 24 - subject to FCC approval. On that date, Columbia Network programs broadcast in Cincinnati will be aired from WCKY, Columbia's recently-affiliated 50,000-watt outlet in Cincinnati.

Negotiations preliminary to the sale of WKRC were under the direction of M. R. Runyon, CBS Vice-president, and Hulbert Taft, publisher and owner of the Times-Star.

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MUTUAL GETS WORLD SERIES

Exclusive broadcasting rights for the 1939 Baseball World Series were secured by the Gillette Safety Razor Company of Boston, Massachusetts, and the Mutual Broadcasting System. The contract was signed by the three contracting parties - Commissioner Landis for Baseball, President J. P. Spang, Jr., for the Gillette Company, and general manager Fred Weber for the Mutual Broadcasting System. The World Series will probably start on October 4.

The Gillette Safety Razor Company and the Mutual network also have an option on the 1940 World Series broadcast rights. The money paid baseball for the broadcasts will be divided in the World Series regular money pool, with the major portion going to the players.

The Mutual System announced that the network would link more than 150 stations by its network of wires to carry the broadcasts to the fans of the nation. In 1935 and 1936, the games were sponsored on the three networks - Mutual, CBS and NBC, by the Ford Motor Company, for which baseball was paid \$100,000 each year.

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CHEAPER TELEVISION SETS URGED

Sales of television sets will receive their greatest impetus when the industry develops a receiver offering a five by seven inch picture, to retail at about \$250, Ernest H. Vogel, Vice President in charge of operations of the Farnsworth Television and Radio Company, said in New York last week.

Mr. Vogel, who spent considerable time in London late last year, estimated that about 15,000 television sets are in operation in that area. He praised the quality of the English programs and said that the entire operation of televising broadcasts three or hours a day, seven days a week, was conducted at an annual cost of about \$1,500,000. Mr. Vogel was attending the showing of the new Farnsworth radio and television line at the Hotel Park Central, under the sponsorship of the Warren-Norge Corporation, local distributors for Farnsworth.

Another necessity for a greater consumer acceptance of television is better programs, Mr. Vogel continued. But, he pointed out within a year television programs will be emanating from ten or twelve major points in the country. He also expressed the belief that the desired goal of the cheaper sets may also be achieved within a year and the combination should bring about a sharp spurt in sales.

Mr. Vogel said there has been nothing discouraging in the slow reception to television sets since they were introduced about three and a half months ago. While probably no more than 1,500 sets have been sold, he pointed out, the industry had to go through a definite experimental stage.

He was confident that the American television industry will be able to solve all its problems, because the English system has been making rapid strides in the last year. In Great Britain, nine-

inch tube sets, without radio chassis, have become available at \$150, or approximately \$150, he pointed out, while those with chassis are selling at \$45, or about \$225. Because of higher wages and standards of living here, the equivalent American prices for similar equipment would have to be \$225 to \$300, he said.

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LARGE UNIT LEASED IN N. Y. TELEVISION PLAN

Plans for expanding the facilities of the Radio Wire Television Corporation of America were announced when the company leased two floors in 250 West Fifty-seventh Street, in New York. The company, formed recently by the merger of interests in radio, television and wire broadcasting, will have 15,000 square feet for executive headquarters for the parent concern and its subsidiaries.

The two floors formerly housed Electrical Research Products, Inc., which was headed by John E. Otterson, President of the new corporation, engineering laboratories and studios.

Mr. Otterson said the company planned to open branches in major cities and expected to increase the number of its employees from 600 to 2,000 by the end of the year.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

RECEIVED
AUG 23 1939
LEGAL DEPARTMENT

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August 22, 1939.

U. S. TO LEAD WITH 150 RADIOBEACONS BY END OF YEAR

Ever since the trial of radiotelegraph apparatus on San Francisco Lightship in September of 1809, a month prior to the first demonstrations by Marconi in the United States, the possibilities of utilizing radio in the work of the Lighthouse Service have been receiving increasing consideration. This has been particularly true in recent years with the great developments taking place in the radio art. Present important applications are:

Radiobeacons on ship and shore stations; radio control of aids remote from the point of control; distance-finding through synchronized radio and sound signals; unattended marker radiobeacons on fixed or floating aids; radiotelephone communication and radiotelegraph communication.

The development of these applications is well illustrated by the growth in number of radiobeacons from three in 1921 to an unexpected 150 by the close of 1939; by the use of radiophone communication up to the same time at nearly 200 locations; and by the introduction of distance-finding by the method of synchronous signals at some 100 stations.

Radiotelegraph is used at about 60 stations and vessels. Radio control, which offers possibilities of particular value under certain circumstances, has been well developed through experience since 1930 in the control of 2 important lighthouses and 1 lightship without resident personnel and the use of unwatched secondary radiobeacons or "marker beacons," so-called, now undergoing trial at 2 shore stations together with the test application of this type of radiobeacon to a buoy offers important possibilities for further application of these aids in supplementing the primary radiobeacon system.

The limited wave band, 285 to 315 kilocycles, available for radiobeacon use has introduced important problems of synchronization, timing, monitoring, etc., to avoid interference. As the group of minor radio aids is extended, however, increasing interference difficulties are foreseen so that steps have been taken to secure assignment of suitable high frequencies and to institute development along these lines in order to be prepared for their possible necessary use in the future.

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FIGURES MINIMUM TELEVISION TIME \$525 AN HOUR

The probable cost of television advertising is dealt with in the second of a series of articles by Daniel S. Spector in the Editor and Publisher (Aug. 19). In developing his theory he writes:

"There is set up a period of four months during the first year's activity of the television broadcasting station for internal or closed circuit programs to train the operating and talent personnel and build interesting programs. During this "closed" period the programs are completely carried out and are transmitted not to the public but exclusively to the station itself. The technical, artistic and other phases of the program are then reviewed critically and an effort made to improve the quality of the programs which are later to be transmitted to the public.

"It is further assumed that during the remaining eight months of the first year, the station will operate one daytime hour and two evening hours, five days each week. During the second and perhaps the third year, the total station broadcast activity is assumed to comprise two daytime hours and two evening hours six days a week, for 12 months.

"It is not contemplated, however, that the total broadcasting time of the station will be sold to advertisers or paid for by other commercial sponsors. This would not be feasible nor socially desirable. A certain amount of time would necessarily be devoted by the station to studio or other programs of a non-commercial nature.

Mr. Spector said that based upon the estimate of costs previously set forth of about \$120,000 for the station, with an additional total operating cost for the first year of approximately \$150,000 and a second year cost of approximately \$228,000, then a normal capitalization for such an enterprise would be about \$300,000.

"Therefore, the grand total of all station operating costs the first year," Mr. Spector continues, "would be the figure of \$150,000 previously set up, plus the figure of \$25,000 depreciation and \$75,000 return on capital, making a total of \$250,000. This is the amount of gross income required by the broadcasting station to cover the costs set forth. During the second and third years, this required amount would be increased from \$250,000 to \$328,000, due to the increase in the cost of talent and other programs material from \$78,750 for the first year to \$156,000 in the second and third years.

"A quick method of determining the minimum selling price per hour of television time to the commercial sponsor is, of course, to divide the total station cost per annum by the number of commercial hours sold. This amount, if secured for all the available commercial hours, would also take care of the non-commercial time of the station's broadcasting activity.

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"During the first year, therefore, with a total estimated station cost of \$250,000 and a total commercial activity of 175 hours, the minimum selling price per hour would be about \$1,430. During the second year, with a total estimated station cost of \$328,000 and a total commercial activity of 465 hours, the minimum selling price per hour would go down to about \$700.

During the third year, with a total estimated station cost of \$328,000 and a total commercial activity of 624 hours, the minimum selling price per hour would be about \$525.

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SECRET S. W. COMMUNICATION WITH GERMANY ALLEGED

It was testified at the Dies Congressional hearing of un-American activities that specially equipped short-wave sets were given as prizes by the German-American Bund for secret communication with Germany.

Miss Helen Voorys of Brooklyn, native-born German, said she learned from members of the student group and from other sources that the Nazi Institute for Germans living abroad, which operates from Stuttgart, gives courses in sending and receiving short-wave radio broadcasts and that over such a system two Harvard-student members of the group had conversed with Nazi officials in Germany.

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NAB GRAPPLES WITH CODE

Hot weather apparently has no terrors for the National Association of Broadcasters' Committee, which will meet in New York city this week to discuss copyright, the new code and record licensing.

On Wednesday, the Executive Committee will meet with the Copyright Negotiating Committee, augmented by Walter Damm, WTMJ, Milwaukee, and John Shepard, 3rd, the Yankee Network, to discuss the whole copyright situation and the forthcoming special NAB convention at Chicago. The negotiating committee includes Major Lenox Lohr, NBC; Edward Klauber, CBS; Sam Rosenbaum, WFIL; John Elmer, WCBM; and Neville Miller, President of NAB. The special committee on phonograph record licensing appointed last week consists of: Mr. Miller; Mr. Elmer, WCBM, Baltimore; and Clair McCollough, WGAL, Lancaster, Pa.

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L. A SEEKS ANOTHER TELEVISION STATION

A construction permit has been applied for from the Federal Communications Commission for a new television broadcast station on the frequencies of 70000 to 84000 kilocycles with aural and visual power of 1 kilowatt, to be located at Wilshire Boulevard at Fairfax St., Los Angeles, Calif.

The applicant is the May Department Stores, a large concern in that city. The only television station now licensed to operate on the Pacific Coast, according to the Federal Communications Commission, W6XAO is also in Los Angeles. It is operated by the Don Lee Broadcasting System, with a visual power of 1 k.w. and aural power of 150 watts.

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S. W. USED IN MISSISSIPPI CONTROL SURVEY

For the purpose of conducting an experimental program of research in connection with the determination of the feasibility of establishing a coastal harbor service on the Mississippi River and tributaries, the Federal Communications Commission has granted the Radiomarine Corporation of America permission to operate its experimental station WLOXG aboard the Tow Boat Alex Mackenzie.

Frequencies of 2118, 4422.5, and 6425 kilocycles have been authorized with 75 watts power. The Commission also granted WLOXG additional authority to communicate as a ship station with Coastal Harbor Station WAY.

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SWISS DICKER FOR LEAGUE STATION PROGRESSES

Further steps will be taken this week by the Swiss Government to take over the League of Nations broadcasting station at Berne.

Under the 1922 convention between the League and Radio Suisse the latter corporation is nominally the proprietor of the station. However, all apparatus was set up at the League's expense and remain League property.

The same convention also provides for operation of the station by Radio Suisse in normal times but specifies that in emergencies it would come under the League's direct control.

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NEWLY PAINTED OFFICE WHEN MR. FLY ALIGHTS

A newly painted suite of offices (the same as occupied by the former incumbent undecorated) awaits the official coming of James L. Fly, T.V. A's general counsel, who will be sworn in as the new Chairman of the Federal Communications Commission Friday, September 1st.

Although appointed sometime ago Mr. Fly has not yet visited the Commission. There is naturally considerable apprehension among the personnel about any possible changes but up to now Mr. Fly has kept mum on this subject. Also except in a very general way has not committed himself with regard to future FCC policies.

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PROTEST TAX ON TELEVISION SETS

Claiming that the consumer would have to pay double M. B. Sleeper, District Sales Manager of the Andrea Radio Corporation writes the following protest to Radio Today:

"There is undoubtedly, justification for the Federal excise tax on radio sound receivers. However, the application of this tax to television receivers is quite another matter.

"Manufacturers of television sets are bending every effort to bring down the cost of the receivers so as to make them available to the greatest number of people, and to encourage the growth of this new industry. At this time, when prices are necessarily high, the excise tax puts a serious burden on the buying public.

"Because of the setup of the excise tax on radio sets, the 5 per cent tax paid by the manufacturer costs the consumer, for example, \$30 on a \$600 receiver. In other words, the tax costs the consumer twice as much as the amount actually paid to the Federal Government. The reason is this: The manufacturer figures his selling price, including excise tax, is \$300. On that basis he pays the government \$15 or 5 per cent of his selling price. Since the jobber must have, ordinarily, a 50 per cent discount from the list price, that would make the list price \$570.

"From this you will see that the cost to the consumer is not merely the \$15 tax received by the Government. The cost of this tax is actually \$30. Experience in the merchandising problems of radio dealers and manufacturers will tell anyone, without any elaboration on my part, that there is a tremendous difference between a list price of \$600 and a list price of \$570."

"Even on the lowest-price receiver which we manufacture, listing at \$189.50, the elimination of the Federal tax would save the retail purchaser \$10. One can see how much it would contribute toward reducing sales resistance if we could offer the same set at a price of \$179.50."

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INTERIOR DEPARTMENT HAS FINE STUDIOS

There are two studios and a control room, as well as a conference and audition room, artists' lounge, waiting room, and offices, all air-conditioned in the up-to-the-minute broadcasting unit of the Interior Department in Washington. The rooms are appointed in chromium and leather furniture and fittings.

Modern acoustic treatment of the studios insures their being acoustically isolated from external noises and in addition "live" enough to render good pickup. The studios are, as described in Broadcast News, "floating"--the floors of cork tile. The small studio is designed chiefly for speakers or interviews. The large production studio is 40 feet long. It has an observation gallery which will seat 50 persons. Both studios have double entrance doors providing a "sound lock" which will keep out extraneous noises in case it is necessary for someone to enter or leave during a program. Warning lights are located next to each door to indicate when that studio is on the air. Similar lights are also located in each studio indicating "Standby" and "On The Air". In each studio is a loudspeaker for cueing and talk-back and auditing.

The control room is located between the two studios with large double-glass windows allowing easy view into each.

The speech input equipment is RCA De Luxe. There is an operator's console at each of the two studio windows. Each console contains a four position mixer, volume indicator, microphone and attenuator switches, and switches for cueing and programs and auditions. High level mixing is employed; a 41-C and a 41-B providing the necessary preamplification. A monitoring loudspeaker is mounted directly over each console. These speakers and the studio speakers are all controlled by interlocking relays and switches which prevent acoustic feedback. Talkback microphones allow the program director or the operator to speak to those in the studios.

The main program amplifier is a 40-D and the main monitoring amplifier is a 94-C. There are also three 82-A monitoring amplifiers. Switching equipment is provided for feeding the output of the program amplifier to one or several telephone lines for transmission to commercial broadcast stations. Terminating equipment is provided for twelve remote lines and order wires.

A separate rack mounts four all-wave receivers whose outputs are connected to busses which distribute the four programs

from the receivers, as well as any studio program, to various points in the Interior Department building. At each of these points any of the programs may be selected and the volume may be adjusted to any desired level.

Jacks have been provided for patching where necessary but the regular program circuits are normalled through. Microphones are 44-B velocity and 50-A inductor types. All the racks have been finished in an attractive gray with chromium strips and fittings. Meters have illuminated faces. A volume indicator has been provided for adjusting the program level on the busses. Provision has been made for future expansion of the technical facilities.

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CUBANS APPRECIATE U. S. WEATHER BROADCASTS

Daily broadcasts respecting weather conditions in the vicinity of the southern portion of the Florida coast, made by radio telephone from the Coast Guard depot at Key West, are greatly appreciated by the fleet of Cuban fishing boats which operate in the general vicinity of that coast, according to a letter received by the superintendent of light houses at Key West from Senor Gabriel Palmer, President, Empresa de Pesca S. A., of Casa Blanca, Havana, Cuba. The fishermen from the Cuban port operate in a part of the Gulf of Mexico to which the Key West weather broadcasts are applicable, yet speak only Spanish. As a mark of international goodwill the Coast Guard announcer delivers his messages first in English and then in Spanish.

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AS GOEBBELS SEES BROADCASTING DUTY

Broadcasting has the duty, wherever it may be required, to start beating drum and fighting from the very beginning Dr. Goebbels, Minister of Propaganda, declared in Germany recently.


"To help in this is an honourable and political duty," the Minister concluded. "Broadcasting must stand at its post to fight against lies and misrepresentations, and is, next to the Press, the sharpest weapon in the battle of our people. May broadcasting always remain so, and may it continue in future to broadcast the voice of the Fuhrer which awakened the nation, and to-day calls the whole world back to reason!"

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 :::TRADE NOTES:::
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Stations WIDD-WMBF, Isle of Dreams Broadcasting Corporation, of Miami, seek to install a new transmitter, directional antenna and an increase in power from 1 to 5 kilowatts.

The Crosley Radio Corporation of Cincinnati has been granted authority to operate a 50-watt portable transmitter with 100 feet vertical antenna, on the frequency of 1360 kc in order to make preliminary field survey of the proposed site of station WSAI.


 No purchase price was revealed but it is said the Cincinnati Times-Star paid Columbia in the neighborhood of \$250,000 for Station WKRC in Cincinnati.

In the "World Radio Markets" series issued by the Electrical Division of the Bureau of Foreign and Domestic Commerce, John H. Payne, Chief, reports on Egypt, Martinique, Palestine, and Guatemala, have just been distributed.

Elliott Roosevelt, son of President Roosevelt, whose regular talks over WOR-Mutual three times weekly have been heard only in the East and Texas, will be extended coast-to-coast September 2. He is heard on Tuesday, Thursday and Saturday at 6:15p.m. EST, over WOR, New York and 24 other Mutual Stations.

Two million eight hundred and eighty thousand sets were sold in Germany during the past season, compared with 1,576,430, in the year before.

The WLW transmitter at Cincinnati went off the air four minutes, one afternoon, recently, in an odd accident. According to Joseph Whitehouse, WLW Engineer, a praying mantis crept into a 12,000-volt filter condenser in the basement of the transmitter building at Mason, Ohio, and caused a short circuit. A discharge of 220 microfarads of energy from the condenser produced a sound like a thunderbolt.

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TO FIGHT BROADCAST RECORD LICENSING

The National Association of Performing Artists, through its general counsel, Maurice J. Speiser, has served notice on the R.C.A. Manufacturing Company, Inc., that it would "legally resist" the company's proposed plan to license its Victor and Bluebeard phonograph records for radio broadcasting purposes.

At the same time the association, headed by Fred Waring, whose membership includes Paul Whiteman, Al Jolson, Lawrence Tibbett, Bing Crosby, Rudy Vallee and Jascha Heifetz, warned individual radio stations that the proposed R. C. A. plan had not been authorized by the artists and that "use of any of these records without a license duly obtained from us will be entirely at your own risk."

The sending of the letters by the association brought to a head a controversy that has existed between the performers and the company since July 26, when Federal Judge Vincent L. Leibell handed down a decision restraining Station WNEW from unregulated broadcasting of R C.A. phonograph records.

In his decision Judge Leibell ruled that the artist making the record, by his artistic and intellectual performance, acquired a common law right in the records, which he retained unless it was transferred by contract. The decision, however, did not give the individual artist the right to license broadcasts without the permission of the manufacturer.

After the decision had been handed down, the R.C.A. Manufacturing Company sent a letter to radio stations announcing its proposed plan to license all Victor and Bluebird records for broadcasting purposes, and saying that a percentage of the license fee would be given to the artist whose records were used.

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U.S. RECORD CORPORATION ELECTS OFFICERS

The United States Record Corporation of New York, has selected the following officers:

Charles M. Hemenway, President; Eli E. Oberstein, Vice-President; Lowell A. Mayberry, Treasurer; and Mortimer S. Gordon, Secretary.

The Board of Directors consists of:

Charles M. Hemenway of Paine-Webber & Co.; Raymond S. Pruitt, attorney for American Airlines; Sydney Newman, of Boston, Mass.; Wesley Simpson, President of Wesley Simpson, Inc., textile manufacturers; Eli E. Oberstein, formerly of R.C.A. Manufacturing

Co. and Columbia Phonograph Co.; Lowell A. Mayberry, of Palm Beach, Florida and S.V.P. Quackenbush, President of the Quackenbush Warehouses, Inc., Scranton, Pa.

The guiding lights in back of this company, which is closely affiliated with the Scranton Record Manufacturing Company, according to a press statement, are the above men plus:

Allan H. Sturges, President of the Pilgrim Trust Co. of Boston; William L. Hutcheson, General President of the Carpenters' Union; Dr. Noble, President of the First National Bank of Scranton, Pa.; Weston Scranton, President of the Scranton Iron and Steel Mills; and Louis Oppenheim, President of the Scranton Dry Goods Co.

The United States Record Corporation, whose address is 1775 Broadway, New York City, is merchandising "Varsity," a 35¢ record and "Royale," a classical record at 75¢ to \$1.25. The initial catalog includes over 700 standards, it was said, and classical selections. Production and deliveries from the factory at Scranton are being made at once, the press statement concludes.

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CBS NEWS SERVICE NAZI-SOVIET TRADE PACT SCOOP

"An eight-day scoop in the world of international events was scored by Albert L. Warner, CBS Washington correspondent, when Germany and Soviet Russia signed the reciprocal trade agreement Sunday, August 20, a Columbia press release sets forth."

"Speaking on Saturday, August 12, in his regular series 'This Week in Washington,' heard from 6:30 to 6:45 p.m., Warner revealed that a cable had been received from Europe which indicated that the trade agreement was about to be signed," the CBS release reads. "He added that this might have the effect of nullifying the sense of unity which Great Britain and France and Russia had been showing in the past."

"Warner has been Washington correspondent for CBS since early this year, coming to Columbia after many years in charge of the Washington bureau of the New York 'Herald Tribune.' His weekly series originates in WJSV, Washington."

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WING, DAYTON, JOINS NBC

Station WING, Dayton, Ohio, will join the National Broadcasting Company on September 10, 1939, as a supplementary outlet, bringing the total number of NBC affiliates on that date to 172, according to an announcement by the company.

WING, owned and operated by WSMK, Inc., operates on the 1380 Kc. channel nighttime power of 250 watts. Network rate for WING is \$140 per evening hour.

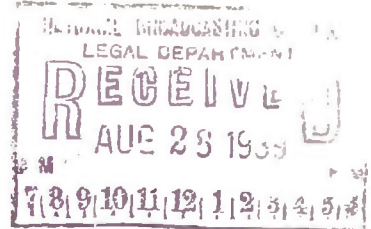
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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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WHEELER TO AGAIN RUN FOR SENATE

While not making it clear whether he had his eye on either the White House or the Vice-Presidential chair Senator Burton K. Wheeler of Montana in Los Angeles this week in dodging these embarrassing questions tipped his hand to the extent of acknowledging that he proposed to run again for the Senate. This is of interest to the radio industry because Senator Wheeler, whose term expires in 1941, as Chairman of the Senate Interstate Commerce Committee is the No. 1 Radio Man at the Capitol. Not only does this committee pass on all radio legislation but it acts upon the confirmation of every member of the Federal Communications Committee.

One of the leaders in the Supreme Court Fight Senator Wheeler, a Progressive Democrat, clashed with President Roosevelt but later, things were patched up to the extent that he might run with Roosevelt on the Vice-Presidential ticket as he did with the late Senator Bob LaFollette, of Wisconsin, who sought the Progressive Presidential election back in 1924. Senator Wheeler, on the other hand, has repeatedly been mentioned as a Presidential candidate for 1940. Having been the tail of one national ticket he is considered by many to be strong enough to head the ticket this time.

Wheeler, who is now 57 years old, has been in the Senate ever since 1923. During the past session Senator Wheeler was the sponsor of the so-called McNinch bill the object of which was to "purge" the present 7-man Communications Commission, whose members had been fighting among themselves, to a 3-man and more easily controlled body. Cries of "dictatorship" were raised and Senator Wheeler, apparently never enthusiastic over it, quietly shelved the legislation. He is believed likely not to revive it next year on his own initiative .

Mr. Wheeler said in Los Angeles that while he opposed a third term for President Roosevelt, he felt that much of the legislation adopted in the past seven years, such as the WPA, PWA and aid to farmers, should be retained lest a "radical party arise in 1944."

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McCOSKER WROTE CHAPLIN'S FIRST RADIO SKIT

Apropos Charles Chaplin, one of the most famous stars of the silent film, blossoming forth in his next picture with a speaking part it is now revealed that the author of the radio skit in which "Charley" Chaplin first appeared was none other than Alfred J. McCosker, now head of Station WOR in New York and President of the Mutual Broadcasting System.

"I wrote the act," Mr. McCosker said when asked about it by a person who was delving into happenings in the early days of broadcasting. "It consisted of a series of introductory subjects such as Charlie Chaplin saying, 'I will now play a violin' -- 'I will now play a cornet' -- 'I will now play a bass drum' -- saxophone -- banjo -- piano, etc., and concluded his whimsical performance by simulating great enthusiasm in saying, 'by golly, I think I will play them all together.'

"At the time the act made radio history and Chaplin's appearance before the mike continued to be catalogued as a scoop because he did not again go on the air for a period of five years. I believe his second appearance was in connection with the Dodge Bros. program which used 'All America' as a studio; the idea being to pick up celebrities at various points throughout the country.

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RMA NEW YORK OCTOBER MEET

Meetings of the Radio Manufacturers Association Board of Directors and probably of the receiving set, tube, and other divisions now are being planned during the first or second week of October in New York City. Because of summer vacations and other engagements, the RMA Directors' and other Association meetings, tentatively scheduled in mid-September, have been deferred until early October.

The trade practice rules for the radio industry, promulgated by the Federal Trade Commission last month, have developed widespread interest in radio and also other industries, some of which also have merchandising codes under the Commission's trade practice procedure, it was said.

Radio trade press comment on the industry's rules generally has been favorable. Thus far there has been little reaction indicated from manufacturers who are apparently awaiting the New York fall meeting of the RMA to consider the new merchandising practices laid down by the Commission as governing law. Sentiment of manufacturers apparently is slow in crystalizing, in view of the legal problems and opinions required. Trade Commission officials report considerable interest of radio dealers in the new rules. A number of companies have sent copies of the rules to their distributors.

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HOUSING CENSUS TO INCLUDE RADIO

New government statistics on radio ownership probably will be secured, through cooperation of the Census and the Radio Manufacturers Association, National Broadcasters Association and other industry organizations, although the decennial and general population census of 1940 will be limited. The RMA has been advised that radio ownership data may be secured under a new national census of housing, authorized by the last Congress with an appropriation of \$8,000,000.

The Federal Housing Census will include "utilities and equipment" and will be a national, not a sampling census, with full coverage of the items included. Arrangements are being made by RMA and NAB to secure as complete radio ownership statistics as possible in the new census.

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GIGLI GETS LAUGH ON MET AUDITIONS

An amusing trick Beniamino Gigli, famous Italian opera singer, is said to have played on the Metropolitan Opera Company last winter is revealed by Variety.

Just prior to his first Ford broadcast the tenor disguised himself and entered the Metropolitan Auditions of the Air as a contestant. He sang before a committee composed of an NBC representative, Pelletier's secretary and John Erskine. The singer was informed that his voice needed more polishing and that he was not ready for the Metropolitan.

The aria Gigli chose for his audition was the 'Dai campi, dai prati', from 'Menstofele', the role in which he made his debut in the Metropolitan in 1921.

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HATHERLY BEACH IS NEW WORLD-WIDE SITE

The World-Wide Broadcasting Corporation has applied for a construction permit for its short-wave station from Boston to a new site known as Hatherly Beach, near the town of Scituate, Mass. The call letters of the World-Wide short-wave station have been changed from WIXAL to WSLR.

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SEES GOVERNMENT REMOLDED BY RADIO

The art of government is being remolded by the powerful tool put into its hand by radio broadcasting, Dr. J. H. Dellinger of the National Bureau of Standards declared in a noteworthy address at the Benjamin Franklin Institute in Philadelphia. The potential control of human relations through entirely new possibilities of mass psychology, he declared, pointing to the relation of this to amplifier and the loudspeaker.

"Radio is a young science", Dr. Dellinger said, in addressing his Philadelphia audience. "It got its start in life by borrowing heavily from its friends both the small change of instruments and techniques and the large bank credits of basic principles and new discoveries. Has it discharged its early debt, and does it pay its current bills for services rendered today by its fellow sciences?"

"Like man, no science liveth unto itself alone. Radio science makes constant use of the techniques and principles of other sciences. To illustrate: the understanding and development of antennas depend on knowledge of physical optics and the theory of wave radiation. The evolution of the electron tube employs the sciences of electrostatics and electrodynamics. Radio devices in general depend on the principles of alternating currents. Insight into radio wave propagation comes through study of electrons, photo-ionization, and the composition of matter as it exists in the high atmosphere.

"But the borrowings of radio are far outweighed by the returns it is able to make not only to the sciences, but to the arts and many other branches of human activity. Everyone knows how radio contributes a useful tool or technique to many of the useful arts and some of the fine arts."

Dr. Dellinger said the elimination of the problems of auditorium acoustics is remaking the arts of oratory and singing. To the finest of the arts, music, new vistas are opening through new types of musical instruments and extensions of ranges and controls, all provided by radio techniques.

"Time measurement has been made so precise by radio devices as to reveal an effect of the motion of the moon on the rate of accurate pendulum clocks and even to discover variations in the rate of rotation of the earth on its axis. The art of the physician is notably advanced by radio-frequency devices which permit treatment in the very interior of the tissues of the human body. Television has become a reality through the development of photoelectric and cathode-ray tubes," the speaker continued.

"A single radio device, the electron tube, has grown so great that politicians squabble over it. In recent patent litigation, the Attorney General of the United States said this "is the key device which is essential to the operation of modern telephone and telegraph wire networks; to radio transmission and reception; to sound motion pictures, to the transmission and reception of images by television or wire photography; to public address systems;

CAPITAL STATION SUED FOR \$150,000 LIBEL

Natie Brown, pugilist, went to law to establish once for all that Tony Galento really did knock him out when they fought in Detroit last February 3. Natie asked the court to make the American Broadcasting Co., of Washington, D. C. and Tony Wakeman, WOL sports commentator, pay him \$150,000 for telling the radio audience that he took a "dive."

Natie's complaint for slander began with a modest account of his career in the ring, pointing out that in his 233 bouts he has been stretched on the canvas only five times. One of these unhappy occasions was in the fourth round of his bout with Galento.

Natie charged that Wakeman took advantage of this incident to injure him in his "good name, fame, credit and professional business" by saying such things as "any person who would take a dive for a bum like Tony Galento should go and drown himself in the middle of the ocean." Also, Natie complained, Wakeman accused him of taking the dive "for a valuable consideration."

The sport commentator did not stop with that, said Natie, but filled the air with "many other false and malicious statements" about the Galento fight. Natie figured that the damage to his good name, fame, etc., entitled him to a judgment for \$75,000 and that he ought to have \$75,000 more in the way of punitive damages.

The radio station's point of view was expressed in a final letter from its attorney, H. Russell Bishop. He said, in substance, that he couldn't see where anything Wakeman had said had done Natie any harm and the radio company was not going to pay any damages.

Wakeman said that he had not uttered the statements attributed to him by Brown's suit, and that his editorializing on the Brown-Galento fight had consisted of quoting from Detroit newspapers. He added that his script had been "carefully checked" by WOL officials "in accordance with restrictions put down by the Federal Communications Commission."

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MYSTERIOUS RADIO HAND GETS 240 DAYS

Accused of owning the hand which reached from a Washington, D. C. radio store window to accept profits from sales of \$1,000 worth of stolen radios, Ivory M. Jones, colored, 20, was sentenced to 240 days in jail on 12 petit larceny charges.

A 16-year-old boy, who testified in Police Court he had never seen Jones, admitted selling "quite a few" radios which he found in the trash behind George's Radio Co., in northeast Washington, and turning over part of each sale to "a dark-skinned hand

STATION WCAI CHANGED AGAIN; IT'S WCAB NOW

The call letters of Columbia's short-wave station WCAI (formerly W3XAU) have again been changed. This time to WCAB.

The reason for the change is that the sound of "WCAI" when pronounced in certain foreign languages is too close to that of "WCAE," letters already assigned to a station in a regular broadcast band.

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NBC THANKS PRESS FOR EUROPEAN COOPERATION

The National Broadcasting Company took a full-page advertisement in the August 26 issue of Editor and Publisher, thanking press associations and newspapers for their cooperation in covering the European crisis. The text of the advertisement, signed by Lenox Lohr, President of the NBC follows:

"To The Fourth Estate! The National Broadcasting Company takes this opportunity, publicly, to express sincere thanks to The Associated Press, International News Service and the United Press. . . to the American Press generally . . . and particularly to those foreign correspondents whose brilliant eye-witness descriptions and on-the-spot summaries, broadcast over NBC's coast-to-coast Networks have kept their fellow country-men accurately informed about the rapidly shifting crisis overseas.

"With each succeeding day, the press of America has added fresh laurels to the already high standards of journalism in the United States through its impartial, accurate and swift coverage of events abroad. By broadcasting news bulletins, interviews with key statesmen, speeches of government leaders, and interpretive comments by newspaper correspondents, both from at home and abroad, NBC has sought to maintain the highest tradition of the American System of Broadcasting."

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CLAIMS DAMAGES FOR IDEA

Application will be made in the N.Y. Supreme Court Monday (28) by Leo Linder for permission to examine Phillips Carlin, Director of sustaining programs of the National Broadcasting Co., before trial, in connection with a breach of contract suit by Linder against NBC.

Linder seeks \$25,000, claiming breach of an agreement whereby NBC agreed to pay him for an idea submitted in January, 1938, and later used, according to the complaint, in the 'Hall of Fame Presentations' or 'American Portraits'.

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NBC SCORES ANOTHER BEAT ON RUSSIAN PACT

The National Broadcasting Company, which last year claimed to have relayed the text of the Munich pact to America 46 minutes ahead of all radio opposition, scored another 40-minute beat Monday night when it presented the first trans-Atlantic discussion of the reported Russo-German non-aggression treaty, an NBC press release states, and continues:

"At 8:20 p.m., EDST, only an hour and a half after rumors about the new pact began trickling over the cables, William Hillman, International News Service Correspondent in London, and Mr. Baukhage, NBC's Washington Commentator, were on the air in a two-way discussion of the treaty.

"Europeans who tuned in on NBC's short wave programs Monday night heard details of the proposed Russo-German non-aggression pact negotiations about five hours before their own stations carried the news, as far as officials in the National Broadcasting Company's International Division could learn.

"Although NBC carried a trans-Atlantic discussion on the treaty at 8:20 p.m., EDST, London stations monitored at midnight made no mention of it while Berlin's commentators were still talking about the Russo-German trade pact and nothing more at 2:30 a.m. today. The only change in the regular routine of short wave broadcasts occurred at Moscow where a four-hour anti-Nazi program was replaced by musical selections."

Mr. Baukhage flew last Thursday on the Dixie Clipper to join the National Broadcasting Company's foreign correspondents Corps covering the great European crisis. These included Fred Bate in London; Max Jordan, central continental representative; Paul Archinard in Paris, and John Gunther who is at present covering the small Baltic nations.

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CROSLY BUYS ANOTHER BASEBALL TEAM

Passing out of the hands of one radio station owner into the hands of another, the Birmingham, Alabama Barons, baseball team in the Southern League, was sold the past week by Ed Norton, President of Station WAPI, Birmingham, to the Cincinnati Reds, of which Powel Crosley, Jr., is chief owner. The close alliance between radio and baseball is thus maintained.

Crosley made a visit to Birmingham several weeks ago, at which time he became interested in the Birmingham ball club.

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ORGANIZATION OF MANUFACTURERS PARTS GROUPS

Eight and possibly ten groups of RMA parts manufacturers are being organized by Chairman H. E. Osmun of the Association's Parts and Accessory Division for consideration of the special problems of the different groups. Early meetings of all of the groups are planned to map out studies and action in connection with the interests of each group.

The group organization is designed to fill a gap which has existed, in the opinion of many members, for several years, and to bring executives and also other personnel of each group into closer contact for constructive action on matters of special concern to each group.

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CANADIAN THREATENED WITH LIBEL

Threat of libel action by the Shell Oil Co. against station CKAC, Montreal on account of an attack specifically naming the company in a talk sponsored by the Retail Merchants Assn., has again brought question of liability of broadcasters into the open.

Shell Oil last week agreed to withdraw charges against station CKAC after being given free time in which to correct the impression given by the Retail Merchants, who periodically attack various large corporation policies as inimical to the interests of French-Canadians.

Premier Duplessis, who is also Attorney General for the Province of Quebec, has ruled that radio stations are not responsible for opinions expressed by time-buyers and has stated that sponsors only are liable in any damage action arising from a broadcast.

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N. Y. STORE USES TELEVISION

Television as a means of merchandising was demonstrated last week at Bloomingdale Brothers, Inc., in N. Y., in a preview of a fashion and household appliance show, which will be open to the public on a regular schedule every day.

Motion picture films prepared by Caravel Studios were used in part of the demonstration. They showed manikins wearing the latest styles in dressed and costume jewelry. It was pointed out that a continuous performance was possible through the use of film. The household appliances were seen operated by members of the sales staff. The installation was made by the American Television Co.

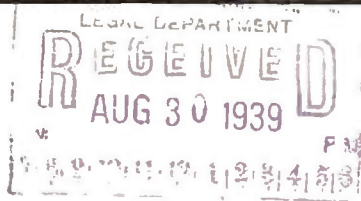
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2400 CALIFORNIA STREET

WASHINGTON, D. C.



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McNINCH MAY GIVE SECRET REPORT TO F. D. R.

Frank R. McNinch, whose resignation as Chairman of the Federal Communications Commission becomes effective this week, is understood to be drafting a report on the FCC for the private information of President Roosevelt and probably his successor, James E. Fly.

Fly will take his oath of office on Friday but probably will not actually begin work at the FCC until after Labor Day. While his designation as Chairman of the FCC has not yet been made by the President, it is expected to be announced at the White House before Fly assumes the helm of the Commission!

Reports were current in the Capital until this week that McNinch might issue a blast at his dissenting colleagues upon formally quitting the Commission! He was due to make his final call to bid his former aides goodbye early this week!

Apparently, however, the retiring chairman has been advised or ordered to withhold his speech, publicly at least, and to pour it out instead in a not-to-be-made-public report to the President!

The report, it is expected, will contain a detailed alibi as to why the "purge" failed to accomplish the heralded "house cleaning" of the FCC last fall! No doubt it will lay much of the blame on Commissioners T.A.M. Craven and George Henry Payne for their refusal to go along with the chairman!

Meanwhile, the radio industry is looking hopefully to the new chairman for assurances that the Commission will settle down to a stable administration of the Communications Act, with more attention being given to the industry's problems than to publicity fanfare for individual commissioners!

While supported by Thomas G. Corcoran and the ardent New Dealers and although unfamiliar with the more intricate questions of radio administration, Fly is admittedly young and brilliant enough to make an able chairman, observers agree, if he puts his nose down to the grindstone rather than up scenting for publicity.

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"MILLION DOLLAR MARKET" SERIES STARTED BY U.S.

A new series of monographs entitled "Million Dollar Electrical Export Markets" commences with the Aug. 15 issue of "Electrical and Radio World Trade News," published by the electrical Commission of the U.S. Bureau of Foreign and Domestic Commerce. More than a score of countries, to which the United States has sold in excess of \$1,000,000 worth of electrical equipment during one of the years 1936, 1937, and 1938, will be reviewed.

The purpose of these studies is to outline the statistical and economic factors effecting the American Electrical trade in our most important foreign markets. An account is given of the electrical products, the export value of which has topped the \$100,000 mark in any one of the three years. This will indicate to the American exporter which classes of merchandise enjoy the best sales, and, further, the trend of sales potentialities of individual items in the various foreign fields.

The United Kingdom is the subject of the initial monograph. A different million-dollar market will be reviewed in each subsequent issue of this publication.

"The United Kingdom has erected no trade barriers to hinder the American exporter," the first article states. "On the contrary, through the medium of the present Anglo-American Trade agreement, more favorable trade relations have been made possible."

The following table shows the relative values of the most important classes of radio exports (limited to those which have attained a value of \$100,000 or more during any of the three years shown):

	(Value in Thousands of Dollars)		
	1936	1937	1938
Radio Receiving Sets	1,474	1,159	738
Radio Receiving Tubes	355	206	140
Receiving Set Components	983	1,158	857
Transmitters, Speakers and	89		
Other Rec. Set Accessories	89	123	116

"The major decline has occurred in radio sets and parts, the largest class of our electrical export trade," the article continues. "The year 1936 was a turning-point in the British market. Following the all-time record volume of U.S. radio export sales to the United Kingdom during that year, they took a decidedly downward course. Several factors still in operation brought about this change. The most important single deterrent has been the action of the British radio manufacturers, who have adopted a policy which places the imported product at a decided disadvantage. Then too, the type of radio (predominantly midget sizes) which may be sold by American manufacturers now appeals less to the British public than it formerly did. There is now a growing tendency to demand a more effective product that will offer much more extensive and better

broadcast reception than can be obtained with the type of sets which can be currently imported under existing restrictions. The above should not be construed as an indication of increased demand for radios in the United Kingdom. It merely means that those who are in the market for sets are turning from comparatively cheap midget sets to the more expensive and more efficient quality products.

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LABOR BOARD ORDERS ELECTION IN PILOT PLANT

The Labor Relations Board ruled last week that the Pilot Radio Corporation of New York City, had violated the Wagner Act by "interfering" with the self-organization of its employes.

The board said that the corporation imposed "discriminatory conditions of employment" to encourage membership in the A.F. of L. Electrical Workers Union and discouraged membership in C.I.O.'s rival electrical workers union.

At the same time the board directed an election, on a date to be set in the future, to give the corporation's workers an opportunity to determine whether they want to be represented by the United Electrical, Radio and Machine Workers of America (C.I.O.) or the Radio Division of the International Brotherhood of Electrical Workers (A.F. of L.), or by neither.

The board said that the corporation recognized the A. F. of L. union as exclusive representative of the employes "completely ignoring" claims of the C. I. O. union.

The board also said that the corporation offered its employes a wage increase and other benefits "on condition that they would agree to join the brotherhood."

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G. E. GIVEN LARGEST PEACE-TIME RADIO ORDER

The largest order for radio equipment in peace-time history was placed by the War Department with the General Electric Company last week. The amount was \$2,678,852, all for transmitting equipment and accessories for the Army Air Corps.

The award was in two contracts, the first being for equipment for new heavy and light bombardment airplanes and the second for equipment for observation and short range liason airplanes.

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COMMUNICATIONS BUSINESS PROFITS FROM CRISIS

As a result of the European crisis, all types of quick communication with European nations, the trans-Atlantic telephone, radio and cables, have carried substantially increased loads, the communications companies reported this week, according to the N. Y. Times.

The American Telephone and Telegraph Company reported that its five transatlantic telephone circuits were handling far more than normal volume of traffic. On Friday, it was said, 312 calls were handled, an all-time record for a business day.

American Government calls have priority over all other transatlantic telephone messages, it was explained. However, the company said, its facilities were more than equal to meeting the present demand.

Until yesterday there was no interruption in trans-Atlantic telephone service. The censorship imposed by the French Government, however, broke this record. Only diplomatic calls are being accepted by France. So far no other nation has followed the French lead.

The only other interruption in service has resulted from the refusal of some large transatlantic liners owned by the powers involved in the crisis to accept radio telephone calls from American shore stations. All shore-to-ship calls are being accepted subject to delay.

French censorship is having an effect on all forms of communication to that nation. Cable and radio companies explained that as a result, messages to and from France were being delayed. Elsewhere in Europe the ways of communication were open.

The Western Union Company which owns and operates ten cables between the United States and Europe, reported a "very large" increase in the volume of press messages and a "substantial" increase in other types of messages. This company, as well as the telephone company, reported the volume of business higher than at the time of the Munich crisis a year ago.

Of the ten Western Union cables eight go via Ireland to England and thence to the Continent. The other two go to the Azores. From there one runs under the North Sea to Germany and the other to Spain and onto Italy.

The Commercial Cable Company, operators of six transatlantic cables, reported a "quite substantial" increase in business. Its cables run to England via Ireland and to the Continent via the Azores.

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Radio Communications reported a 40 per cent increase in business in the last two weeks. The increase, it was said, was larger in messages from Europe than in messages from the United States. Mackay Radio reported a volume increase since the crisis of about 5 per cent.

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ITALY'S RADIO UNIVERSITY HOLDS EXAMS

The Italian Radio University, which was instituted last November with the object of "spreading the Italian language and culture throughout the countries of the world by means of broadcasting" held its final examinations recently. The paper was dictated before the microphone, and the candidates' answers had to be sent by post to the University Director. Candidates taking part in the course who entered for the examination numbered 28,650 and were divided into fourteen groups, corresponding to the principal languages spoken.

The first in each group is to receive a fortnight's free travel in Italy, and the next six are to receive awards of valuable works on art by well-known writers. Those who achieve a satisfactory standard of work will be given a certificate, and if they should desire to visit Italy, will receive, in addition, a card entitling them to admission to all Italy's art institutions at half-price.

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RADIO EXPORTS RISE AND FALL DURING JULY

Exports of electrical equipment from the United States during July of this year were valued at \$9,511,961, an increase of \$209,456, or 2.3 percent, compared with the June valuation of \$9,302,505, according to the Electrical Division, Bureau of Foreign and Domestic Commerce, Department of Commerce.

Although exports of transmitting sets, tubes and parts showed a relatively large increase from \$170,562 in June to \$280,847 in July, all other classes of radio apparatus fell to lower levels during the month under review. By far the lowest monthly volume of radio receiving sets was sold, the total amounting to \$618,890 as against the preceding month's figure of \$792,729.

Shipments of radio receiving tubes declined from \$277,170 to \$245,065; of receiving set components from \$466,591 to \$430,598; of loud speakers from \$73,170 to \$69,587; and of other receiving set accessories from \$52,637 down to \$41,727.

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: : : TRADE NOTES : : :
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The name of Hammerstein, one of the most illustrious of the American theater, was linked with television with the announcement Friday that Reginald Hammerstein had joined the ranks of NBC television producers at Radio City. A member of the third generation of the famous Broadway dynasty founded by Oscar Hammerstein, the new NBC television producer soon will be assigned to give the legendary Hammerstein style to some musical pieces to be telecast this fall over station W2XBS. His theatrical career began officially, he says, when he became a sort of "third assistant stage manager" at Arthur Hammerstein's Victoria Theater, in Times Square.

The following CBS sponsors have either returned their shows to the air after the summer hiatus or are presenting new programs: Chrysler, Ford, Colgate-Palmolive-Peet, Proctor & Gamble, Chesebrough Manufacturing Co., General Foods, and California Fruit Growers Exchange.

Jay Hormel, President of George A. Hormel & Company, will take the entire cast of his Columbia network program to Austin, Minn. in September for a special broadcast from the Hormel factory. He has hired a private car, leaving Hollywood September 1, carrying with it the stars of his "It Happened in Hollywood" programs.

James H. Hunter has been appointed Vice-President in Charge of Production of the Columbia Recording Corporation, at Bridgeport, Connecticut, it has been announced by Edward Wallerstein, President. Mr. Hunter's new duties will comprise the supervision of all manufacturing operations entering into the production of Columbia, Brunswick, and Vocalion records. During the past fourteen years, Mr. Hunter has achieved international repute in the field of plastics and electro-chemistry. He has been widely known not only as consulting engineer in this subject, but also for his significant contributions in the field of record research and production during his previous affiliation with the RCA Manufacturing Corporation, formerly the Victor Talking Machine Company.

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12,600,000 RADIO LISTENERS IN GERMANY

The total number of radio listeners in Germany has increased to 12,591,706 during the first six months of 1938, according to the German Broadcasting Company.

In June 10,730 listeners were added. In the total number. 827,060 people of needy means are given service free of charge, the report stated.

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N. Y. -- CUBA EXCHANGE PLANNED

A license is understood to have been granted, although the appropriate decree has not yet appeared in the Official Gazette, for the establishment of the Cuba Transatlantic Radio Corporation of a re-broadcasting service for the transmittal of programs from Santiago de Cuba to New York and vice versa, according to the American Commercial Attache, Havana.

It is understood that equipment is being set up for the two-way transmission of program material and that there is a possibility that similar stations will be established in other interior points of the Island.

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TRADE NOTE

The coverage of Station WSLR, Boston short-wave outlet, is being enlarged through the establishment of one broadcasting antennae at an improved location, just a few hundred yards from the shores of the Atlantic Ocean, according to Walter S. Lemmon, President of the World-Wide Broadcasting Foundation.

This "all water" path for the radio waves for maximum efficiency should give considerably improved reception in all parts of Europe and Latin America, Lemmon said. Diamond antennas of the latest type are being installed to direct the energy of WSLR and its associates transmitter to various areas around the globe, like giant searchlight beams. During the present month WSLR studios at the University Club are also being enlarged.

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PROGRAM SERVICE BLAMED FOR SLOW TELEVISION SALES

According to the New York Times at the end of four months of regular telecasting in New York it is estimated that there are about 500 receiving sets "on the air." Failure of the tele-radios to move in quantities is attributed by Radio Retailing to inadequate program service.

Programs too are the life-blood of radio set sales, and the radio industry is warned that program consciousness often will lead the public to buy radios when even gadgets, price and other features fail as stimulants to sales.

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NBC STARTS ARTIST MANAGERS SCHOOL

A comprehensive plan for filling in the rapidly-depleting ranks in the artist-management field was announced last week by George Engles, Vice-President of NBC, Managing Director of NBC's Artists Service and President of Civic Concerts Service.

According to the plan, NBC will set up an intensive training course for promising young men now employed by the Company in various capacities. Ten candidates will be selected from recommendations by department heads and from written questionnaires submitted by those seeking appointments. All this is in line with NBC's established policy of providing company personnel with opportunity for advancement, Mr. Engles pointed out.

He stated that the reason behind the creation of what amounts to the first school for artist managers and showmen is the steady depletion in the artist-management ranks. There have been surprisingly few increases or replacements in the field for more than ten years, and if this condition persists, Mr. Engles fears that a serious shortage of artist-managers will develop.

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1,000 JOB ORDERS TRACED TO RADIO PROGRAM

The National Broadcasting Company, through a special radio series, has been able to bring unemployed and jobs together in many cities, according to an NBC report. Station WRC, Washington, has been unusually successful in this respect.

During April, 1938, Gordon Hittenmark, of the NBC Staff in Washington, D. C., started a morning program planned to assist unemployed men and women find suitable jobs. The program, broadcast locally by Station WRC in cooperation with the District of Columbia Employment Center, consists of interviews with applicants for employment who explain their training, experience and

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qualifications for a particular type of work. Each person interviewed is selected from the files of the Employment Center.

By the end of June, 304 men and women had been interviewed over Station WRC. During the same period the Employment Center received more than 1,000 orders which could be traced directly to this radio program. During the month of June the Employment Center placed 3,915 unemployed, an increase of 67.5 per cent over June, 1938.

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NAB CONFERS WITH PHONOGRAPH COMPANIES

After an all-day conference about licenses last week with representatives of three leading phonograph record companies, a special National Association of Broadcasters committee issued the following statement:

"A committee of the industry met with representatives of the Columbia Recording Corporation, Decca Records and the RCA Manufacturing Company, and discussed at length all phases of the question. The RCA Manufacturing Company is the only company which as yet has formulated its policy and has sent out a proposed agreement. The committee requested that the arguments advanced by the committee be given thoughtful consideration and that the effective date for the contract be postponed. The RCA Manufacturing Company agreed to give consideration to this request and to advise NAB Headquarters of its decision at an early date. The Columbia Recording Corporation and Decca Records have not as yet formulated any policy and agreed to notify the NAB as soon as any policy is formulated. A full report will be made to the Directors and members at the convention in Chicago."

Broadcasters present were John Elmer, WCBM, Baltimore; John Shepard, 3rd, The Yankee Network; Alexander Dannenbaum, Jr., WDAS, Philadelphia; Walter Damm, WTMJ, Milwaukee; Clair McCollough, WGAL, Lancaster; William S. Pote, WMEX, Boston; Roger W. Clipp, WFIL, Philadelphia. The NAB was represented by Neville Miller and Edwin M. Spense.

The executive committee met all day Tuesday in New York, discussing code, copyright and other problems, in preparing a report for the Board of Directors which is to meet September 13 in the Palmer House, Chicago. The special copyright convention will be held in the same hotel September 15.

The executive Committee met with the copyright negotiating committee Wednesday, and after going over all phases of the problem as it now stands, directed Sydney Kaye, special counsel, to present to the Board on September 13 a plan for creation of a supply of music other than ASCAP numbers.

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